REVISED DEVELOPMENT PHASE APPLICATION

Phase 1

Parkmerced
3711 Nineteenth Avenue
San Francisco, CA 94132

Submitted: January 23, 2015
TABLE OF CONTENTS

OWNER/APPLICANT INFORMATION ........................................................................................................... 4
LOCATION AND CLASSIFICATION ............................................................................................................. 5
PROJECT DESCRIPTION .......................................................................................................................... 6

FIGURES
PARKMERCED PHASE APPLICATION TABLE ..................................................................................... FIG. 1
SITE PLAN - PHASE 1 EXISTING ............................................................................................................. FIG. 2
TABLE - PHASE 1 TO-BE-REPLACED UNITS ..................................................................................... FIG. 3
SITE PLAN - PHASE 1 NON-RESIDENTIAL DEMOLITION ...................................................................... FIG. 4
PARCEL AREAS - PHASE 1 EXISTING ..................................................................................................... FIG. 5
PARCEL AREAS - PHASE 1 PROPOSED .................................................................................................... FIG. 6
PROPOSED PLAN - PHASE 1 COMMUNITY IMPROVEMENTS DIAGRAM ........................................... FIG. 7
PROPOSED PLAN - PHASE 1 PROPOSED GARAGE LOCATIONS ......................................................... FIG. 8
PHASE 1 RIGHT-OF-WAY DEDICATION AND VACATION .................................................................. FIG. 9
WATER SYSTEM - PHASE I EXISTING .................................................................................................... FIG. 10
WATER SYSTEM - PHASE I PROPOSED .................................................................................................. FIG. 11
RECYCLED WATER SYSTEM - PHASE I PROPOSED ........................................................................ FIG. 12
SEWER SYSTEM - PHASE I EXISTING .................................................................................................... FIG. 13
SEWER SYSTEM - PHASE I PROPOSED .................................................................................................. FIG. 14
BELOW GRADE STORMWATER CONVEYANCE SYSTEM - PHASE I PROPOSED ......................... FIG. 15
ABOVE GRADE STORMWATER CONVEYANCE SYSTEM - PHASE I PROPOSED ............................... FIG. 16
DRY UTILITY SYSTEM - PHASE I EXISTING ......................................................................................... FIG. 17
DRY UTILITY SYSTEM - PHASE I PROPOSED ....................................................................................... FIG. 18
AUXILIARY WATER SUPPLY SYSTEM - PHASE I PROPOSED ............................................................ FIG. 19
AUTOMATED WASTE MANAGEMENT SYSTEM - PHASE I PROPOSED ........................................ N/A

CO-GENERATION SITE PIPING - PHASE I PROPOSED .................................................................. N/A

APPENDIX

PHASE 1 HYDROLOGY AND HYDRAULICS PLAN ........................................................................... A

FIRST SOURCE HIRING AGREEMENT .......................................................................................... B

SFFD DESIGN STANDARDS AND GUIDELINES ACKNOWLEDGEMENT ............................. C

MASTER TENTATIVE SCHEDULE ............................................................................................... D
OWNER/APPLICANT INFORMATION

Project Sponsor: Parkmerced Owner LLC
3711 Nineteenth Avenue
San Francisco, California 94132
Phone: (415) 584-4561
FAX: (415) 584-8096
Attn: Seth Mallen

Applicant/Project Contact: J. Abrams Law, P.C.
345 Vidal Drive
San Francisco, CA 94132
Phone: (415) 999-4402
Attn: Jim M. Abrams, esq.
**LOCATION AND CLASSIFICATION**

Street Address: 3711 Nineteenth Avenue  
San Francisco, CA 94132

<table>
<thead>
<tr>
<th>Phase 1: Sub-Phase</th>
<th>Assessor’s Block Number(^1)</th>
<th>Existing Block Number(^2)</th>
<th>Proposed Block Number(^3)</th>
<th>Zoning District</th>
<th>Height/Bulk District</th>
<th>Block Size (approx. sq. ft.) Before Phase I</th>
<th>Block Size (approx. sq. ft.) After Phase I</th>
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<tbody>
<tr>
<td>A</td>
<td>7335</td>
<td>Pure Soft Sites adjacent to Blocks 39, 40</td>
<td>01</td>
<td>PM-R</td>
<td>45-PM 85-PM 130-PM</td>
<td>197,597 sq. ft.</td>
<td>203,888 sq. ft.</td>
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<td>A</td>
<td>7308</td>
<td>Pure Soft Sites adjacent to Blocks 27, 47</td>
<td>06</td>
<td>PM-R PM-OS</td>
<td>45-PM 115-PM</td>
<td>201,586 sq. ft.</td>
<td>200,099 sq. ft.</td>
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<tr>
<td>B</td>
<td>7326</td>
<td>Felix Garage</td>
<td>20</td>
<td>PM-R</td>
<td>65-PM 145-PM</td>
<td>289,203 sq. ft.</td>
<td>283,653 sq. ft.</td>
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<tr>
<td>B</td>
<td>7330</td>
<td>Galindo Garage</td>
<td>22</td>
<td>PM-R</td>
<td>65-PM 145-PM</td>
<td>176,742 sq. ft.</td>
<td>198,118 sq. ft.</td>
</tr>
<tr>
<td>C</td>
<td>7334</td>
<td>37W</td>
<td>03W</td>
<td>PM-R</td>
<td>45-PM</td>
<td>133,854 sq. ft.</td>
<td>142,109 sq. ft.</td>
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<tr>
<td>C</td>
<td>7337</td>
<td>34</td>
<td>04</td>
<td>PM-R</td>
<td>45-PM 85-PM</td>
<td>42,138 sq. ft.</td>
<td>34,082 sq. ft.</td>
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<tr>
<td>D</td>
<td>7331</td>
<td>19</td>
<td>21S</td>
<td>PM-R PM-OS</td>
<td>65-PM 145-PM</td>
<td>204,714 sq. ft.</td>
<td>216,301 sq. ft.</td>
</tr>
</tbody>
</table>

\(^1\) Assessor’s Block Numbers are shown on the attached Existing Parcel Areas diagram.  
\(^2\) Existing Parkmerced Block Numbers are shown on the attached Existing Phase 1 Site Plan diagram.  
\(^3\) Proposed Parkmerced Block Numbers are shown on the attached Proposed Parcel Areas diagram.
PROJECT DESCRIPTION

Project Type: New Construction; Demolition
Present or Previous Use: Residential
Proposed Use: Residential, Open Space, Retail

Narrative:

This application pertains to Phase 1 of the Parkmerced Project (the “Project”). This application is submitted in accordance with the Project’s Development Agreement, which requires the project sponsor to submit a Phase Application for approval by the Planning Director prior to the submittal of building permits for such phase of the Project. Initially capitalized terms used herein and not otherwise defined shall have the meaning ascribed to such terms in the Development Agreement.

Phase 1 is comprised of four development subphases: Subphase A through Subphase D. The parcels subject to Phase 1 are shown by subphase on the attached Existing Phase 1 Site Plan diagram and further described by block number and area on page 4 of this application. Phase 1 consists primarily of residential development on the western and southeastern portions of the Project site. In addition, as described in more detail below, Phase 1 will include a number of Community Improvements and CEQA Mitigation Measures, as required by the approved Parkmerced Phasing Plan.

This application does not constitute the commencement of construction of the Project pursuant to the terms of the Project’s Development Agreement, and property owner has no obligation to construct the Project as a result of or in connection with the submission of this application.

The following is a description of the elements of Phase 1. Each is also described in the attached Phasing Application table, which may be consulted for additional detail regarding each element or subphase.

Residential Development. Phase 1 includes construction of approximately 1,668 residential dwelling units distributed among the four subphases as follows:

- Subphase A – Approximately 390 new units with no demolition. Of the 390 new units 56 units will be Replacement Units to replace units demolished in subphase C and D.

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4 Unless otherwise noted, block numbers used herein are the Proposed Parkmerced Block Numbers identified on page 5 of this application.
5 Subphases B, C, and D may begin construction prior to the completion of the preceding Subphases provided the Replacement Units, as required, have been constructed and are occupied by residents of to-be-replaced units in subsequent phases. For example, initiation of construction of Subphases C and D may begin prior to the full completion of Subphases A or B if the needed 56 Replacement Units for Subphases C and D have been constructed and occupied.
• Subphase B - Approximately 567 new units with the demolition of the existing parking garages, Garage No. 2 and Garage No. 1.

• Subphase C - Approximately, 333 new units with the demolition of a maintenance building and 10 units on existing block 37W and 28 units on existing block 34. Of the new 333 new units 66 will be Replacement Units to replace units demolished in Phase 2.

• Subphase D - Approximately, 378 new units with the demolition of 18 existing units on existing block 19. Of the 378 new units, 100 will be Replacement Units to replace units demolished in future Phase 2.

The DA permits the inclusionary housing requirements for the Project to be satisfied by construction on-site, off-site, or payment of an in-lieu fee. Although the DA requires that the project applicant state its intended method of meeting the inclusionary housing requirements for each development phase in the Development Phase Application, in light of the significant obligation to provide rent controlled replacement units for all existing units on the project site, the DA provides greater flexibility to the project sponsor in the timing of this choice as compared to the current San Francisco Planning Code; specifically, the DA permits this decision to be made at the time of the issuance of building permits for each residential building. If the on-site BMR Requirement of fifteen percent (15%) were to be applied to the proposed 1,446 net new units, it would result in a requirement of approximately 220 BMR units. The project sponsor currently anticipates constructing 1/3 of the BMR units on-site and paying in-lieu fees to satisfy the remaining inclusionary housing requirement for net new units in Phase 1.

Non-Residential Summary. Phase 1 includes the following:

• Subphase A – Construction of a two-level, below-grade, approximately 159,680 sf (accommodating approximately 453 parked cars) parking garage on Block 06.

• Subphase B – Demolition of Garage No. 1 and Garage No. 2, which total approximately 222,000 sf (accommodating approximately 740 parked cars) and the construction of two, two-level below grade parking garages on Blocks 22 and 20 of approximately 133,099 sf (accommodating approximately 248 parked cars) and 133,691 sf (accommodating approximately 225 parked cars), respectively.

• Subphase C – Demolition of a 28,343 sf maintenance building and 37 existing parking spaces located on a surface lot. Construction of a two-level below grade parking garage on Block 03W that is approximately 219,512 sf (accommodating approximately 618 parked cars).

• Subphase D – Construction of approximately 3,500 sf ground floor active uses/retail that will be visible from and oriented towards the new neighborhood commons and a one-level below grade parking garage of approximately 23,550 sf (accommodating approximately 66 parked cars) on Block 21S.

Street Realignments. Phase 1 involves the realignment of certain internal streets at the Parkmerced site, most significantly along Higuera Avenue (Subphase B) and Chumasero Drive
The approximate location of such vacations and dedications are shown in detail on the attached Existing and Proposed Street Areas diagram (Figure 6). In total, approximately 91,000 sf of existing street right-of-way area will be vacated and approximately 105,000 sf of existing lot area will be dedicated to the City as public right-of-way. Unless specifically notated as a private, streets can be presumed to be public right-of-way.

In addition, Phase 1 includes the construction of internal streets, alleyways and pedestrian paseos within each block subject to development. Each such improvement will be constructed in conjunction with the construction of the adjacent building. Accordingly, each subphase will include the following improvements:

• **Subphase A** –
  - Reconstruction of a private internal driveway between the existing towers 310 and 350 Arballo Drive. The street will connect Acevedo Avenue to Arballo Drive. Proposed utilities will be constructed within the limits of the internal street. These utilities will remain under private ownership, as the SFPUC has indicated that it cannot accept utilities located on private property.
  - Construction of one private east-west pedestrian paseo on Block 06.
  - Construction of Vidal Drive from the intersection of Lake Merced Boulevard to Acevedo Avenue. Proposed utilities will be constructed within the public right-of-way limits of the street, as outlined.
  - Construction of the new intersection access point at Vidal Drive and Lake Merced Boulevard.
  - Construction of the new intersection access point at Acevedo Drive and Lake Merced Boulevard.
  - Reconstruction of Acevedo Avenue between Vidal Drive and Arballo Drive. Proposed utilities will be constructed within the public right-of-way limits of the street, as outlined.

• **Subphase B** –
  - Construction of a private internal driveway between existing the towers 125 Cambon Drive and 150 Font Boulevard to access new building(s) on Block 20. Final alignment to be determined prior to appropriate approvals. Proposed utilities will be constructed within the limits of the internal street. These utilities will remain under private ownership, as the SFPUC has indicated that it cannot accept utilities located on private property.
  - Construction and realignment of Chumasero Drive between Brotherhood Way and Font Boulevard, including the new intersection at Chumasero Drive and Brotherhood Way. Proposed utilities will be constructed within the public right-of-way limits of the street, as outlined.
• Subphase C –
  o Construction of Higuera Avenue between Lake Merced Boulevard and Arballo Drive, including new intersections at both ends. Proposed utilities will be constructed within the public right-of-way limits of the street, as outlined.
  o Construction of Vidal Drive from Higuera Avenue to Garces Drive. Proposed utilities will be constructed within the public right-of-way limits of the street, as outlined.
  o Reconstruction of existing Vidal Drive (future Gonzalez Drive realignment) between Garces Drive and Arballo Drive. Proposed utilities will be constructed within the public right-of-way limits of the street, as outlined.
  o Construction of private New Street 1, a north-south internal street between Higuera Avenue and Garces Drive. The internal street splits new block 03 in half. Proposed utilities will be constructed within the limits of the internal street. These utilities will remain under private ownership, as the SFPUC has indicated that it cannot accept utilities located on private property.
  o Construction of Garces Drive between existing Vidal Drive (future Gonzalez Drive realignment) and New Street 1 (north-south internal street adjacent to block 03W). Proposed utilities will be constructed within the public right-of-way limits of the street, as outlined.
  o Construction of the new intersection access point at Vidal Drive (future Gonzalez Drive realignment) and Lake Merced Boulevard.
  o Reconstruction of Font Boulevard between Chumasero Drive and Cambon Drive. Proposed utilities will be constructed within the public right-of-way limits of the street, as outlined.

• Subphase D –
  o Extension of Chumasero Drive to Junipero Serra Boulevard and construction of new intersection at Chumasero Drive and Junipero Serra Boulevard. Project sponsor will be coordinating with Caltrans on the proposed improvement. Proposed utilities will be constructed within the public right-of-way limits of the street, as outlined.
  o Complete reconstruction of Font Boulevard between Chumasero Drive and Cambon Drive. Proposed utilities will be constructed within the public right-of-way limits of the street, as outlined.
  o Elimination of Font Boulevard between Chumasero Drive and Junipero Serra Boulevard. This includes the elimination of the existing intersection of Font Boulevard and Junipero Serra Boulevard.

Community Improvements/CEQA Mitigation Measures. In accordance with the Development Agreement Phasing Plan, the following Community Improvements and CEQA Mitigation Measures will be constructed or implemented during Phase 1. Each is described in more detail in the referenced Parkmerced Plan Document. As required by the DA, each Community Improvements must be reviewed and approved pursuant to subsequent Design Review process. As this application relates to the first development phase, no Community Improvements or CEQA Mitigation Measures have been constructed or implemented to date.

**Subphase A:**

• Cultural Resources and Archeological Paleontological Resources
  
  
  

• Transportation
  
  o Initiate BART Shuttle Service – See Parkmerced Transportation Plan section 4.1.1 (pages 36-37).
  
  
  o Parking Management – See Parkmerced Transportation Plan section 4.1.8 (pages 46-48).
  
  o Discounted Transit Passes for new units – See Parkmerced Transportation Plan section 4.1.5 (page 41).
  
  o Pedestrian safety improvements in design of each new or altered street – See Parkmerced Design Standards + Guidelines sections 02.07 through 02.14 (pages 24-43).

• Neighborhood Infrastructure
  
  o Tower Area Open Space adjacent to new and existing towers on proposed Blocks 1 and 6 – See Parkmerced Design Standards + Guidelines section 02.26 (pages 66-67).
o Community Garden Open Space adjacent to new and existing towers on proposed Blocks 1 and 6 – See *Parkmerced Design Standards + Guidelines* section 02.25 (pages 64-65).

o Bicycle Lanes/Paths and improvements adjacent to new buildings – See *Parkmerced Design Standards + Guidelines* sections 02.07 through 02.14 (pages 24-43).

o Public realm improvements, including sidewalks, alley ways, pedestrian paseos and street trees, adjacent to new buildings – See *Parkmerced Design Standards + Guidelines* Chapter 02 (pages 12-77).

o Parking for bicycles and car share vehicles in new parking structure on Block 6 – See *Parkmerced Design Standards + Guidelines* section 04.01 (pages 136-137).

• Sustainability Infrastructure

o Bioswales adjacent to each new building as shown on the attached Proposed Storm Drain System diagram – See *Parkmerced Report* section 6 (pages 15-16).

o Recycled Water Infrastructure to each new building and in the adjacent improved streets, as shown on the attached Proposed Recycled Water System diagram – See *Parkmerced Infrastructure Report* section 4 (figure 4.1).

o Auxiliary Water Infrastructure to and within new building and in the adjacent improved streets as shown on the attached Proposed Auxiliary Water System Diagram – See *Parkmerced Infrastructure Report* section 4 (figure 4.4)

Subphase B:

• Cultural Resources and Archeological Paleontological Resources


  o M-CR-5: Paleontological Resources Monitoring and Mitigation Program – See *Parkmerced Project FEIR* section V.D.b (pages V.D.50-V.D.51).

• Transportation

  o Lake Merced Boulevard and Acevedo Avenue, intersection improvements – See *Parkmerced Transportation Plan* section 3.3 (page 27).

  o Lake Merced Boulevard and Vidal Drive, intersection improvements – See *Parkmerced Transportation Plan* section 3.3 (page 27).

  o Brotherhood Way and Chumasero Drive, intersection improvements – See *Parkmerced Transportation Plan* section 3.3 (page 27).

Parking Management – See Parkmerced Transportation Plan section 4.1.8 (pages 46-48).

Discounted Transit Passes for new units – See Parkmerced Transportation Plan section 4.1.5 (page 41).

Pedestrian safety improvements in design of each new or altered street – See Parkmerced Design Standards + Guidelines sections 02.07 through 02.14 (pages 24-43).

• Neighborhood Infrastructure
  
  Bicycle Lanes/Paths and improvements adjacent to new buildings – See Parkmerced Design Standards + Guidelines sections 02.07 through 02.14 (pages 24-43).

  A Neighborhood Common on Block 22 – See Parkmerced Design Standards + Guidelines section 02.24 (pages 62-63).

  Public realm improvements, including sidewalks, alley ways, pedestrian paseos and street trees, adjacent to new buildings – See Parkmerced Design Standards + Guidelines Chapter 02 (pages 12-77).

  Bicycle Library adjacent to Block 20 and within Block 22 – See Parkmerced Design Standards + Guidelines section 04.01 (pages 132-133).

  Tower Area Open Space adjacent to new towers on proposed blocks 20 and 22 – See Parkmerced Design Standards + Guidelines section 02.26 (pages 66-67).

  Parking for bicycles and car share vehicles in each new parking structure on Blocks 20 and 22– See Parkmerced Design Standards + Guidelines section 04.01 (pages 136-137).

• Sustainability Infrastructure
  
  Bioswales adjacent to each new building as shown on the attached Proposed Storm Drain System diagram – See Parkmerced Infrastructure Report section 6 (pages 15-16).

  Recycled Water Infrastructure to and within each new building and in the adjacent improved streets, as shown on the attached Proposed Recycled Water System diagram – See Parkmerced Infrastructure Report section 4 (figure 4.1).

  Auxiliary Water Infrastructure to each new building and in the adjacent improved streets as shown on the attached Proposed Auxiliary Water System Diagram – See Parkmerced Infrastructure Report section 4 (figure 4.4)
Subphase C:

- Cultural Resources and Archeological Paleontological Resources

- Transportation
  - Parking Management – See Parkmerced Transportation Plan section 4.1.8 (pages 46-48).
  - Discounted Transit Passes – See Parkmerced Transportation Plan section 4.1.5 (page 41).
  - Pedestrian safety improvements in design of each new or altered street – See Parkmerced Design Standards + Guidelines sections 02.07 through 02.14 (pages 24-43).

- Neighborhood Infrastructure
  - Bicycle Lanes/Paths and improvements adjacent to new buildings – See Parkmerced Design Standards + Guidelines sections 02.07 through 02.14 (pages 24-43).
  - Public realm improvements, including sidewalks, alley ways, pedestrian paseos and street trees, adjacent to new buildings – See Parkmerced Design Standards + Guidelines Chapter 02 (pages 12-77).
  - Courtyards adjacent to new buildings on Blocks 3W and 4– See Parkmerced Design Standards + Guidelines section 02.27 (pages 68-69).
  - Parking for bicycles and car share vehicles in the new parking structure on Block 3W – See Parkmerced Design Standards + Guidelines section 04.01 (pages 136-137).

- Sustainability Infrastructure
  - Bioswales adjacent to each new building as shown on the attached Proposed Storm Drain System diagram – See Parkmerced Infrastructure Report section 6 (pages 15-16).
  - Recycled Water Infrastructure to and within each new building and in the adjacent improved streets, as shown on the attached Proposed Recycled Water System diagram – See Parkmerced Infrastructure Report section 4 (figure 4.1).
o Auxiliary Water Infrastructure to each new building and in the adjacent improved streets as shown on the attached Proposed Auxiliary Water System Diagram – See Parkmerced Infrastructure Report section 4 (figure 4.4)

Subphase D:

- Cultural Resources and Archeological Paleontological Resources

- Transportation
  o Junipero Serra Boulevard and Brotherhood Way interchange improvements. Add a third travel lane on westbound Brotherhood Way from the northbound Junipero Serra Boulevard off-ramp to Chumasero Drive. See Fehr & Peers MMRP section M-TR-9 (page 12) and Parkmerced Transportation Plan section 3.3 (page 27).
  o Junipero Serra Boulevard and Font Boulevard (Chumasero Drive extension to Junipero Serra Boulevard and Font Boulevard realignment), intersection improvements – See Parkmerced Transportation Plan section 3.3 (page 26).
  o Lake Merced Boulevard at Font Boulevard and State Drive, CEQA Mitigation Measures – See Fehr & Peers MMRP section M-TR-22B (page 15).
  o Initiate Transportation Coordinator – See Parkmerced Transportation Plan section 4.1.5 (pages 38-40).
  o Initiate Carpool/Vanpool elements, – See Parkmerced Transportation Plan section 4.1.5 (page 41).
  o Parking Management – See Parkmerced Transportation Plan section 4.1.8 (pages 46-48).
  o Discounted Transit Passes – See Parkmerced Transportation Plan section 4.1.5 (page 41).
  o Pedestrian safety improvements in design of each new or altered street – See Parkmerced Design Standards + Guidelines sections 02.07 through 02.14 (pages 24-43).

- Neighborhood Infrastructure
- Bicycle Lanes/Paths and improvements adjacent to new buildings – See *Parkmerced Design Standards + Guidelines* sections 02.07 through 02.14 (pages 24-43).

- Public realm improvements, including sidewalks, alley ways, pedestrian paseos and street trees, adjacent to new buildings – See *Parkmerced Design Standards + Guidelines* Chapter 02 (pages 12-77).

- Bicycle Library adjacent to Block 21S Neighborhood Common – See *Parkmerced Design Standards + Guidelines* section 04.01 (pages 132-133).

- Tower Area Open Space adjacent to new towers on proposed Block 21S – See *Parkmerced Design Standards + Guidelines* section 02.26 (pages 66-67).

- Parking for bicycles and car share vehicles in each new parking structure – See *Parkmerced Design Standards + Guidelines* section 04.01 (pages 136-137).

- **Sustainability Infrastructure**

  - Bioswales adjacent to each new building as shown on the attached Proposed Storm Drain System diagram – See *Parkmerced Infrastructure Report* section 6 (pages 15-16).

  - Recycled Water Infrastructure to and within each new building and in the adjacent improved streets, as shown on the attached Proposed Recycled Water System diagram – See *Parkmerced Infrastructure Report* section 4 (figure 4.1).

  - Auxiliary Water Infrastructure to each new building and in the adjacent improved streets as shown on the attached Proposed Auxiliary Water System Diagram – See *Parkmerced Infrastructure Report* section 4 (figure 4.4)
Cogeneration System

At this time, an In-Lieu fee for a Cogeneration System will likely be paid in the amount of $2,416,266.00 (See Parkmerced Development Agreement (2011) Appendix Q for fee calculation methodology).

Solar Panels

Decision will be made as MEP engineers complete design, but will be either satisfied by providing on-site or through payment of an in-lieu fee in the amount of $9,527,694 based on the construction of 1,446 net new units.

Replacement Neighborhoods Commons—Requested Finding of Consistency with Proportionality, Priority, and Proximity requirement

In lieu of constructing the complete 15,000 square foot Neighborhood Commons adjacent to Block 21S anticipated by the Phasing Plan, the project sponsor proposes to construct (i) construct approximately 80% of the area of that required Neighborhood Commons on Block 21, and (ii) an additional approximately 15,000 square foot Neighborhood Commons on Block 22. Adjacent to the Neighborhood Commons on Block 22, we would construct a retail use on the ground floor of the residential building to be constructed on Block 22 as part of Subphase 1B. Because this area is zoned PM-R we would request a Conditional Use Authorization for the proposed retail use. The project sponsor cannot feasibly construct the total Block 21 Neighborhood Commons, as construction of the western portion of that Neighborhood Commons would require demolition of a portion of Block 21N. It further conflicts with our private financing requirements. The project sponsor would construct as much of the Block 21 Neighborhood Commons as feasible (approximately 80% of the lot area of the commons), and, in order to provide open space in excess of that required by the Phasing Plan (one Neighborhood Commons is required per each 1,250 net new units), would provide an additional, approximately 15,000 square foot Neighborhood Commons on Block 22. Construction of the Block 22 Neighborhood Commons would be a voluntary Community Improvement, as the DS&G do not anticipate nor require the construction of a Neighborhood Commons as this location. We respectfully request that the Planning Director determine that the provision of a Neighborhood Common on Block 22 meets the Proportionality, Priority, and Proximity requirement of Section 3.4.2 of the Development Agreement and the requirements of the Phasing Plan. The entirety of the Block 21 Neighborhood Commons would be completed upon construction of new residential buildings on Block 21N.
APPLICANT'S AFFIDAVIT

STATE OF CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO

Under penalty of perjury the following declarations are made:

(a) The undersigned is the owner or authorized agent of the owner of this property.

(b) The information presented is true and correct to the best of my knowledge.

(c) I understand that other information or applications may be required.

Signed: [Signature]
(Applicant)

Date: 1/23/2015

Name (print): SETH MAurer

Owner / Authorized Agent (Circle one)
### Solar Panels (on-site or off-site)

- **In lieu payment**: $1,000 Dollars

### Cogeneration Systems

- **Not yet determined** between installation or fee

### Recycled Water infrastructure

- To be completed with Lake Merced and Brotherhood Way Intersection Improvement

### BioNswale connection to Lake Merced

- Yes

### Parking & Improvements

<table>
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<tr>
<th>Phase</th>
<th>Included in Net New Units</th>
<th>Counts Provided per Plan</th>
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<td>Phase 1</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>Phase 2</td>
<td>Yes</td>
<td>Yes</td>
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### Bike Lanes/Paths & Improvements

- To be completed in conjunction with construction of adjacent block. (See Narrative and Figure 7)

### Open Space

- N) Courtyard
- N) Tower Areas

### Transit & Connectivity

<table>
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<th>Item</th>
<th>Location</th>
<th>Trigger</th>
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<td>TP 4.1.5: Carpool/Vanpool Services</td>
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<td>TP 4.1.5: TDM Website</td>
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<tr>
<td>MNCRN1: Documentation and Interpretation for HABS and HAER Survey</td>
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<td>DS&amp;G N02.39: New Boulevard and Higuera Avenue intersection/access point</td>
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<tr>
<td>DS&amp;G N02.37: Brotherhood Way and Chumasero Drive intersection/access point</td>
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<td>DS&amp;G N02.35: Chumasero Drive and Gonzalez Drive realignment)</td>
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### Neighborhood Infrastructure

- Requirements

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*January 23, 2015*
### Overview

| Phase | Total On Site (SF) | Total On Site (Spaces) | Total Units On Site | Total Parking On Site (Spaces) | Parking Ratio
|-------|-------------------|------------------------|---------------------|-------------------------------|----------------
| Subphase A | 2,562 | 275,835 | 571,789 | 1,611 | 1:1
| Subphase B | 2,562 | 275,835 | 571,789 | 1,611 | 1:1
| Subphase C | 2,562 | 275,835 | 571,789 | 1,611 | 1:1
| Subphase D | 2,562 | 275,835 | 571,789 | 1,611 | 1:1

*Note: The 181 Parking Spaces in excess of the up to 1:1 parking ratio during Subphase A will be cordoned off and brought on line as new units are constructed during subsequent subphases."
Parkmerced Phase 1 Development Phase Application
TP$ 4.1.4, $4.1.6 (cars only), $4.1.9 All other elements of TDM Program to be completed prior to completion of each additional 750 net new units.

TP V 4.1.6
Bike Share Program and Parking Program to be implemented and seven (7) locations to be completed prior to completion of 3,000 net new units; one (1) additional location construction.

TP 4.1.5
Carpool/Vanpool Services To be implemented during first development phase and expanded during subsequent development phases at a rate proportionate to construction.

TP 4.1.8
Parking Management

Transportation Coordinator + Activities
Transportation Coordinator to be implemented during first development phase; Transportation Coordinator's activities to be expanded at a rate proportionate to construction.

BART and Shopper Shuttle

Reference Document)

Community Improvements: Transportation Demand Management
Each Community Improvement or CEQA mitigation measure must be implemented in accordance with the "Phasing Parameters."

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Could be Vidal, Acevedo or Gonzalez

References (trigger in Net New PM)

[CI] New intersection/access point #3 on Lake Merced Boulevard
[CI] New intersection/access point #2 on Lake Merced Boulevard
[TRV2B]: Sunset & Lake Merced Boulevards
[TRV25B]: Lake Merced Boulevard from Sunset Boulevard to Winston Drive
[TRV2E]: Lake Merced Boulevard and Brotherhood Way
[TRV2D]: Lake Merced and Font Boulevards

Design measure V no monitoring/mitigation.

Phase Application

To be completed prior to issuance of First Certificate of Occupancy for building in which located.

Bicycle Parking

To be completed prior to issuance of First Certificate of Occupancy for building in which located.

Non-potable water supply piping to new units

To be installed in adjacent roadway (if necessary to serve the building) prior to the issuance of the First Certificate of Occupancy for each new building.

Public Realm (Sidewalks, Pedestrian Paths, Paseo, Alleways, FF&E)

Proportionate share to be installed prior to completion of every 1,000 net new units.

Solar Panels (on-site or off-site)

To be completed with associated utility work to all buildings and with the building out of the development.

Recycled Water infrastructure (Street Infrastructure)

To be installed in conjunction with Lake Merced and Brotherhood Way Intersection Improvement.

One (1) to be completed prior to completion of every 1,000 net new units; all six (6) must be completed prior to completion of 5,500 net new units.

Phasing Parameters

Community Improvements: Neighborhood Infrastructure

Each Community Improvement or CEQA mitigation measure must be implemented in accordance with the “Phasing Parameters.”

Non-Transportation EIR

TRV44: Fund “fair share” contribution toward provision of additional transit vehicles for 28 19th Avenue and 28L 19th Avenue Limited lines.

Implementation to be coordinated with SFMTA.

Auto Trips reach 2,270

TRV22VC: Contribute to purchase and operation of transit vehicles for 18 46th Avenue line.

To be completed prior to operation of the realigned MUNI M Oceanview line; not required if MVTRV21A implemented.

TRV21B: Fund study and installation of Transit Signal Priority treatments on M Oceanview line.

TRV21A: Fund purchase of one (1) light rail vehicle for M Oceanview line.

Phasing for the MUNI M Oceanview realignment, including the improvements listed below, has not been established. Refer to the Article 3 of the Development Agreement for further information regarding implementation.

Community Improvements: Bicycle Infrastructure

Community Improvements: Funding Allocation

CEQA Mitigation Measures: Payments

To be completed following completion of MUNI realignment.

TP 3.3, DS&G 02.33

To be completed in conjunction with MUNI realignment, following intersection improvements at 19th/Holloway and 19th/Junipero Serra.

Open Space

V

TRV2A: 19th & Crespi Drive

To be completed in conjunction with MUNI realignment.

DS&G V 02.18

Open Space

V

Intersection Improvements at 19th Avenue and Junipero Serra Boulevard

To be implemented per Development Agreement.

TP 3.4

Realign MUNI M Oceanview into Parkmerced and provide left turn in Crespi Drive

References

Documents

1

DS&G V 02.19

1

DS&G V 02.20

1

DS&G V 02.21

1

DS&G V 02.22

1

DS&G V 02.23

1

DS&G V 02.24

1

DS&G V 02.25

1

DS&G V 02.26

1

DS&G V 02.27

1

DS&G V 02.33

1

DS&G V 02.34
Car$Share$Parking

Replacement Rent Controlled Units [not Code required]

Development Agreement

Certificate of Occupancy for Replacement Unit to be obtained prior to the demolition of any to be replaced rent controlled unit. At no point will there be fewer than 3,221 rent controlled/Replacement Units on site.

Affordable/BMR Units

Development Agreement

To be completed in accordance with Approved Phase Application.

CEQA Mitigation Measures

Phasing Parameters

CRV1: Documentation and interpretation of Parkmerced complex.

EIR

To be commenced prior to demolition of first garden apartment. To be completed prior to completion of 3,000 net new units.

Document Reference
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<th>Number</th>
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**Note:** Table 4.3.4 of Parkmerced Development Agreement (6.11.14)

**EXHIBIT 3**

13-Jan-15

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Intersection Improvements
- Higuera Drive & Lake Merced Boulevard
- Brotherhood Way & Chumasero Drive
- Chumasero Drive and Junipero Serra Boulevard
- Junipero Serra and Brotherhood Way Interchange
- CEQA Mitigation Measure TR-9, see Environmental Impact Report

New Intersection Improvements
- Vidal Drive
- Vidal/LMB, Vidal(Future Gonzales)/LMB

Vacated ROW for Future Realignment of Muni M Oceanview into Parkmerced

Sidewalks
Bioswales
Sidewalks and Gonzalez Pedestrian Path

Street Trees

Pedestrian Safety Improvements

Project Boundary

**all dimensions are approximate and subject to detailed design

PUBLICLY OWNED COMMUNITY IMPROVEMENTS

PRIVATELY OWNED COMMUNITY IMPROVEMENTS

*subject to reasonable maintenance, operations, repair and security

Full Public Access
Open Space - Neighborhood Commons
Open Space - Tower Area
Paseos, Alley Ways and Plazas
Partial Public Access
Open Space - Courtyards
BART Shuttle Transportation Coordinator
Discounted Transit Passes
Carpool/ Vanpool Services
Carshare Program and Parking
Bikeshare Program and Parking
*Locations identified are part of above grade carshare pods in partial fulfillment of car share requirements. Additional carshare spaces will be included within parking garages as required by planning code.

Other
Parking Management Program
Other Elements of Transportation Demand Management

Phase 1 Sub-phases
Sub-phase A - Blocks 1, 6
Sub-phase B - Blocks 20, 22
Sub-phase C - Blocks 3W, 4
Sub-phase D - Block 21S

Temporary Neighborhood Commons
Additional Proposed Neighborhood Commons

Fig. 7
1. Introduction

This Hydrology and Hydraulics Plan (Plan) is an interim deliverable associated with the application for Phase 1 development at Parkmerced. It flows on the work presented previously in the following documents:

1. Parkmerced Infrastructure Report¹—includes:
   a. utilities drawings for existing and full build out for sanitary and storm drain pipes,
   b. overland flow paths at full build out,
   c. typical utility cross sections, and
   d. sanitary sewer modeling results for full build out.

2. Preliminary Approach to Stormwater Management² (attached to Infrastructure Report)—includes stormwater modeling results for full build out, demonstrating:
   a. compliance with both LEED 6.1 and 6.2 (reduction in peak flow and volume during the 2 year 24 hour storm and capture of 90% of the annual volume),
   b. adequacy of the proposed system to convey the 5 year, 3 hour storm, and
   c. adequacy of the proposed system to convey the 100 year, 3 hour storm.

The above were based on schematic designs of building footprints and site grading, and detailed designs of street cross sections. As part of the detailed design of the Phase 1 blocks, building footprints and site grading (for those blocks) will be finalized. At such time, a draft and final Stormwater Control Plan (SCP) will be developed in accordance with the Stormwater Management Ordinance. The SCP will present detailed design of stormwater BMPs and revised model results and calculations. Also due for submittal with the building applications will be a BMP maintenance plan, a condition assessment of the existing combined sewer pipes (to be reused for sanitary only flows), a Phase 1 overland flow drawing, and Phase 1 sanitary sewer modeling.

Included in the plan are a summary of overall site wide approach to stormwater management, the conceptual stormwater management approach for Phase 1 (to be refined as building footprints and degrading plans are finalized), an outline of stormwater management by subphase, and preliminary model results for Phase 1 for peak flow and volumes during both the 2 year, 24 hour storm (satisfying requirements for separately seweried areas) and 5 year, 3 hour storm (satisfying requirements for separately seweried areas) as dictated by Appendix E.

2. Regulatory Framework

The project must maintain compliance with the following at each major phase development:

1. San Francisco Subdivision Regulations—includes requirements for minimum/maximum velocities for sanitary sewers, and capacity requirements for sizing of combined and storm drain systems.
2. Stormwater Management Ordinance/Green Building Code—the San Francisco Building Code, Section 13C requires all projects that disturb more than 5,000 square feet to meet or exceed the applicable guidelines of Leadership in Energy and Environmental Design (LEED) Sustainable Sites Credit 6.1 and 6.2
3. Appendix E, Stormwater Systems Review Protocol for Parkmerced Development Agreement—describes requirement and timing of stormwater related submittals specific to Parkmerced
4. San Francisco Public Utilities Commission memo re: Preferred Stormwater Discharge Alternative—identifies Lake Merced as the SPFUC’s preferred discharge location for storm flows from Parkmerced. Requires compliance with SFPUC regulations for end of pipe discharge and ground water protection.


3. Project Description

Existing and Proposed Conditions

Parkmerced is a 152-acre residential neighborhood located in the southwest corner of San Francisco. The neighborhood was built from 1941 to 1951 and has 3,221 residential units (see Appendix D-2, Existing Conditions). The existing buildings consist of 170 two-story townhome buildings and 11 towers that are 13 stories tall that are surrounded by lawns and courtyards. There are several landscaped boulevards and secondary streets. Other facilities include three above-grade centralized parking garages, carports attached to townhouses, a leasing and operations office, a private preschool/day care facility, and a maintenance facility adjacent to Lake Merced Boulevard.

The entire 152-acre project site is currently served by the San Francisco combined sewer system that conveys wastewater and stormwater to the Oceanside Water Pollution Control Plant where the flows are treated and discharged to the ocean. Under the Parkmerced project, the existing combined system within the project area will be converted to a sanitary sewer system only. The conversion will occur in phases that correspond with the development phases and at full build out only the sewer laterals from buildings will connect to the combined sewer system.

In accordance with San Francisco’s Stormwater Management Ordinance and Stormwater Design Guidelines (SDGs), areas of the project that are temporarily connected to the combined sewer system during development must decrease the stormwater runoff rate by 25 percent relative to predevelopment conditions for the 2-year 24-hour design storm if more than 50 percent of the area
is covered with impervious surfaces under existing conditions. If less than 50 percent of the area is covered with impervious surfaces, the stormwater management approach must prevent the runoff flow rate and volume from exceeding existing conditions for the one- and two-year 24-hour design storm. Because the project will transition from the combined sewer system to a separate sewer system, areas of the project that are permanently or temporarily connected to this separate system must capture and treat 90 percent of the annual rainfall. As modeled, at full build out the installed BMPs will retain and treat approximately 93 percent of the annual runoff, infiltrating approximately 67 percent of the retained stormwater to the underlying Westside Groundwater Basin. The remaining 7 percent of annual runoff will be discharged to Lake Merced in accordance with applicable regulations of the Regional Water Quality Control Board and SFPUC. The model predicts the following at full build out:

**Model Results for Annual Average Runoff**
*(indicating exceedance of LEED SS c6.2)*

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<tr>
<td>Pond Make-up</td>
<td>0.10</td>
</tr>
<tr>
<td>Infiltrated</td>
<td></td>
</tr>
<tr>
<td>Runoff Layer (pp, parks, treewells)</td>
<td>31.25</td>
</tr>
<tr>
<td>Hydraulics Layer (swales)</td>
<td>14.46</td>
</tr>
<tr>
<td>Evaporated</td>
<td></td>
</tr>
<tr>
<td>from runoff surfaces (cisterns, swales)</td>
<td>6.00</td>
</tr>
<tr>
<td>from network (ponds, cisterns, swales)</td>
<td>1.82</td>
</tr>
<tr>
<td>Evapotranspired From Courtyards</td>
<td>7.20</td>
</tr>
<tr>
<td>Discharged to Lake Merced</td>
<td>4.80</td>
</tr>
<tr>
<td>(volume through terminal pipe)</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>68.88</strong></td>
</tr>
<tr>
<td><strong>Percentage</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

**Model Results for 2 Year 24 Hour Storm**
*(indicating exceedance of LEED SS c6.1)*

<table>
<thead>
<tr>
<th></th>
<th>Peak Flow (cfs)</th>
<th>Total Volume (CF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Development</td>
<td>115.7</td>
<td>2,168,000</td>
</tr>
<tr>
<td>Post-Development</td>
<td>66.97</td>
<td>1,042,750</td>
</tr>
<tr>
<td>% Decrease</td>
<td>42%</td>
<td>52%</td>
</tr>
</tbody>
</table>

Note: 1. the pre-development model results were derived from the City-wide Infoworks model as provided by DPW/BOE/Hydraulics.
Phasing

The development for the project will be constructed in several phases over the 20 to 30 year development period. Each phase includes the construction of the associated utility and street infrastructure to serve the newly constructed buildings. The new infrastructure will be designed and constructed consistent with the infrastructure report prepared for the project (BKF Engineers, 2011) as well as the current San Francisco Public Utilities Commission (SFPUC) and the City of San Francisco Department of Public Works (SFDPW) requirements.

As each phase is constructed, the stormwater controls associated with both the block (private property) and the streets/sidewalks (public Right-of-Way (ROW)) will be designed to meet the requirements described above, and in accordance with the preliminary stormwater approach, approved infrastructure plan, and design standards. Stormwater flows will be redirected away from the combined sewer system as increased sanitary flows are added.

More details regarding the subphasing of Phase 1 are included in section 5.

4. Site-Wide Conceptual Model Approach

A detailed stormwater model was created to validate earlier conceptual planning efforts, and provide additional detail as plans for Parkmerced progress. This section will describe the model, its development, assumptions, and sources of data.

XP-SWMM is a hydrologic and hydraulic modeling package which was used to build and run the model. It is based on the industry standard EPA-SWMM “Storm Water Management Model”. Several additional features are provided by XP-SWMM, including database connections, GIS and CAD integration, and pollutant generation/transport modeling. The SWMM model is recommended by EPA for analyzing pre- vs. post-development hydrology and has dynamic hydraulic capabilities as well.

CAD site plan drawings provided by the project architects SOM were used as a starting point in building the model. The network was laid out in project coordinates, so that background files can be easily overlaid for review or presentation. These drawings also were used to make detailed runoff area calculations at the building level. Updated files were checked against the existing model to review any conflicts.

Contributing areas and volumes within the right of way were calculated in a spreadsheet, based on street lengths derived from the CAD files. Detailed cross sections provided by the site civil engineer BkF were used to model overland flow on the street surface and biofiltration treewells, and their connection to the network of biogutters and swales.

The following basic inputs were used in the model:

- 5-minute rainfall intensities for the 5-year 3-hour storm, the 100-year 3-hour storm, the 2-year 24-hour storm, and the typical year.
- Equilibrium infiltration rates provided by Treadwell & Rollo. Infiltration was assumed to occur only on permeable surfaces, and not in areas designated as fill. The Horton infiltration
equation is used in the model to predict the time varying rate of infiltration due to soil saturation over time as follows:

\[ f_t = f_c + (f_0 - f_c)e^{-kt} \]

where:
- \( f_t \) is the infiltration rate at time \( t \);
- \( f_0 \) is the initial infiltration rate or maximum infiltration rate (assumed to be 2 times the equilibrium rate);
- \( f_c \) is the constant or equilibrium infiltration rate after the soil has been saturated or minimum infiltration rate;
- \( k \) is the decay constant specific to the soil.

- Evapotranspiration rates based on WUCOLSII (\( ET_0 \) Zone 1)
- Evaporation rates based on previous studies by Gus Yates
- Street sections and slopes provided by SOM and BkF, as presented in the project Design Standards + Guidelines, shown in the figure following
- Land use and areas provided by SOM and Tom Leader Studios, as shown on the figure following
Street Types as entered in Hydraulic Model
5. Phase 1 Conceptual Model Approach

The figure on the previous page shows the existing and Phase 1 sewer and storm infrastructure as modeled. As stated previously, the detailed design of both the existing combined sewer system and the storm system is pending final grading and site design. However, the design of the ROW is fairly well defined. As such, we are able to provide model results for the conveyance aspects of the storm system (below) along with preliminary results for peak flow and volume reduction of the phase 1 storm system (section 6).

Almost every street proposed for development at Parkmerced has a stormwater component falling into roughly 15 categories. The street types to be constructed at each block/subphase are:

<table>
<thead>
<tr>
<th>Block</th>
<th>Subphase</th>
<th>Boundary Street</th>
<th>Street Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>A</td>
<td>Vidal North</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vidal West</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Arballo</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Acevedo</td>
<td>3</td>
</tr>
<tr>
<td>2</td>
<td>N/A</td>
<td>Vidal West</td>
<td>2</td>
</tr>
<tr>
<td>3W</td>
<td>C</td>
<td>Higuera</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vidal West</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>New Street</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Garces</td>
<td>3</td>
</tr>
<tr>
<td>4</td>
<td>C</td>
<td>Garces</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Arballo</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Arballo</td>
<td>2</td>
</tr>
<tr>
<td>6</td>
<td>A</td>
<td>Tapia</td>
<td>2A</td>
</tr>
<tr>
<td></td>
<td></td>
<td>New Street</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Arballo</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Serrano</td>
<td>3</td>
</tr>
<tr>
<td>20</td>
<td>B</td>
<td>Felix</td>
<td>(muni tracks—no SW element)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cumasero</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cambon</td>
<td>3</td>
</tr>
<tr>
<td>21</td>
<td>D</td>
<td>Font</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Chumasero</td>
<td>3</td>
</tr>
<tr>
<td>22</td>
<td>B</td>
<td>Chumasero</td>
<td>3</td>
</tr>
</tbody>
</table>

Bioswale Streets (Type 2, 2A)

The Hedgerow streets run North-South and will include bioswales. The bioswale on the west side of the Hedgerow Streets will capture runoff from the street and the rooftops on the west side of the road. Runoff from the roofs on the east side of the road will be directed to the bioretention above the central courtyard. Sidewalk runoff will be captured and infiltrated by permeable pavement.
located in the perpendicular parking spaces. Overflow from the permeable pavement and the courtyards will be directed to the swales.

The bioswales on the hedgerow streets will have a total width of 13 feet and a depth of about 1.5 feet. The minimum bottom width is 1 foot, with 3:1 grass side slope. There will be a 6 inch wide curb on either side, for a total width of 12 feet. The curbs will be design to allow flow into the swales.
Treewell Streets (Type 3)

These three street types have biofiltration treewells. Each biofiltration treewell is a precast concrete box with separate sections for stormwater pre-treatment and treewell planting medium. Located next to the curb approximately every 20 feet, the treewells provide temporary storage and infiltration. Street and sidewalk runoff is collected by permeable pavement in the parking lanes. The permeable pavement overflows to the treewells. Any flow in excess of the infiltration and storage capacity of the treewell will flow from treewell to treewell in either a below ground pipe, or above ground biogutter. At the end of the block, storm drains and culverts will convey the flow to the nearest swale.

Use of a continuous trench instead of individual boxes will be considered during the detailed design of Phase 1.
Modeled Street Cross Section Type 3

Alley Ways (Type 4)

The biogutters run north to south and function similarly to the bioswales but have vertical side walls thus providing less vegetation, and are narrower thus providing less infiltration. The biogutter on the west side of the Alley Ways will capture runoff from the roofs on the west side of the road. Sidewalk runoff will be captured and infiltrated by permeable pavement located in the street travel lane. Runoff from the rooftops on the east side of the road is directed to the ecoroof above the central
courtyard. Overflow from the permeable pavement and the courtyards will be directed to the biogutters.

Biogutters in the Alley Ways are 2.5 feet wide with vertical sidewalls and a total depth of 1 foot, above a 2 foot deep layer of bioretention soil and drain rock.

![Modeled Street Cross Section Type 4](image)

**Font Boulevard South (Type 5)**

Type 5 is along Font Blvd from Chumasero Drive to Gonzalez Drive is another street where there is no swale, and biofiltration treewells are used instead. Contrary to street types 3 discussed above, treewells in type 5 are only on one side of the street and receive flow from sidewalks and streets, both 100% impervious, plus overland flow, if any, from the 50 feet wide Muni strip, assumed to be
100% pervious. Similar to several of the East-West Streets, an additional storm drain or biogutter will be necessary to transport overflow from the treewells.

.Modeled Street Cross Section Type 5
6. Model Results

Per the requirements of Appendix E, the model was run to predict offsite flows to the offsite, downstream combined sewer system for both the 2 year, 24 hour storm and the 5 year, 3 hour storm. These results are presented in the table below.

<table>
<thead>
<tr>
<th></th>
<th>2 year, 24 hour Storm</th>
<th></th>
<th>5 year, 3 hour Storm</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Peak Flow Rate (cfs)</td>
<td>Total Runoff</td>
<td>Peak Flow Rate (cfs)</td>
<td>Total Runoff</td>
</tr>
<tr>
<td>Existing Conditions</td>
<td>116</td>
<td>2,168,000</td>
<td>231</td>
<td>364,000</td>
</tr>
<tr>
<td>Phase 1</td>
<td>103</td>
<td>1,098,800</td>
<td>91</td>
<td>218,900</td>
</tr>
<tr>
<td>% Reduction</td>
<td>46</td>
<td>49</td>
<td>61</td>
<td>40</td>
</tr>
</tbody>
</table>
7. References


United States Environmental Protection Agency. Stormwater Modeling Alternatives for Demonstrating Compliance with Section 438 (memorandum).


APPENDIX B

First Source Hiring Agreement/
Equal Opportunity Employment Program
09 August 2013
FIRST SOURCE HIRING PROGRAM FOR CONSTRUCTION
and
EQUAL OPPORTUNITY EMPLOYMENT PROGRAM
between
CITY AND COUNTY OF SAN FRANCISCO
and
PARKMERCED INVESTORS PROPERTIES, LLC
# Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. GENERAL PROJECT SPONSOR OBLIGATIONS</td>
<td>3</td>
</tr>
<tr>
<td>2. FIRST SOURCE HIRING PROGRAM FOR CONSTRUCTION ACTIVITIES</td>
<td>4</td>
</tr>
<tr>
<td>3. FIRST SOURCE HIRING PROGRAM FOR PROFESSIONAL SERVICES</td>
<td>5</td>
</tr>
<tr>
<td>4. FIRST SOURCE HIRING PROGRAM FOR COMMERCIAL TENANTS</td>
<td>5</td>
</tr>
<tr>
<td>5. ENFORCEMENT of FIRST SOURCE HIRING AGREEMENT</td>
<td>5</td>
</tr>
<tr>
<td>6. LOCAL BUSINESS UTILIZATION PLAN</td>
<td>6</td>
</tr>
<tr>
<td>7. STUDENT INTERNSHIP AND SCHOLARSHIP PROGRAM</td>
<td>8</td>
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<td>8. NOTICES</td>
<td>8</td>
</tr>
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<td>9. ENTIRE AGREEMENT</td>
<td>9</td>
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<td>10. TERM</td>
<td>9</td>
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<td>11. SEVERABILITY</td>
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<tr>
<td>12. COUNTERPARTS</td>
<td>10</td>
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<tr>
<td>13. SUCCESSORS</td>
<td>10</td>
</tr>
<tr>
<td>14. HEADINGS</td>
<td>10</td>
</tr>
<tr>
<td>15. GOVERNING LAW</td>
<td>10</td>
</tr>
<tr>
<td>16. RELATIONSHIP OF PARTIES</td>
<td>10</td>
</tr>
<tr>
<td>17. NO OBLIGATIONS TO THIRD PARTY</td>
<td>10</td>
</tr>
</tbody>
</table>

Exhibit A: First Source Hiring Agreement
Exhibit B: Form 1 - Citybuild Workforce Projection Form
Exhibit C: Contractor Acknowledgement First Source Hiring Requirements
Exhibit D: Form of First Source Consultant Hiring Contract
Exhibit E: Professional Services: First Source Hiring Form
Exhibit F: Consultant Acknowledgement of First Source Hiring Requirements
Exhibit G: Tenants First Source Hiring Form
Exhibit H: Tenant Lease Addendum
Exhibit I: Tenant Acknowledgement of First Source Hiring Requirements
THIS FIRST SOURCE HIRING PROGRAM FOR CONSTRUCTION AND EQUAL OPPORTUNITY EMPLOYMENT PROGRAM (this “Agreement”) is entered into as of by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (“City”), acting by and through the Director of the Office of Economic and Workforce Development (“OEWD”), and PARKMERCED INVESTORS PROPERTIES, LLC, a Delaware limited liability company, its permitted successors and assigns (“Project Sponsor”) (each, a “Party”, collectively, the “Parties”).

RECITALS

A. The City and Project Sponsor entered into a Development Agreement (“DA”), effective as of July 9, 2011, in which the City received or will receive certain public benefits and Project Sponsor received the vested right to develop the project as specifically defined in the DA (the “Project”). Capitalized terms not defined herein shall have the meaning provided in the DA.

B. The Project includes 5,679 net new dwelling units, 1,538 rent-controlled Replacement Units, 310,000 square feet of commercial space, 64,000 square feet of recreational/fitness center/community use, 100,000 square feet of building and property management use, 25,000 square feet of educational use, and net new off-street parking for up to 6,252 vehicles, all as set forth in the DA, at the following property: 3711 19th Avenue on Assessor’s Blocks and Lots 7303 001, 7303 A 001, 7308 001, 7309 001, 7309 A 001, 7310 001, 7311 001, 7315 001, 7316 001, 7317 001, 7318 001, 7319 001, 7320 003, 7321 001, 7322 001, 7323 001, 7325 001, 7326 001, 7330 001, 7331 004, 7332 004, 7333 001, 7333 A 001, 7333 B 001, 7333 C 001, 7333 D 001, 7333 E 001, 7334 001, 7335 001, 7336 001, 7337 001, 7338 001, 7339 001, 7340 001, 7341 001, 7342 001, 7343 001, 7344 001, 7345 001, 7345 A 001, 7345 B 001, 7345 C 001, 7356 001, 7357 001, 7358 001, 7359 001, 7360 001, 7361 001, 7362 001, 7363 001, 7364 001, 7365 001, 7366 001, 7367 001, 7368 001, 7369 001, and 7370 001 (collectively, the “Site”).

C. The Project shall be built in phases ("Development Phases") over approximately twenty (20) to thirty (30) years, and before each Development Phase Project Sponsor shall submit an application ("Development Phase Application") to the City’s Planning Department (the "Planning Department") which will include the parcels to be developed, the amount of new residential and commercial square footage proposed, and such additional matters as set forth in the DA.

D. Pursuant to 28 U.S.C. 2901 et seq., the City’s Office of Workforce and Economic Development (“OEWD”) carries out the responsibilities of the local Workforce Investment Board for the geographic area of San Francisco, California. OEWD operates a First Source Hiring Program, as set forth in Chapter 83 of the City’s Administrative Code ("Chapter 83"), to create employment opportunities for qualified Economically Disadvantaged Workers. Section 6.6.1 of the DA and Chapter 83 requires Project Sponsor to comply with all the provisions of Chapter 83 that apply to the DA, and to enter into a First Source Hiring Agreement.

E. Section 6.11 of the DA also requires that City and Project Sponsor negotiate and enter into an agreement for an Equal Opportunity and Employment Program, which is subject to

First Source - EOEP Agreement
the approval of Developer, the OEWD Director and the Planning Director. The parties intend and agree that this Agreement shall satisfy the requirements of entering into a First Source Hiring Agreement under Section 6.6.1 of the DA and Chapter 83 and entering into an agreement for an Equal Opportunity and Employment Program under Section 6.11 of the DA. In implementing this Agreement, the OEWD Director shall work with CityBuild program (“CityBuild”) staff and the Contract Management Division of the City Administrator’s Office (“CMD”), as more particularly described below.

F. This Agreement shall be binding on and inure to the burden and benefit of all successor owners of any portion of the Site, and Project Sponsor shall assign and the successor owners shall assume the applicable provisions of this Agreement in writing at the time of any transfer. Upon Project Sponsor’s valid transfer and assignment, Project Sponsor shall be relieved of all further obligations under this Agreement with respect to the transferred property.

NOW THEREFORE, incorporating the above recitals, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Project Sponsor covenant and agree as follows:

DEFINITIONS

“Business Day”. Any day other than a Saturday, Sunday or a day in which banks in San Francisco, California are authorized to close.

“CityBuild Academy”. An 18-week training program at the City College of San Francisco, that is jointly-sponsored by CityBuild, or any successor program designated by the OEWD Director.

“CityBuild Program”. The First Source Hiring Administrator established by the City and County of San Francisco and managed by the Office of Economic and Workforce Development (OEWD).

“Commercial Tenant”. A tenant of a commercial building located on the Project Site with the intent of doing business in the City and County of San Francisco and possessing a Business Registration Certificate with the Office of Treasurer. Tenant shall not include any residential tenants or owner/operators of commercial businesses who are not tenants within the Project.

“Consultant”. A person or company that has entered into a professional services contract for monetary consideration with Project Sponsor to provide advice or services to the Project Sponsor directly related to the architectural or landscape design, physical planning, and/or civil, structural, or environmental engineering of the Project.

“Contractor”. A person or company that has entered into a construction contract for monetary consideration with Project Sponsor to build or construct all or a portion of the Project.

“Economically Disadvantaged”. An individual who is either (a) eligible for services under the Workforce Investment Act of 1998 (29 U.S.C.A. 2801, et seq.), as may be amended
from time to time, or (b) designated as by the CityBuild Program as an individual at risk of relying upon, or returning to, public assistance.

"Entry Level Position". A non-managerial position that requires no education above a high school diploma or certified equivalency, and less than two (2) years of training or specific preparation, and shall include temporary and permanent jobs. The types of Entry Level Positions that may be available include, but are not limited to, the following:

(i) Administrative Assistant or Receptionist
(ii) Maintenance Worker or Facilities Specialist
(iii) Janitorial Service Worker
(iv) Entry-level Technician
(v) Customer Service Associate
(vi) Clerk or Coordinator
(vii) Transportation Worker
(viii) Other entry-level architectural, engineering or professional service worker not requiring education above a high school diploma or certified equivalency, nor more than two (2) years of training or specific preparation.

"Job Notification". Written notice of a job request from a Contractor to OEWD for any hiring opportunities.

"Local Business Enterprise ("LBE")". A business that is certified as an LBE by CMD under Chapter 14B of the San Francisco Administrative Code.

"Qualified". An Economically Disadvantaged Individual who meets the minimum bona fide occupational qualifications provided by Contractor to the System in the Job Availability Notices required under this Agreement for a specific job.

"Referral". A referral is an individual member of the CityBuild Referral Program who has received training appropriate to entering the construction industry workforce.

1. GENERAL PROJECT SPONSOR OBLIGATIONS

1.1 Development Phase. Pursuant to Section 3.4.4 of the DA, prior to the commencement of each Development Phase, Project Sponsor will submit to the City Planning Department a Development Phase Application which includes the following: (i) an overall summary of the proposed Development Phase; (ii) a site plan that clearly indicates the parcels subject to the proposed Development Phase; (iii) the amount of new residential and commercial square footage and the number of net new units in the proposed Development Phase; (iv) the existing buildings that would be demolished in the proposed Development Phase; (v) the number of BMR and Replacement Units to be Completed during the proposed Development Phase; (vi) a description and approximate square footage of any land to be dedicated to the City or vacated by the City in the proposed Development Phase; (vii) a brief description of each proposed Community Improvement and Mitigation Measure to be Completed during the proposed Development Phase with specific references to the pages in the Parkmerced Plan Documents.
containing detailed descriptions and schematic drawings of each improvement, and calculations showing that the Proportionality, Priority and Proximity Requirements of the Phasing Plan will be satisfied; and (viii) a general description of the proposed order of construction of the private development and Community Improvements within the proposed Development Phase. The Project Sponsor shall submit a copy of each such Development Phase Application to the Department of City Planning, CityBuild, and CMD pursuant to the Notice provisions herein.

1.2 Single Point of Contact. The person specified under Section 9 herein to receive Notice on behalf of the Project Sponsor shall represent the Project Sponsor’s “Workforce Liaison” and shall represent the point of contact with CityBuild, OEWD, and CMD regarding the obligations of this Agreement.

1.3 Reporting: Annual Review. Pursuant to Section 56.17 of the Administrative Code as of the Effective Date of the DA, at the beginning of the second week of January each year (the “Annual Review Date”), the Planning Director shall commence a review to ascertain whether Developer has, in good faith, complied with the Agreement. Not more than sixty (60) days and not less than forty-five (45) days prior to the Annual Review Date, Developer shall provide a letter to the Planning Director and the Parties of this Agreement containing evidence to show compliance with this Agreement. Such report shall include a summary of Project Sponsor’s attainment of the LBE Participation Goals. Within forty (40) days after Developer submits such letter, the Planning Director shall review the information submitted by Developer (consulting with CityBuild, OEWD, and CMD) and all other available evidence regarding Developer’s compliance with this Agreement. CityBuild, OEWD, and CMD may each at their own discretion provide information to or contact the Planning Director regarding Developer’s compliance with this Agreement. All such available evidence including final staff reports shall, upon receipt by the City, be made available as soon as possible to Developer. The Planning Director shall notify Developer in writing whether Developer has complied with the terms of this Agreement.

1.4 Owners and Residents of Residential Units. Notwithstanding anything contract in this Agreement, the owners or residents of the residential units in the Project shall have no obligations under this Agreement or any of its Exhibits.

2. FIRST SOURCE HIRING PROGRAM FOR CONSTRUCTION ACTIVITIES

2.1 Project Sponsor Obligations. After the Effective Date, the Project Sponsor shall include in each construction contract with a Contractor a provision requiring such Contractor to execute a First Source Hiring Agreement with the City in the form attached hereto as Exhibit A (with any substantive changes subject to the prior approval of the Parties) and (ii) complete and provide to the City the CityBuild Workforce Projection Form attached hereto as Exhibit B. Project Sponsor shall make good faith efforts to provide to OEWD the Contractor’s signed acknowledgement of receipt of the First Source Hiring Agreement and CityBuild Workforce Projection Form attached hereto as Exhibit C within ten (10) business days of execution of such contract.

2.2 First Source Hiring Administration. CityBuild or successor City agency shall represent the First Source Hiring Administration as defined by Chapter 83 and shall provide
referrals of Qualified Economically Disadvantaged Workers for employment on the construction of the Project as required under Chapter 83.

3. FIRST SOURCE HIRING PROGRAM FOR PROFESSIONAL SERVICES

3.1 Project Sponsor Obligations. After the Effective Date, the Project Sponsor shall include in each professional services contract with a Consultant a provision requiring such Consultant to execute a First Source Hiring Agreement in a form attached hereto as Exhibit D (with any substantive changes subject to the prior approval of the Parties), and execute the Professional Services First Source Hiring Form, attached hereto as Exhibit E. Project Sponsor shall make good faith efforts to provide to City the Consultant’s signed acknowledgement of receipt of the First Source Hiring Agreement and Professional Services First Source Hiring Form attached hereto as Exhibit F within ten (10) business days of execution of such contract.

3.2 First Source Hiring Administration. CityBuild or successor City agency shall represent the First Source Hiring Administration as defined by Chapter 83 and shall provide referrals of Qualified Economically Disadvantaged Workers for the Entry Level Positions with Consultants.

4. FIRST SOURCE HIRING PROGRAM FOR COMMERCIAL TENANTS

4.1 Agreements with Commercial Tenants. After the Effective Date, the Project Sponsor include in each Lease executed by and between the Project Sponsor and a Commercial Tenant a lease addendum in a form substantially similar to attached hereto as Exhibit G. For purposes of clarity, such requirement and the obligations of the First Source Hiring Program shall apply solely to Commercial Tenants of buildings constructed by the Project. Such lease addendum shall require that the Commercial Tenant execute the Tenants First Source Hiring Form, attached hereto as Exhibit H. Project Sponsor shall make good faith efforts to provide to OEWD the Consultant’s signed acknowledgement of receipt of the First Source Hiring Agreement and Tenants First Source Hiring Form attached hereto as Exhibit I within ten (10) business days of execution of such Lease. The First Source Hiring Agreement attached hereto as Exhibit G may be amended from time to time by the mutual consent of the Project Sponsor and the City.

4.2 First Source Hiring Administration. CityBuild or successor City agency shall represent the First Source Hiring Administration as defined by Chapter 83 and shall provide referrals of Qualified Economically Disadvantaged Workers for the permanent jobs located within the commercial spaces of the Project.

5. ENFORCEMENT OF FIRST SOURCE HIRING AGREEMENT

5.1 First Source Hiring Agreement. This Agreement is an approved "First Source Hiring Agreement" as referenced in Section 83.11 of the Administrative Code. As stated in Section 83.12(f) of the Administrative Code, so long as Project Sponsor fulfills its mandatory First Source Hiring Program obligations under Sections 1, 2.1, 3.1, and 4.1 of this Agreement, Project Sponsor shall be deemed to have fulfilled its obligations under Chapter 83 and shall not
be held responsible for the failure of a Contractor, subcontractor, Consultant, Commercial Tenant, or any other person or party to comply with the requirements of Chapter 83.

5.2 Prior to the initiation of any enforcement action or remedy under this Agreement, the Party claiming default shall deliver to the other Party a written notice of default (a “Notice of Default”). The Notice of Default shall specify the reasons for the allegation of default with reasonable specificity. If the alleged defaulting Party disputes the allegations in the Notice of Default, then that Party, within twenty-one (21) calendar days of receipt of the Notice of Default, shall deliver to the other Party a notice of non-default which sets forth with specificity the reasons that a default has not occurred. The Parties shall meet to discuss resolution of the alleged default. If, after good faith negotiation, the Parties fail to resolve the alleged default within thirty (30) calendar days after receipt of the notice of non-default, then the Party alleging a default may institute legal proceedings to enforce the terms of this Agreement. For any default relating to the First Source Hiring provisions of this Agreement, City shall have such rights and remedies as set forth in Chapter 83.

5.3 OEWD shall (1) advise Project Sponsor, in writing, of any alleged breach on the part of the Project Sponsor, Project’s Contractors, Subcontractors or tenants with regard to participation in the First Source Hiring Program, and (2) work with Project Sponsor, Contractor, Subcontractors, and tenants as applicable, to create a corrective action plan to address any violations before seeking remedies against the party in breach, including but not limited to any assessment of liquidated damages pursuant to Section 83.12 of the Administrative Code. Project Sponsor shall make good faith efforts to assist City with City’s enforcement of the any First Source Hiring Agreement against the applicable Contractor, Subcontractor or Commercial Tenant.

6. LOCAL BUSINESS UTILIZATION PLAN

6.1 Purpose. In connection with the design and construction of the Project, Project Sponsor desires to continue its strong history of community outreach designed to foster opportunities for disadvantaged businesses by voluntarily offering opportunities to CMD-Certified Local Business Enterprises.

6.2 LBE Participation Goal. Project Sponsor agrees to participate in a Local Business Enterprise Hiring Program, and CMD agrees to work with Project Sponsor in this effort, as set forth in this Section 6. As long as this Agreement remains in full force and effect, Project Sponsor shall make a good faith effort to ensure that at least fifteen percent (15%) of the cost of all Contracts for the Project are awarded to CMD Certified, Qualified LBEs (the “LBE Participation Goal”). If Project Sponsor, Consultants, and Contractors do not meet the LBE Participation Goal, they may nonetheless satisfy the requirements and obligations of this Agreement by satisfying the good faith obligations of Section 6.3 herein.

6.3 Good Faith Obligations. If Project Sponsor does not meet the LBE Participation Goal or is not meeting the LBE Participation Goal, it can satisfy the requirements of this Agreement by undertaking the following good faith obligations:
6.3.1 Designate a Workforce Liaison to work with CMD as required by Section 1.2 herein;

6.3.2 Notify CMD in writing of all upcoming Contracts at least five (5) business days before advertisement date and allow at least ten (10) business days before bids are due after such advertisement date;

6.3.3 If a pre-bid meeting or other similar meeting is held with proposed Contractors or Consultants, invite CMD to the meeting to allow CMD to explain proper LBE utilization;

6.3.4 Make good faith efforts to enter Contracts with LBEs and give good faith consideration to bids and proposals submitted by LBEs;

6.3.5 Use nondiscriminatory hiring criteria (for the purposes of clarity, Project Sponsor's exercise of its subjective aesthetic taste in hiring decisions for architects and other design professionals shall not be deemed discriminatory and (ii) Project Sponsor's exercise of its commercially reasonable judgment in all hiring decisions shall not be deemed discriminatory);

6.3.6 Include in each contract the requirements of this Section 6, including the LBE Participation Goal;

6.3.7 Maintain records of LBEs that are awarded contracts, not discriminate against any LBEs, and, if requested, meet and confer with CMD to identify a strategy to meet the LBE goal, and,

6.3.8 During construction, the Workforce Liaison shall prepare annual report of LBE Participation Goal attainment and submit to CMD as required by Section 1.3 herein.

6.4 CMD Obligations:

6.4.1 During the five (5) business day notification period for advertisement of upcoming Contracts required by Section 6.3.2 herein, CMD shall send Project Sponsor's notification to Certified LBEs to alert them to Project Sponsors upcoming Contracts.

6.4.2 Provide assistant to Project Sponsor on good faith outreach to LBEs.

6.4.3 Review annual report of LBE Participation Goal.

6.5 Meet and Confer Process: If requested by CMD or Project Sponsor, the other shall engage in an informal meet and confer process to assess compliance with the Local Business Utilization Plan.
7. STUDENT INTERNSHIP AND SCHOLARSHIP PROGRAM

7.1 Project Sponsor will make good faith efforts to establish internships in partnership with San Francisco State University ("SFSU"), City College of San Francisco ("CCSF") during active construction and/or design phases of the Project. Project Sponsor will provide no less than two (2) six-month internships per twelve (12) month period or equivalent during the design and construction phases of each Development Phase of the Project. In lieu of directly offering an internship within the offices of the Project Sponsor, Project Sponsor may satisfy the requirements of this Section 7 if the Contractors or Consultants employed by the Project Sponsor collectively provides no less than two (2) six-month internships per twelve (12) month period or equivalent during the design and construction phases of each Development Phase of the Project. Project Sponsor will also sponsor two (2) five-hundred dollar ($500) scholarships per year to SFSU and CCSF students enrolled in MEP, Engineering and Architectural coursework. As part of its annual reporting required by Section 1.3 herein, Project Sponsor will report on the internships and scholarships provided to OEWD.

8. NOTICES

8.1 All notices ("Notice" or "Notices") to be given under this Agreement shall be in writing and sent by: certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail, a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with that courier, or hand delivery, in which case notice shall be deemed delivered on the date received, all as follows:

If to City:

for First Source Hiring matters:

CityBuild Compliance Manager
OEWD, 1 South Van Ness 5th Fl.
San Francisco, CA 94103
Attn: Pat Mulligan, CityBuild Director
pat.mulligan@sfgov.org

and for matters other than First Source Hiring:

Contract Monitoring Division
Attn: LBE, Parkmerced
30 Van Ness Avenue, Suite 200
San Francisco, CA 94102

Todd Rufo, OEWD
City Hall, Rm. 448
San Francisco, CA 94102

If to Project Sponsor:
Seth Mallen  
Parkmerced  
3711 Nineteenth Avenue  
San Francisco, California 94132  

Constantine M. Dakolias  
Fortress Credit Corp.  
1345 Avenue of the Americas  
46th Floor  
New York, NY 10105  

8.2 Any party may change its address or contact person for notice purposes by giving the other parties notice of its new address as provided herein.  

8.3 Notwithstanding the forgoing, any Job Notification or any other reports required of Project Sponsor under this Agreement (collectively, “Project Sponsor Reports”) shall be delivered to the address of OEWD pursuant to this Section via first class mail, postage paid or via email, and such Contractor Reports shall be deemed delivered two (2) business days after deposit in the mail, or upon transmission via email, in accordance with this Subsection; provided, however, that any notice of default under this Agreement must be given in writing, and (a) personally delivered, (b) deposited with a commercially recognized national courier service, or (c) sent by registered or certified mail, postage prepaid.  

8.4 Upon execution of a contract, the executing Contractor, Consultant, or Commercial Tenant shall provide the OEWD, CityBuild, and/or CMD as applicable with its notice address for notices delivered pursuant to this Agreement.  

9. ENTIRE AGREEMENT  

9.1 This Agreement and the DA contain the entire agreement between the parties to this Agreement and shall not be modified in any manner except by an instrument in writing executed by the parties or their respective successors in interest.  

10. TERM  

10.1 This Agreement shall take effect on upon execution and delivery shall continue in full force and effect until the termination of the DA, with the exception of the end-use commercial lease obligations which shall run with the specific terms of the applicable leases. Without limiting the foregoing, obligations that apply to a specific First Source Hiring Agreement shall cease once the applicable Contractor and/or Consultant has performed all of the construction or professional services required under the applicable contract with Project Sponsor or that contract has otherwise been terminated(subject to any obligations, such as reporting requirements, that explicitly survive completion of the work).  

11. SEVERABILITY  

11.1 If any term or provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement shall not be affected.
12. COUNTERPARTS

12.1 This Agreement may be executed in one or more counterparts. Each shall be deemed an original and all, taken together, shall constitute one and the same instrument.

13. SUCCESSORS

13.1 This Agreement shall be binding on and inure to the burden and benefit of all successor owners of any portion of the Site on which commercial space of more than 25,000 square feet or a residential building of more than 10 units may be constructed pursuant to the terms of the DA, and Project Sponsor shall assign and the successor owners shall assume the applicable provisions of this Agreement in writing at the time of any transfer. Upon Project Sponsor’s valid transfer and assignment, Project Sponsor shall be relieved of all further obligations under this Agreement with respect to the transferred property.

14. HEADINGS

14.1 Section titles and captions contained in this Agreement are inserted as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any of its provisions.

15. GOVERNING LAW

15.1 This Agreement shall be governed and construed by the laws of the State of California.

16. RELATIONSHIP OF PARTIES

16.1 It is specifically understood and agreed by the parties that the development of the Projects is a private development. Nothing contained in this Agreement shall be deemed or construed, either by the parties hereto or by any third party, to create the relationship of principal and agent or create any partnership, joint venture or other association between Project Sponsor and the City and County of San Francisco. This Agreement and its terms shall not operate or be construed as a “contract” between Project Sponsor and the City and County of San Francisco within the meaning of Chapter 83 of the San Francisco Administrative Code, nor shall this Agreement or its terms operate or be construed to make Project Sponsor a “Contractor” within the meaning of Chapter 83 of the San Francisco Administrative Code.

17. NO OBLIGATIONS TO THIRD PARTY

17.1 This Agreement is not intended and shall not be construed to create any third party beneficiary rights in any person or entity that is not a party hereto, and no action to enforce the terms of this Agreement may be brought against either party by any person or entity that is not a party hereto.
IN WITNESS WHEREOF, the following have executed this Agreement as of the date set forth above.

City and County of San Francisco, a municipal corporation

By: ____________________________
   Todd Rufo, Director Office of Economic & Workforce Development

Date: __8/9/13___________________

Parkmerced Investors Properties, LLC

By: ____________________________
   Its: ____________________________

Date: ____________________________

CONSENT:
City and County of San Francisco, a municipal corporation

By: ____________________________
   John Rahaim, Director, Planning Department

Date: __8/9/13___________________

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: ____________________________
   Charles Sullivan, Deputy City Attorney
IN WITNESS WHEREOF, the following have executed this Agreement as of the date set forth above.

City and County of San Francisco, a municipal corporation

By: ___________________________
    Todd Rufo, Director Office of Economic & Workforce Development

Date: _________________________

Parkmerced Investors Properties, LLC

By: ___________________________
    Constantine M. Dakolias

Its: President

Date: _________________________

CONSENT:
City and County of San Francisco, a municipal corporation

By: ___________________________
    John Rahaim, Director, Planning Department

Date: _________________________

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: ___________________________
    Charles Sullivan, Deputy City Attorney
EXHIBIT A: FIRST SOURCE HIRING AGREEMENT

This First Source Hiring Agreement (this “Agreement”), is made as of , by and between , the First Source Hiring Administration, (the “FSHA”), and the undersigned contractor (“Contractor”) (each, a “Party”, collectively, the “Parties”):

RECATALS

WHEREAS, Contractor has executed or will execute an agreement (the “Contract”) to construct or oversee a portion of the Parkmerced Project, located at 3711 19th Avenue on Assessor’s Blocks and Lots 7303 001, 7303 A 001, 7308 001, 7309 001, 7309 A 001, 7310 001, 7311 001, 7315 001, 7316 001, 7317 001, 7318 001, 7319 001, 7320 003, 7321 001, 7322 001, 7323 001, 7325 001, 7326 001, 7330 001, 7331 004, 7332 004, 7333 001, 7333 003, 7333 A 001, 7333 B 001, 7333 C 001, 7333 D 001, 7333 E 001, 7334 001, 7335 001, 7336 001, 7337 001, 7338 001, 7339 001, 7340 001, 7341 001, 7342 001, 7343 001, 7344 001, 7345 001, 7345 A 001, 7345 B 001, 7345 C 001, 7356 001, 7357 001, 7358 001, 7359 001, 7360 001, 7361 001, 7362 001, 7363 001, 7364 001, 7365 001, 7366 001, 7367 001, 7368 001, 7369 001, and 7370 001 (collectively, the “Site”);

WHEREAS, the Project shall be built in phases (“Development Phases”) over approximately twenty (20) to thirty (30) years, and before each Development Phase Project Sponsor shall submit an application (“Development Phase Application”) to the City’s Planning Department (the “Planning Department”) which will include the parcels to be developed, the amount of new residential and commercial square footage proposed, and such additional matters as set forth in the DA;

WHEREAS, as a material part of the consideration given by Contractor under the Contract, Contractor has agreed to execute this Agreement and participate in the San Francisco Workforce Development System established by the City and County of San Francisco, pursuant to Chapter 83 of the San Francisco Administrative Code;

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties covenant and agree as follows.

DEFINITIONS

“Applicant”. An individual who has (a) completed and submitted an application via the approved application process; (b) applied for a specific job; and (c) met the minimum qualifications established for the job applied for.

“Entry Level Position”. An Entry Level Position for which Contractor is seeking to a part time or full time employee to fill.

“Business Day”. Any day other than a Saturday, Sunday or a day in which banks in San Francisco, California are authorized to close.

Exhibit A
“Candidate”. An individual who is interested in a position, but has not satisfied the
definition of an “Applicant,” as defined herein.

“CityBuild Academy”. An 18-week training program at the City College of San
Francisco, that is jointly-sponsored by CityBuild, or any successor program designated by the
OEWD Director.

“CityBuild Program”. The First Source Hiring Administrator established by the City and
County of San Francisco and managed by the Office of Economic and Workforce Development
(OEWD).

“Contractor”. A person or company that has entered into a construction contract for
monetary consideration with Project Sponsor to build or construct all or a portion of the Project.

“Core Workforce”. Any and all workers who appear on a Contractor’s or
Subcontractor’s payroll for at least 60 days of the 100 working days before the award of the
Contract.

“Economically Disadvantaged Worker”. An individual who is either (a) eligible for
services under the Workforce Investment Act of 1998 (29 U.S.C.A. 2801, et seq.), as may be
amended from time to time, or (b) designated as by the CityBuild Program as an individual at
risk of relying upon or returning to public assistance.

“Eligible Individual”. An individual who is either: (a) eligible to participate in a program
authorized by the Workforce Investment Act of 1998, 1998 PL 105-220 (HR 1385), as
determined by the San Francisco Workforce Investment Board (WISF) and the OEWD; or (b)
designated as “economically disadvantaged” by the First Source Hiring Administration, meaning
an individual who is at risk of relying upon, or returning to, public assistance, including
unemployment insurance.

“Entry Level Position”. A non-construction, non-managerial and non-supervisory
position that requires neither education above a high school diploma or certified equivalency, nor
more than two (2) years of training or specific preparation. The types of Entry Level Positions
that may be available include, but are not limited to, the following:

(i) Administrative Assistant or Receptionist
(ii) Maintenance Worker or Facilities Specialist
(iii) Janitorial Service Worker
(iv) Entry-level Technician
(v) Customer Service Associate
(vi) Clerk or Coordinator
(vii) Transportation Worker
(viii) Other entry-level architectural, engineering or professional service worker
not requiring education above a high school diploma or certified
equivalency, nor more than two (2) years of training or specific
preparation.
“Job Notification”. Written notice of a job request from a Contractor and Subcontractors to CityBuild for any hiring opportunities.

“New Hire”. A “New Hire” is any worker who is not a member of a Core or Existing Workforce.

“Project Sponsor” is Parkmerced Investors Properties LLC, and its successors and assigns.

“Qualified”. An individual who meets the minimum bona fide occupational qualifications for a specific job.

“Qualifying Subcontractor”. A person or entity that has a direct construction contract (a “Subcontract”) in excess of Three Hundred Thousand Dollars ($300,000) with a Contractor to build or construct all or a portion of the Project.

“Referral”. A referral is an individual member of the CityBuild Referral Program who has received training appropriate to entering the construction industry workforce.

“System Referrals”. Referrals by CityBuild of Qualified Economically Disadvantaged Workers for Entry Level Positions with a Contractor or Subcontractor.

“System”. The San Francisco Workforce Development System established by the City, and managed by OEWD, for maintaining (1) a pool of Qualified Economically Disadvantaged Workers, and (2) the mechanism by which such individuals are certified and referred to prospective employers covered by the First Source Hiring requirements under Chapter 83. Under this Agreement, CityBuild will act as the representative of the System.

1. **CONTRACTOR GOALS.**

1.1 Contractor shall make to make good faith efforts to achieve the goals set forth below, subject to the conditions and exceptions of this Agreement, including but not limited to Section 2.4.12 and Section 2.4.13 herein related to existing employment agreements and collective bargaining agreements:

1.1.1 With respect to new Entry-Level Positions for administrative and engineering internship candidates, a Contractor and Qualifying Subcontractor shall make good faith efforts to fill a minimum of fifty percent (50%) of such new Entry-Level Positions with System Referrals.

1.1.2 With respect to New Hires for union journeymen and apprentices, a Contractor and Qualifying Subcontractor shall make good faith efforts to fill a minimum of fifty percent (50%) of Hiring Opportunities with System Referrals.

1.1.3 Contractor and Qualifying Subcontractor will follow the State of California’s Department of Industrial Relations Apprenticeship Standards, as required by state law. Unless otherwise permitted by law, Apprentices must be trained pursuant to training programs approved by the U.S. Department of Labor, Employment and Training Administration,

Exhibit A
Bureau of Apprenticeship and Training, or the California Department of Industrial Relations, Division of Apprenticeship Standards

1.1.4 Contractor and Qualifying Subcontractor will support the CityBuild Academy Pre-apprenticeship training program by sponsoring referrals from the program into State certified apprenticeship programs as permitted under existing collective bargaining agreements.

2. PROGRAM ADMINISTRATION

2.1 Contract Start Notice. At least fifteen (15) days before start of work under the Contract or as soon as reasonably possible, Contractor and/or Qualifying Subcontractor shall complete the CityBuild Workforce Projection Form attached hereto and submit such form to CityBuild. Contractor and/or Qualifying Subcontractor, in coordination with the Prime Contractor, must meet with CityBuild representatives at least three (3) days before the start of work under the contract or as soon as reasonably possible to review and discuss CityBuild Workforce projection forms and hiring protocols.

2.2 Job Notification. Contractor and Qualifying Subcontractor shall deliver to CityBuild a Job Notification in a timely manner (i.e., at least three business days in advance) for any Available Entry Level Positions and apprentice positions as such position becomes available. Contractor and Qualifying Subcontractor may simultaneously contact applicable trade unions about the position as required by any existing collective bargaining agreements.

2.3 Review of System Referrals: Contractor Retains Discretion Regarding Hiring Decisions. Contractor and Qualifying Subcontractor shall (i) provide CityBuild three (3) business days to provide System Referrals to Contractor and such Qualifying Subcontractor, (ii) give good faith consideration to a reasonable number of Qualified System Referrals, (iii) review the resumes of such Qualified System Referrals, and (iv) conduct interviews with Qualified System Referrals in accordance with the non-discrimination provisions of this Agreement. Provided Contractor utilizes nondiscriminatory screening criteria, Contractor shall have the sole discretion in hiring decisions with respect to System Referrals or other job applicants.

2.4 Feedback Regarding System Referrals. Contractor and/or Qualifying Subcontractor shall solely be required to respond verbally by telephone to questions from CityBuild regarding the decision to hire or not to hire System Referrals; provided, however, that if CityBuild reasonably determines that Contractor and/or Qualifying Subcontractor has breached the requirements of this Agreement, Contractor and/or Qualifying Subcontractor shall be required to provide written comments on System Referrals.

2.5 Hiring Notification. Contractor and/or Qualifying Subcontractor shall provide timely notification to CityBuild of the hiring of individuals for Entry Level positions and apprentice positions, and other positions subject to this Agreement. This Hiring Notification will include the identity of the hired individual; provided, however, that with respect to non-System Referrals, Contractor and/or Qualifying Subcontractor’s notification shall only be required to include the hired individual’s name, zip code, source of hire, date of hire, and position.

First Source - EOEP Agreement
2.6 **Layoff Notification.** In the event of the firing/layoff of any CityBuild graduate or System Referral, Contractor and/or Qualifying Subcontractor must notify CityBuild staff within two (2) business days of the decision and provide justification for the firing or layoff. CityBuild requests that Contractor and/or Qualifying Subcontractor make good faith efforts to notify CityBuild as soon as any issue arises with a CityBuild graduate in order to remedy the situation before termination becomes necessary.

2.7 **Communication.** Contractor and each Qualifying Subcontractor shall communicate via email, telephone, or in person as reasonable with CityBuild representatives to review and discuss Contractor and/or Qualifying Subcontractor’s local hiring obligations under this Agreement.

2.8 **Record Keeping.** Contractor and each Qualifying Subcontractor shall keep, or cause to be kept, for a period of four years from the date of Substantial Completion of work under the Contract, (i) certified payroll and basic records, including time cards, tax forms, and superintendent and foreman daily logs, for all workers within each trade performing work on the Project, and (ii) accurate records demonstrating Contractor’s compliance with the First Source Hiring requirements of this Agreement as they relate to applicants, job offers, hires, and rejected applicants, as well as records of any New Hire whom Contractor and/or Qualifying Subcontractor believes meets the First Source Hiring criteria. All records described in this subsection shall at all reasonable business hours be open to inspection and examination by the duly authorized officers and agents of the City, including representatives of OEWD and CityBuild, including any such records maintained using an electronic Project Reporting System.

2.9 **Reporting.** Contractor and each Qualifying Subcontractor shall submit completed reporting form drafted and provided by CityBuild quarterly to CityBuild by mail, or, as available, through an electronic Project Reporting System.

2.10 **CityBuild Workforce Hiring Plan.** For Contracts with a value exceeding One Million Dollars ($1,000,000), Contractor will make good faith efforts to negotiate and execute a CityBuild Workforce Hiring Plan with CityBuild in a form substantially similar to that attached hereto as Exhibit A. The purpose of such Workforce Hiring Plan is to identify (i) Contractor’s number of Core Workforce employees by trade, (ii) the peak number of employees projected to be required by Contractor during the course of the Contract by trade, and (iii) the efforts that will be made by Contractor to meet the First Source hiring goals of this Agreement. Prior to the commencement of such negotiation, such Contractor will provide commercially reasonable documentation of its Core Workforce.

2.11 **Contractor’s Good Faith Effort to Comply with Its Obligations Hereunder.** Contractor and/or Qualifying Subcontractor shall make good faith efforts to comply with the requirements of this Agreement. Contractor and/or Qualifying Subcontractor’s failure to meet the requirements of this Agreement does not impute “bad faith.” Upon Contractor and/or Qualifying Subcontractor’s failure to meet the requirements set forth in this Agreement, OEWD may institute a review of Contractor’s efforts to comply with this Agreement.

2.12 **Compliance with Collective Bargaining Agreements.** Nothing in this Agreement shall amend, supercede, or otherwise affect the terms of any collective bargaining agreement.

Exhibit A
project labor agreement, consent decree, or other labor agreement (“Collective Bargaining Agreements”) entered into by Project Sponsor, Contractor, and/or Qualified Subcontractor, and a labor union before or during any portion of the Project. Contractor and/or Qualified Subcontractor shall make good faith efforts, subject to the terms of such collective bargaining agreements, to conduct the following activities:

2.12.1 Contractor shall notify the appropriate union(s) of the Contractor's obligations under this Agreement and request assistance from the union(s) in referring Qualified applicants for the Available Entry Level Position(s), to the extent such referral can conform to the requirements of the collective bargaining agreement(s).

2.12.2 Contractor shall use "name call" privileges, in accordance with the terms of the applicable collective bargaining agreement(s), to seek Qualified applicants from the System for the Available Entry Level Position(s).

2.12.3 Contractor shall sponsor Qualified apprenticeship applicants, referred through the System, for applicable union membership.

2.13 Compliance with Existing Employment Agreements Other Than Collective Bargaining Agreements. Nothing in this Agreement shall be interpreted to prohibit the continuation of any existing workforce training agreements or employment contracts existing before the Effective Date and approval of the first Development Phase Application for the Project. In the event of a conflict between this Agreement and an existing agreement, the terms of the existing agreement shall supersede this Agreement, Contractor and/or Qualifying Subcontractor shall promptly inform CityBuild of any such conflicts as soon as it becomes aware of same. The parties agree to work in good faith to seek alternatives or variations, to maintain the benefit of the bargain of this Agreement. Nothing in this Section shall apply to Collective Bargaining Agreements, which are subject to the provisions of Section 2.4.12 herein.

2.14 Exception for Essential Functions. Nothing in this Agreement precludes Contractor from using temporary or reassigned existing employees to perform essential functions of its operation; provided, however, the obligations of this Agreement to make good faith efforts to fill such vacancies permanently with System Referrals remains in effect. For these purposes, "essential functions" means those functions absolutely necessary to remain open for business.

2.15 First Source Hiring Administration. CityBuild or successor City agency shall represent the First Source Hiring Administration and will provide referrals of Qualified Economically Disadvantaged Workers for employment on the construction of the Project as required under Chapter 83. The First Source Hiring Program will also provide referrals of Qualified Economically Disadvantaged Workers for the permanent jobs located within the commercial space of the Project.

3. SUBCONTRACTORS

3.1 After the Effective Date and after approval of the each Development Phase Application for the Project, Contractor shall include in each contract in excess of Three Hundred Thousand Dollars ($300,000) for work to be conducted pursuant to such Development Phase Application executed with a Qualifying Subcontractor a provision requiring such Qualifying

First Source - EOEP Agreement
Subcontractor to execute a First Source Hiring Agreement in a form substantially similar as attached hereto as Exhibit A and a CityBuild Workforce Projection Form attached hereto as Exhibit B. Contractor shall make good faith efforts to provide to OEWD the Qualifying Subcontractor’s signed acknowledgement of receipt of the First Source Hiring Agreement and CityBuild Workforce Projection Form attached hereto as Exhibit C within ten (10) business days of execution of such contract. Contractors shall have no other obligations with respect to Qualifying Subcontractors, and shall not be liable for the failure of their Qualifying Subcontractors or other subcontractors to meet the requirements of the First Source Hiring Agreement.

4. ENFORCEMENT AND REMEDIES

This Agreement is an approved “First Source Hiring Agreement” as referenced in Section 83.11 of the Administrative Code. So long as Contractor and/or Qualifying Subcontractor fulfills its obligations under this Agreement, Contractor shall be deemed to have fulfilled its obligations under Chapter 83 of the Administrative Code.

Prior to the initiation of any enforcement action or remedy under this Agreement, the Party claiming default shall deliver to the other Party a written notice of default (a “Notice of Default”). The Notice of Default shall specify the reasons for the allegation of default with reasonable specificity. If the alleged defaulting Party disputes the allegations in the Notice of Default, then that Party, within twenty-one (21) calendar days of receipt of the Notice of Default, shall deliver to the other Party a notice of non-default which sets forth with specificity the reasons that a default has not occurred. The Parties shall meet to discuss resolution of the alleged default. If, after good faith negotiation, the Parties fail to resolve the alleged default within thirty (30) calendar days, then the Party alleging a default may institute legal proceedings pursuant to enforce the terms of this Agreement. The sole remedies and enforcement process for violation of the requirements of this Agreement are as provided in Section 83.12 of the Administrative Code. As stated in Section 83.12(f) of the Administrative Code, if Contractor fulfills its obligations as set forth in Chapter 83, it shall not be held responsible for the failure of a Contractor, subcontractor, or tenant to comply with the requirements of Chapter 83.

5. NOTICE

All notices ("Notice" or "Notices") to be given under this Agreement shall be in writing and sent by: certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail, a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with that courier, or hand delivery, in which case notice shall be deemed delivered on the date received, all as follows:

If to City:

CityBuild Compliance Manager
OEWD, 1 South Van Ness 5th Fl.
San Francisco, CA 94103

Exhibit A
Attn: Ken Nim, Compliance Manager
ken.nim@sfgov.org

If to Contractor:

5.1 Any party may change its address or contact person for notice purposes by giving the other parties notice of its new address as provided herein.

5.2 Notwithstanding the forgoing, any Job Notification or any other reports required of Contractor under this Agreement (collectively, “Contractor Reports”) shall be delivered to the address of OEWD pursuant to this Section 5 via first class mail, postage paid or via email, and such Contractor Reports shall be deemed delivered two (2) business days after deposit in the mail, or upon transmission via email, in accordance with this Subsection; provided, however, that any notice of default under this Agreement must be given in writing, and (a) personally delivered, (b) deposited with a commercially recognized national courier service, or (c) sent by registered or certified mail, postage prepaid.

5.3 Upon execution of a contract with a Qualifying Subcontractor, the executing Contractor shall provide the OEWD, CityBuild, and/or CMD as applicable with its notice address for notices delivered pursuant to this Agreement.

6. ENTIRE AGREEMENT

This Agreement contains the entire agreement between the parties to this Agreement and shall not be modified in any manner except by an instrument in writing executed by the parties or their respective successors in interest.

7. TERM

This Agreement shall take effect upon execution and delivery shall continue in full force and effect until completion work required by the contract.

8. SEVERABILITY

If any term or provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement shall not be affected.

9. COUNTERPARTS

This Agreement may be executed in one or more counterparts. Each shall be deemed an original and all, taken together, shall constitute one and the same instrument.
10. HEADINGS

Section titles and captions contained in this Agreement are inserted as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any of its provisions.

11. GOVERNING LAW

This Agreement shall be governed and construed by the laws of the State of California.

12. RELATIONSHIP OF PARTIES

It is specifically understood and agreed by the parties that the development of the Projects is a private development. Nothing contained in this Agreement shall be deemed or construed, either by the parties hereto or by any third party, to create the relationship of principal and agent or create any partnership, joint venture or other association between Contractor and the City and County of San Francisco. This Agreement and its terms shall not operate or be construed as a “contract” between Contractor and the City and County of San Francisco within the meaning of Chapter 83 of the San Francisco Administrative Code, nor shall this Agreement or its terms operate or be construed to make Contractor a “Contractor” within the meaning of Chapter 83 of the San Francisco Administrative Code.

13. NO OBLIGATIONS TO THIRD PARTY

This Agreement is not intended and shall not be construed to create any third party beneficiary rights in any person or entity that is not a party hereto, and no action to enforce the terms of this Agreement may be brought against either party by any person or entity that is not a party hereto.
IN WITNESS WHEREOF, the following have executed this Agreement as of the date set forth above.

City and County of San Francisco, a municipal corporation

By: ____________________________
Office of Economic & Workforce Development

Date: ____________________________

Contractor

By: ____________________________

Its: ____________________________

Date: ____________________________
EXHIBIT B: FORM 1 - CITYBUILD WORKFORCE PROJECTION FORM

Instructions

- The Prime Contractor must complete and submit Form 1 within 30 days of award of contract.
- All subcontractors with contracts in excess of $100,000 must complete Form 1 and submit to the Prime Contractor within 30 days of award of contract.
- The Prime Contractor is responsible for collecting all completed Form 1’s from all subcontractors.
- It is the Prime Contractor’s responsibility to ensure the CityBuild Program receives completed Form 1’s from all subcontractors in the specified time and keep a record of these forms in a compliance binder at the project jobsite.
- All contractors and subcontractors are required to attend a preconstruction meeting with CityBuild staff.

Construction
Project Name: ________________________________

Projected Start Date: __________________________

Company Name: ________________________________

Main Contact Name: ____________________________

Main Contact Email: ____________________________

Hiring Authority: ______________________________

Name of Person with Hiring Authority: ________________

Company Address: ________________________________

Main Phone Number: ____________________________

Hiring Authority Phone Number: ____________________

Construction
Project Address: ________________________________

Contract Duration: ________________________________ (calendar days)

Company Address: ________________________________

Main Phone Number: ____________________________

Hiring Authority Phone Number: ____________________

Name of Authorized Representative __________________________

Signature of Authorized Representative* __________________________

Date __________________________

*By signing this form, the company agrees to participate in the CityBuild Program and comply with the provisions of the First Source Hiring Agreement pursuant to San Francisco Administrative Code Chapter 83.

Table 1: Briefly summarize your contracted or subcontracted scope of work

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
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Table 2: Complete on the following page

List the construction trade crafts that are projected to perform work. Do not list Project Managers, Engineers, Administrative, and any other non-construction trade employees.

Total Number of Workers on the Project: The total number of workers projected to work on the project per construction trade. This number will include existing workers and New Hires. For union contractors this total will also include union dispatches.

Total Number of New Hires: List the projected number of New Hires that will be employed on the project. For union contractors, New Hires will also include union dispatches.

Exhibit B Page 1
Table 2: List all construction trades projected to perform work

<table>
<thead>
<tr>
<th>Construction Trades</th>
<th>Journey or Apprentice</th>
<th>Union (Yes or No)</th>
<th>Total Work Hours</th>
<th>Total Number of Workers on the Project</th>
<th>Total Number of New Hires</th>
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</table>

Table 3: List your core or existing employees projected to work on the project

*Please provide information on your projected core or existing employees that will perform work on the jobsite. “Core” or “Existing” workers are defined as any worker appearing on the Contractor’s active payroll for at least 60 out of the 100 working days prior to the award of this Contract. If necessary, continue on a separate sheet.*

<table>
<thead>
<tr>
<th>Name of Core or Existing Employee</th>
<th>Construction Trade</th>
<th>Journey or Apprentice</th>
<th>City</th>
<th>Zip Code</th>
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FOR CITY USE ONLY: CityBuild Staff: ______________________  Approved: Yes □ No □  Date: _____}

First Source - EOEP Agreement
EXHIBIT C:
CONTRACTOR ACKNOWLEDGEMENT FIRST SOURCE HIRING REQUIREMENTS

Pursuant to the provisions of Section _____ of the Contract of Services by and between Parkmerced Investors Properties LLC and ________ ("Contractor"), dated ________, Contractor acknowledges that Contractor is obligated by the Contract of Services to execute the First Source Hiring Agreement and CityBuild Workforce Project Form attached hereto. Contractor hereby acknowledges that, as a condition of its services, Contractor is obligated to participate in San Francisco Workforce Development System established by the City and County of San Francisco, pursuant to Chapter 83 of the San Francisco Administrative Code, in the manner more specifically detailed in the attached First Source Hiring Agreement.

Dated:

ACKNOWLEDGED
Contractor

By: ________________________________
Print Name: _________________________
Title: ______________________________

Parkmerced Investors Properties, LLC

By: ________________________________
Its: ________________________________
Title: ______________________________
Date: _______

Exhibit C
EXHIBIT D:
FORM OF FIRST SOURCE CONSULTANT HIRING CONTRACT

This First Source Hiring Agreement (this “Agreement”), is made as of , by and between , the First Source Hiring Administration, (the “FSHA”), and the undersigned consultant (“Consultant”) (each, a “Party”, collectively, the “Parties”):

RECITALS

WHEREAS, Consultant has executed or will execute an agreement (the “Contract”) to provide [design, engineering, architectural] consulting services related to the design and/or construction of the Parkmerced Project, located at 3711 19th Avenue on Assessor’s Blocks and Lots 7303 001, 7303 A 001, 7308 001, 7309 001, 7309 A 001, 7310 001, 7311 001, 7315 001, 7316 001, 7317 001, 7318 001, 7319 001, 7320 003, 7321 001, 7322 001, 7323 001, 7325 001, 7326 001, 7330 001, 7331 004, 7332 004, 7333 001, 7333 003, 7333 A 001, 7333 B 001, 7333 C 001, 7333 D 001, 7333 E 001, 7334 001, 7335 001, 7336 001, 7337 001, 7338 001, 7339 001, 7340 001, 7341 001, 7342 001, 7343 001, 7344 001, 7345 001, 7345 A 001, 7345 B 001, 7345 C 001, 7356 001, 7357 001, 7358 001, 7359 001, 7360 001, 7361 001, 7362 001, 7363 001, 7364 001, 7365 001, 7366 001, 7367 001, 7368 001, 7369 001, and 7370 001 (collectively, the “Site”);

WHEREAS, the Project shall be built in phases (“Development Phases”) over approximately twenty (20) to thirty (30) years, and before each Development Phase Project Sponsor shall submit an application (“Development Phase Application”) to the City’s Planning Department (the “Planning Department”) which will include the parcels to be developed, the amount of new residential and commercial square footage proposed, and such additional matters as set forth in the DA;

WHEREAS, as a material part of the consideration given by Consultant under the Contract, Consultant has agreed to execute this Agreement and participate in the San Francisco Workforce Development System established by the City and County of San Francisco, pursuant to Chapter 83 of the San Francisco Administrative Code;

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties covenant and agree as follows.

1. DEFINITIONS

“Available Entry Level Position”. An Entry Level Position for which Consultant is seeking to a part time or full time employee to fill.

“CityBuild Program”. The First Source Hiring Administrator established by the City and County of San Francisco and managed by the Office of Economic and Workforce Development (OEWD).
“Consultant”. Consultant contracted to perform professional services work for the development of the Project.

“Economically Disadvantaged Worker”. An individual who is either (a) eligible for services under the Workforce Investment Act of 1998 (29 U.S.C.A. 2801, et seq.), as may be amended from time to time, or (b) designated as by the CityBuild Program as an individual at risk of relying upon or returning to public assistance.

“Entry Level Position”. Any non-managerial position that requires no education above a high school diploma or certified equivalency, and less than two (2) years training or specific preparation, and shall include temporary, permanent and intern positions. Trainee positions are considered Entry Level Positions.

“System Referrals”. Referrals by CityBuild of Qualified Economically Disadvantaged Workers for Entry Level Positions.

“System”. The San Francisco Workforce Development System established by the City, and managed by OEWD, for maintaining (1) a pool of Economically Disadvantaged Worker, and (2) the mechanism by which such individuals are certified and referred to prospective employers covered by the First Source Hiring requirements under Chapter 83. Under this Agreement, CityBuild will act as the representative of the System.

“Trainee”. Either an (i) Economically Disadvantaged Worker who is a member of the CityBuild Program and has been identified by CityBuild staff as having the appropriate training, employment background and skill sets for a Consultant specified Entry Level Position or (ii) a undergraduate student at San Francisco State University (“SFSU”) or City College of San Francisco (“CCSF”). Trainees do not require a college degree.

2. CONSULTANT OBLIGATIONS

2.1 Within 30 days of award of the Contract, Consultant shall complete, sign and submit this Agreement and the Professional Services First Source Hiring Form, attached hereto as Exhibit B.

3. HIRING GOALS

3.1 Hiring Goals. Consultant agrees to make good faith efforts and work with CityBuild to hire new Trainees in the area of the Consultant’s expertise. Consultant’s obligation to consider hiring a Trainee arises solely if Consultant has an Available Entry Level Position.

3.2 Purpose. The intent of hiring Trainees is to provide Economically Disadvantaged Workers technical training and job opportunities in a professional environment. The Trainee must be hired in a discipline related to technical services or meaningful support for the Consultant.
4. PROGRAM IMPLEMENTATION

4.1 **Job Notification.** Consultant shall provide timely Notice to CityBuild for any Available Entry Level Positions as such position becomes available.

4.2 **Review of System Referrals.** Consultant shall (i) provide CityBuild three (3) business days to provide System Referrals to Consultant, and (ii) give good faith consideration to a reasonable number of Qualified System Referrals within fourteen (14) business days of Consultant’s Notice to CityBuild for any Available Entry Level Positions as required by Section 3.1 herein.

4.3 **Consultant Retains Discretion Regarding Hiring Decisions.** Consultant must consider all Trainees fairly, equally and comply with the non-discrimination provisions pursuant to local, state and federal laws. The final decision to hire a Trainee shall be made by Consultant. Consultant shall make good faith efforts to hire Trainees referred by the CityBuild Program. Consultant may decline to hire a Trainee if Consultant considers the Trainee in good faith but deems the Trainee is not qualified.

5. TERMS OF TRAINEE EMPLOYMENT.

5.1 If Consultant hires a Trainee as a result of the process described in Section 3 herein, Consultant shall employ such Trainee based on the following terms:

5.1.1 Consultant shall hire the Trainee on a full-time basis or on a part-time basis, offering Trainee on the job training, which allows the Trainee to progress on a career path.

5.1.2 Trainee shall be hired as regular employees of the firm and shall receive any benefits that they may be entitled to under State labor laws.

5.1.3 Consultant may hire Trainee for the duration of the Contract and may utilize Trainees on other contracts it has within the San Francisco Bay Area.

5.1.4 Consultant may replace Trainee if there is commercially reasonable documentation demonstrating the Trainee did not perform the job requirements at a satisfactory level.

5.1.5 Consultant shall provide the necessary tools and office equipment (i.e., computers, desks and chairs) for Trainee to perform the assigned duties.

5.1.6 Consultant shall provide travel costs if the Trainee has to travel fifty (50) miles or more from his/her assigned work site for the purposes of the scope of work under Consultant’s contract.

5.1.7 Consultant shall design a training program for the Trainee. The program shall include, but not limited to company’s personnel policy and procedures manual, benefit package, duties and responsibilities.
5.1.8 Consultant shall permit CityBuild staff to interview regular employees and Trainee for a commercial reasonable amount of time during working hours, provided that the date and time of such interviews shall be scheduled at Consultant’s commercially reasonable discretion.

5.1.9 Quarterly Report, Consultant shall submit to the CityBuild Program a Quarterly report on the status of any hired Trainees. Consultant shall designate a representative ("Consultant Representative") to monitor all employment-related activity and be the main contact for CityBuild staff. The Consultant Representative must have hiring authority. Consultant shall maintain a compliance binder which shall include copies of all documentation and records supporting good faith efforts toward the requirements set forth under this Agreement.

6. TERM.

6.1 The obligations of Consultant, as set forth in this Agreement, shall remain in effect until completion of all work to be performed by Consultant under the terms and conditions of the Contract.

7. ENFORCEMENT AND REMEDIES

7.1 This Agreement is an approved “First Source Hiring Agreement” as referenced in Section 83.11 of the Administrative Code. So long as Consultant fulfills its obligations under this Agreement, Consultant shall be deemed to have fulfilled its obligations under Chapter 83 of the Administrative Code.

7.2 Prior to the initiation of any enforcement action or remedy under this Agreement, the Party claiming default shall deliver to the other Party a written notice of default (a “Notice of Default”). The Notice of Default shall specify the reasons for the allegation of default with reasonable specificity. If the alleged defaulting Party disputes the allegations in the Notice of Default, then that Party, within twenty-one (21) calendar days of receipt of the Notice of Default, shall deliver to the other Party a notice of non-default which sets forth with specificity the reasons that a default has not occurred. The Parties shall meet to discuss resolution of the alleged default. If, after good faith negotiation, the Parties fail to resolve the alleged default within thirty (30) calendar days, then the Party alleging a default may institute legal proceedings pursuant to enforce the terms of this Agreement.

8. NOTICES

8.1 All notices ("Notice" or "Notices") to be given under this Agreement shall be in writing and sent by: certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail, a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with that courier, or hand delivery, in which case notice shall be deemed delivered on the date received, all as follows: If to City:
8.2 Any party may change its address or contact person for notice purposes by giving the other parties notice of its new address as provided herein.

8.3 Notwithstanding the forgoing, any Job Notification or any other reports required of Consultant under this Agreement (collectively, “Consultant Reports”) shall be delivered to the address of OEWD pursuant to this Section via first class mail, postage paid or via email, and such Consultant Reports shall be deemed delivered two (2) business days after deposit in the mail, or upon transmission via email, in accordance with this Subsection; provided, however, that any notice of default under this Agreement must be given in writing, and (a) personally delivered, (b) deposited with a commercially recognized national courier service, or (c) sent by registered or certified mail, postage prepaid.

9. ENTIRE AGREEMENT

9.1 This Agreement contains the entire agreement between the Parties to this Agreement and shall not be modified in any manner except by an instrument in writing executed by the parties or their respective successors in interest.

10. SEVERABILITY

10.1 If any term or provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement shall not be affected.

11. COUNTERPARTS

11.1 This Agreement may be executed in one or more counterparts. Each shall be deemed an original and all, taken together, shall constitute one and the same instrument.

12. HEADINGS

12.1 Section titles and captions contained in this Agreement are inserted as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any of its provisions.

13. GOVERNING LAW

13.1 This Agreement shall be governed and construed by the laws of the State of California.

Exhibit D
14. RELATIONSHIP OF PARTIES

14.1 It is specifically understood and agreed by the parties that the development of the Projects is a private development. Nothing contained in this Agreement shall be deemed or construed, either by the parties hereto or by any third party, to create the relationship of principal and agent or create any partnership, joint venture or other association between Consultant and the City and County of San Francisco. This Agreement and its terms shall not operate or be construed as a "contract" between Consultant and the City and County of San Francisco within the meaning of Chapter 83 of the San Francisco Administrative Code, nor shall this Agreement or its terms operate or be construed to make Consultant a "Contractor" within the meaning of Chapter 83 of the San Francisco Administrative Code.

15. NO OBLIGATIONS TO THIRD PARTY

15.1 This Agreement is not intended and shall not be construed to create any third party beneficiary rights in any person or entity that is not a party hereto, and no action to enforce the terms of this Agreement may be brought against either party by any person or entity that is not a party hereto.

IN WITNESS WHEREOF, the following have executed this Agreement as of the date set forth above.

City and County of San Francisco, a municipal corporation

By: ____________________________
Office of Economic & Workforce Development

Date: __________________________

Consultant

By: ____________________________

Its: ____________________________

Date: __________________________

First Source - EOEP Agreement
EXHIBIT E: PROFESSIONAL SERVICES: FIRST SOURCE HIRING FORM

Consultant Name: ___________________________  Phone: ___________________________
Main Contact: ___________________________  Email: ___________________________

Instructions:
• The Prime Consultant contracted to perform professional services work for the development of the Parkmerced project must complete, sign and submit the Professional Services: First Source Hiring Form within 30 days of award of their contract.
• For any questions and assistance, please contact Ian Fernando: Email: ian.fernando@sfgov.org Tel: (415)701-4852

Section 1: Select all that apply

Administrative Services  Financial Services  Mechanical/Electrical Engineering
Architecture  Geotechnical Engineering  Property Management
Asbestos and Lead  Green Building Consulting  Real Estate Services
As-Needed  Health/Medical Services  Sediment Analysis
Civil/Structural/Hydraulic Engineering  Job Order Contracting  Special Inspection and Testing
Construction Management  Landscape Architecture  Surveying
Design Services  Will require an office or trailer near the project site
Environmental Services  I don’t see my services (please describe)

Section 2: List Trainee positions
• The Consultant shall make good faith efforts to hire Trainees from the CityBuild Program. Hiring a Trainee counts toward the requirements of the First Source Hiring Program. The final decision to hire a Trainee shall be made by the Consultant.
• List the available number of New Trainee positions based on the Consultant’s scope of work, Consultant’s existing workforce and the Consultant Fees Schedule listed below.

<table>
<thead>
<tr>
<th>Trainee Title</th>
<th>Job Description</th>
<th>Number of Trainees to be Hired</th>
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Signature of Authorized Representative*

Name of Authorized Representative

Date

*By signing this form, the Consultant agrees to participate in the CityBuild Program managed by the Office of Economic and Workforce Development and comply with the provisions of the First Source Hiring Program pursuant to SF Administrative Code Chapter 83.

Please email this form SIGNED to:
First Source Hiring Administrator
Email: Workforce.Development@sfgov.org
Tel: 415-701-4848
Fax: 415-701-4895
Website: www.workforcedevelopmentsf.org

Exhibit E
EXHIBIT F:
CONSULTANT ACKNOWLEDGEMENT OF FIRST SOURCE HIRING REQUIREMENTS

Pursuant to the provisions of Section ____ of the Contract of Services by and between Parkmerced Investors Properties LLC and ________ ("Consultant"), dated ________, Consultant acknowledges that Consultant is obligated by the Contract of Services to execute the First Source Hiring Agreement and First Source Hiring Form attached hereto. Consultant hereby acknowledges that, as a condition of its services, Consultant is obligated to participate in San Francisco Workforce Development System established by the City and County of San Francisco, pursuant to Chapter 83 of the San Francisco Administrative Code, in the manner more specifically detailed in the attached First Source Hiring Agreement.

Dated:

ACKNOWLEDGED
Consultant

By: ________________________________
Print Name: ________________________________
Title: ________________________________

Parkmerced Investors Properties, LLC

By: ________________________________

Its: ________________________________
Title: ________________________________
Date: ______

Exhibit F
EXHIBIT G: TENANTS FIRST SOURCE HIRING FORM

Business Name: ___________________________ Phone: ___________________________
Main Contact: ___________________________ Email: ___________________________

Instructions:
- As defined in Section 2.3, the Tenant: First Source Hiring Form is to be completed and submitted by the tenant within 30 days of the execution of the Tenant’s agreement to occupy the building space.
- Tenant is expected to complete and submit this form annually to reflect employment conditions.
- The Tenant must notify the First Source Hiring Program (Contact info below) if an Entry Level Position becomes available.
- For any questions and assistance, please contact Ian Fernando: Email: ian.fernando@sfgov.org Tel: (415)701-4852

Section 1: Select your Industry
- Auto Repair
- Business Services
- Consulting
- Construction
- Government Contract
- Education
- Food and Drink
- Entertainment
- Elder Care
- Financial Services
- Healthcare
- Insurance
- Manufacturing
- Personal Services
- Professionals
- Real Estate
- Retail
- Security
- Wholesale
- I don’t see my industry (Please Describe)

Section 2: Describe Primary Business Activity

Section 3: Provide information on all Entry Level Positions

<table>
<thead>
<tr>
<th>Entry-Level Position Title</th>
<th>Job Description</th>
<th>Number of New Hires</th>
<th>Projected Hiring Date</th>
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</table>

Signature of Authorized Representative*  
Name of Authorized Representative  
Date

*By signing this form, the Tenant agrees to participate in the CityBuild Program managed by the Office of Economic and Workforce Development (OEWD) and comply with the provisions of the First Source Hiring Program pursuant to SF Administrative Code Chapter 83.

Please email this form SIGNED to:
First Source Hiring Administrator
Email: Workforce.Development@sfgov.org
Tel: 415-701-4848
Fax: 415-701-4895
Website: www.workforcedevelopmentsf.org

Exhibit G
EXHIBIT H: TENANT LEASE ADDENDUM

This First Source Hiring Agreement (this “Agreement”), is made as of , by and between , the First Source Hiring Administration, (the “FSHA”), and the undersigned tenant (“Commercial Tenant”) (each, a “Party”, collectively, the “Parties”):

RECITALS

WHEREAS, Commercial Tenant has executed or will execute a lease (the “Lease”) for a [office, retail store, etc] within the Parkmerced Project, located at 3711 19th Avenue on Assessor’s Blocks and Lots 7303 001, 7303 A 001, 7308 001, 7309 001, 7309 A 001, 7310 001, 7311 001, 7315 001, 7316 001, 7317 001, 7318 001, 7319 001, 7320 003, 7321 001, 7321 001, 7322 001, 7323 001, 7325 001, 7326 001, 7330 001, 7331 004, 7332 004, 7333 001, 7333 003, 7333 A 001, 7333 B 001, 7333 C 001, 7333 D 001, 7333 E 001, 7334 001, 7335 001, 7336 001, 7337 001, 7338 001, 7339 001, 7340 001, 7341 001, 7342 001, 7343 001, 7344 001, 7345 001, 7345 A 001, 7345 B 001, 7345 C 001, 7356 001, 7357 001, 7358 001, 7359 001, 7360 001, 7361 001, 7362 001, 7363 001, 7364 001, 7365 001, 7366 001, 7367 001, 7368 001, 7369 001, and 7370 001 (collectively, the “Site”);

WHEREAS, the Project shall be built in phases (“Development Phases”) over approximately twenty (20) to thirty (30) years, and before each Development Phase Project Sponsor shall submit an application (“Development Phase Application”) to the City’s Planning Department (the “Planning Department”) which will include the parcels to be developed, the amount of new residential and commercial square footage proposed, and such additional matters as set forth in the DA;

WHEREAS, as a material part of the consideration given by Commercial Tenant under the Lease, Commercial Tenant has agreed to execute this Agreement and participate in the San Francisco Workforce Development System established by the City and County of San Francisco, pursuant to Chapter 83 of the San Francisco Administrative Code;

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties covenant and agree as follows.

1. DEFINITIONS

1.1 “Applicant”. An individual who has (a) completed and submitted an application via the approved application process; (b) applied for a specific job; and (c) met the minimum qualifications established for the job applied for.

1.2 “Available Entry Level Position”. Any non-managerial position that requires no education above a high school diploma or certified equivalency, and less than two (2) years training or specific preparation, and shall include temporary, permanent, trainee and intern positions.

Exhibit H
1.3 “Candidate”. An individual who is interested in a position, but has not satisfied the definition of an "Applicant," as defined herein.

1.4 “Eligible Individual”. An individual who is either: (a) eligible to participate in a program authorized by the Workforce Investment Act of 1998, 1998 PL 105-220 (HR 1385), as determined by the San Francisco Workforce Investment Board (WISF) and the OEWD; or (b) designated as "economically disadvantaged" by the First Source Hiring Administration, meaning an individual who is at risk of relying upon, or returning to, public assistance, including unemployment insurance.

1.5 “Entry Level Position”. A non-construction, non-managerial and non-supervisory position that requires neither education above a high school diploma or certified equivalency, nor more than two (2) years of training or specific preparation. The types of Entry Level Positions that may be available include, but are not limited to, the following:

1.5.1 Administrative Assistant or Receptionist
1.5.2 Maintenance Worker or Facilities Specialist
1.5.3 Janitorial Service Worker
1.5.4 Entry-level Technician
1.5.5 Customer Service Associate
1.5.6 Clerk or Coordinator
1.5.7 Transportation Worker
1.5.8 Construction Worker
1.5.9 Landscaper
1.5.10 Other entry-level architectural, engineering or professional service worker

1.6 “Job Notification”. Written notice, in accordance with Section 4.6 below, from Project Sponsor or tenants to OEWD for any Available Entry Level Position during the term of the Agreement.

1.7 “Qualified Pool”. The pool of Applicants who have met the job qualifications and passed the applicable employment screening test, and are thus eligible to be interviewed by Project Sponsor or tenants for Available Entry Level Positions. Candidates may apply for multiple job categories through a single application.

1.8 “System”. The San Francisco Workforce Development System established by the City and County of San Francisco, and managed by the OEWD, for maintaining (i) a pool of Eligible Individuals, and (ii) the mechanism by which such individuals are certified and referred
to prospective employers who are subject to the First Source Hiring requirements under Chapter 83 of the San Francisco Administrative Code.

1.9 "System Referrals". Applicants referred by the System as Candidates for Available Entry Level Positions.

1.10 "Tenant”. End use commercial tenant, subtenant, business operator or any other occupant of commercial space included in Project. Tenant shall include every person or entity occupying the buildings of the Project for the intent of doing business in the City and County of San Francisco and possessing a Business Registration Certificate with the Office of Treasurer. Tenant shall not include any residential tenants within the Project.

2. TENANT OBLIGATIONS

2.1 Hiring Procedures. Tenant shall process all Candidates and Applicants through Tenants standard hiring methods; however, Project Sponsor shall adhere to the following protocols:

2.1.1 Tenant shall promptly deliver by email, mail, messenger or facsimile to the assigned OEWD Business Account Representative, a Job Notification for any Available Entry Level Positions, as soon as they become available during the term of the Agreement. For each Available Entry Level Position, the following requirements apply:

(a) Job Notification shall provide a clear, accurate job description, including expectations, whether the position is part time (less than 32 hours a week) or full time, permanent or limited time, minimum wages to be paid, and any special requirements.

(b) During the 72 hours business day period following delivery of the Job Notification, Tenant may only interview and/or hire Eligible Individuals or System Referrals for the Available Entry Level Position but may publicize the upcoming position. Before interviewing and/or hiring any other Applicants for the Available Entry Level Position, Tenant shall first review any applications received from Eligible Individuals and System Referrals during the 72 hours business day period following delivery of the Job Notification.

(c) Tenant shall not be required to deliver a Job Notification or hire an Eligible Individual for an Available Entry Level Position if Tenant reasonably determines that there is an urgent need to fill that position immediately in order to perform essential functions of its operation. If Tenant determines that there is an urgent need to fill a position immediately in order to perform essential functions of its operations in reliance on this subsection, it shall provide OEWD written notice of this fact within ten (10) business days.

(d) Tenant will provide feedback to OEWD Business Account Representatives on job seekers interviewed, including name, position title, starting salary and employment start date of those individuals hired no later than 3 weeks
after the date of interview or hire. Tenant will also provide constructive feedback on OEWD job seekers not hired.

2.1.2 Job Needs Communications. Tenant shall complete the Tenant: First Source Hiring Form and submit to the OEWD program, attached hereto as Exhibit C, via e-mail within 60 days of executing the Tenant’s agreement to occupy the building space and annually thereafter.

2.1.3 Standard Retention Efforts. In order to promote retention among the newly hired System Referrals, Tenant shall implement retention efforts consistent with Tenant’s practices. Tenant shall have the sole discretion to modify its retention efforts at any time.

2.1.4 Additional Retention Efforts. In addition to the standard retention efforts described above, a Tenant’s representative shall communicate with OEWD on a regular basis to provide feedback intended to enhance the hiring of, and satisfactory job performance by, the System Referrals. This feedback shall be general in nature and shall not be focused on specific individuals.

2.1.5 Record-Keeping Obligations. Tenant shall use reasonable efforts to obtain and keep records of the number of System Referrals interviewed for Available Entry Level Positions and those eventually hired by Tenant. Tenant shall cause the information gathered pursuant to this Section to be reported to the OEWD every six (6) months and include aggregated information on the zip codes of hired System Referrals.

2.1.6 Tenant to Retain Discretion Regarding Hiring Decisions. Tenant agrees to work cooperatively with OEWD staff to identify effective procedures to recruit, pre-screen and interview qualified Applicants for employment consideration in Entry Level Positions, subject to any enforceable collective bargaining agreements. Provided Tenant utilizes nondiscriminatory screening criteria, Tenant shall have the sole discretion to interview and hire any System Referrals.

3. OEWD’S OBLIGATIONS

3.1 Pursuant to this Agreement, OEWD shall:

3.1.1 Provide for City sponsored pre-employment screening, employment training, and support services programs.

3.1.2 Follow up with Tenant on the outcomes of System Referrals, and initiate corrective action as necessary to maintain an effective employment training and delivery system;

3.1.3 Provide Tenant with reporting forms, consistent with the reporting obligations set forth in Section 4.6.6 above, for monitoring the requirements of this Agreement; and

3.1.4 Monitor the performance of the Agreement by examination of records of Tenant’s hiring activities as submitted in accordance with the requirements of this Agreement.
4. EXCEPTION FOR ESSENTIAL FUNCTIONS

4.1 Nothing in this Agreement precludes Tenant from using temporary or reassigned existing employees to perform essential functions of its operation; provided, however, the obligations of this Agreement to make good faith efforts to fill such vacancies permanently with System Referrals remains in effect. For these purposes, “essential functions” means those functions reasonably necessary to remain open for business.

5. TENANT’S COMPLIANCE WITH EXISTING EMPLOYMENT AGREEMENTS.

5.1 Nothing in this Agreement shall be interpreted to prohibit the continuation of existing workforce training agreements or to interfere with consent decrees, collective bargaining agreements, or existing employment contracts. In the event of a conflict between this Agreement and an existing agreement, the terms of the existing agreement shall supersede this Agreement.

6. HIRING GOALS EXCEEDING OBLIGATIONS OF THIS AGREEMENT

6.1 Nothing in this Agreement shall be interpreted to prohibit the adoption of hiring and retention goals, First Source Hiring and interviewing requirements, notice and job availability requirements, monitoring, record keeping, and enforcement requirements and procedures which exceed the requirements of this Agreement.

7. LIQUIDATED DAMAGES

7.1 The Tenant acknowledges and agree that failure of the Tenant to comply with the terms and conditions of the Section 4.6 will cause harm to the City and the public which is significant and substantial but extremely difficult to quantify; that the harm to the City includes the financial cost of funding public assistance programs; and that the assessment of liquidated damages of up to $5,000 for every notice of a New Hire for an Entry Level Position improperly withheld by the Tenant from the OEWD Program (following notice and a reasonable opportunity to cure), as determined by the Workforce Director, does not exceed a fair estimate of the financial and other damages that the City suffers as a result of the failure by the Tenant to comply with its contractual obligations. The Tenant further acknowledge and agree that the continued failure to comply with this Section obligations will cause further significant and substantial harm to the City and the public, and that a second assessment of liquidated damages of up to $10,000 for each Entry Level Position improperly withheld from the CityBuild Program (following notice and a reasonable opportunity to cure).

8. TERM

8.1 The obligations of the Tenant, as set forth in this Agreement, shall remain in full force and effect for a period of 10 years from the date of first issuance of a temporary or final certificate of occupancy for the applicable commercial space, or the earlier termination of Tenant’s ownership or occupancy of the applicable commercial space.

Exhibit H
9. **NOTICES.**

9.1 All notices ("Notice" or "Notices") to be given under this Agreement shall be in writing and sent by: certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail, a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with that courier, or hand delivery, in which case notice shall be deemed delivered on the date received, all as follows:

If to City:

CityBuild Compliance Manager  
OEWD, 1 South Van Ness 5th Fl.  
San Francisco, CA 94103  
Attn: Ken Nim, Compliance Manager  
ken.nim@sfgov.org

If to Tenant:

9.2 Any party may change its address or contact person for notice purposes by giving the other parties notice of its new address as provided herein.

9.3 Notwithstanding the forgoing, any Job Notification or any other reports required of Consultant under this Agreement (collectively, "Consultant Reports") shall be delivered to the address of OEWD pursuant to this Section via first class mail, postage paid or via email, and such Consultant Reports shall be deemed delivered two (2) business days after deposit in the mail, or upon transmission via email, in accordance with this Subsection; provided, however, that any notice of default under this Agreement must be given in writing, and (a) personally delivered, (b) deposited with a commercially recognized national courier service, or (c) sent by registered or certified mail, postage prepaid.

10. **ENTIRE AGREEMENT**

10.1 This Agreement contains the entire agreement between the Parties to this Agreement and shall not be modified in any manner except by an instrument in writing executed by the parties or their respective successors in interest.

11. **SEVERABILITY**

11.1 If any term or provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement shall not be affected.

12. **COUNTERPARTS**

12.1 This Agreement may be executed in one or more counterparts. Each shall be deemed an original and all, taken together, shall constitute one and the same instrument.
13. HEADINGS

13.1 Section titles and captions contained in this Agreement are inserted as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any of its provisions.

14. GOVERNING LAW

14.1 This Agreement shall be governed and construed by the laws of the State of California.

15. RELATIONSHIP OF PARTIES

15.1 It is specifically understood and agreed by the parties that the development of the Projects is a private development. Nothing contained in this Agreement shall be deemed or construed, either by the parties hereto or by any third party, to create the relationship of principal and agent or create any partnership, joint venture or other association between Consultant and the City and County of San Francisco. This Agreement and its terms shall not operate or be construed as a “contract” between Consultant and the City and County of San Francisco within the meaning of Chapter 83 of the San Francisco Administrative Code, nor shall this Agreement or its terms operate or be construed to make Consultant a “Contractor” within the meaning of Chapter 83 of the San Francisco Administrative Code.

16. NO OBLIGATIONS TO THIRD PARTY

16.1 This Agreement is not intended and shall not be construed to create any third party beneficiary rights in any person or entity that is not a party hereto, and no action to enforce the terms of this Agreement may be brought against either party by any person or entity that is not a party hereto.
IN WITNESS WHEREOF, the following have executed this Agreement as of the date set forth above.

City and County of San Francisco, a municipal corporation

By: __________________________
Office of Economic & Workforce Development

By: __________________________

Its: __________________________

Date: __________________________

Date: __________________________
EXHIBIT I:
TENANT ACKNOWLEDGEMENT OF FIRST SOURCE HIRING REQUIREMENTS

Pursuant to the provisions of Section ___ of the Lease by and between Parkmerced Investors Properties LLC and ________ ("Commercial Tenant"), dated __________, Commercial Tenant acknowledges that Commercial Tenant is obligated by the Lease to execute the First Source Hiring Agreement and First Source Hiring Form attached hereto. Tenant hereby acknowledges that, as a condition of its services, Tenant is obligated to participate in San Francisco Workforce Development System established by the City and County of San Francisco, pursuant to Chapter 83 of the San Francisco Administrative Code, in the manner more specifically detailed in the attached First Source Hiring Agreement.

Dated:

ACKNOWLEDGED
Tenant

By: ____________________________
Print Name: ____________________________
Title: ____________________________

Parkmerced Investors Properties, LLC

By: ____________________________
Its: ____________________________
Title: ____________________________
Date: ______
APPENDIX C

SFFD Acknowledgement Letter
14 October 2010
October 14, 2010

Bert Polacci, CPM
Director, Community Outreach
Government Relations
Stellar Management
3711 Nineteenth Avenue
San Francisco, California 94132

Dear Mr. Polacci,

This letter confirms that the San Francisco Fire Department (SFFD) has found that the street system, including alleyways and shared pedestrian streets, and intersection improvements proposed by the Parkmerced Project (as detailed in the Parkmerced Design Standards and Guidelines) are feasible and meet the SFFD's design standards for street design. We are pleased to provide this confirmation, which results from input and collaboration from SFFD members and the Parkmerced Project team over the past two years. The goal of this process was to ensure that street system and intersection improvement proposed by the Parkmerced Project are consistent with the SFFD's design standards so that fire vehicles can safely be accommodated at Parkmerced, while meeting the San Francisco Better Streets Plan.

Thank you for your cooperation and assistance. The SFFD looks forward to working with the Parkmerced Project team to review building permits for the street system and intersection improvements. Additionally, further discussion regarding the creation of a SFFD substation located within the Parkmerced footprint is anticipated as the project nears construction.

Sincerely,

[Signature]
Joanne Hayes White
Chief of Department
APPENDIX D

Parkmerced Phase 1
Master Tentative Schedule
15 January 2015
<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>5-Sep 2014</td>
<td>Submitted Phase 1 Development Application</td>
</tr>
<tr>
<td>17-Oct 2014</td>
<td>Submitted Master Tentative Map</td>
</tr>
<tr>
<td>14-Jan 2015</td>
<td>Re-submit Phase 1 Development Application</td>
</tr>
<tr>
<td>20-Jan 2015</td>
<td>Submit Tentative Maps</td>
</tr>
<tr>
<td>Week of Jan. 26</td>
<td>Meet with Planning to review Development Application/ Community Improvements</td>
</tr>
<tr>
<td>Week of Jan. 26</td>
<td>Set up Pre-App meetings with City Agencies</td>
</tr>
<tr>
<td>10-Feb 2015</td>
<td>Phase 1 Development Application Approved</td>
</tr>
<tr>
<td>18-Feb 2015</td>
<td>Submit 35% Street Improvements Plan (20 day review period)</td>
</tr>
<tr>
<td>18-Feb 2015</td>
<td>DPW review and comment on Tentative Map Application (30 days)</td>
</tr>
<tr>
<td>Week of Feb. 23</td>
<td>Meet with City Agencies to review Street Improvements Plan</td>
</tr>
<tr>
<td>Week of Feb. 23</td>
<td>Meet with Planning to review Design Review Applications</td>
</tr>
<tr>
<td>4-Mar 2015</td>
<td>Re-submit Tentative Map Application incorporating comments</td>
</tr>
<tr>
<td>12-Mar 2015</td>
<td>100% Schematic Design</td>
</tr>
<tr>
<td>17-Mar 2015</td>
<td>Submit 90% Street Improvements Plan (20 day review period)</td>
</tr>
<tr>
<td>17-Mar 2015</td>
<td>Submit Building Design Review Applications</td>
</tr>
<tr>
<td>17-Mar 2015</td>
<td>Submit Community Improvements Design Review Applications</td>
</tr>
<tr>
<td>26-Mar 2015</td>
<td>Meet with Planning - Building Design Review</td>
</tr>
<tr>
<td>26-Mar 2015</td>
<td>Meet with Planning, SFMTA, PUC - Community Improvements Design Review</td>
</tr>
<tr>
<td>Week of Mar. 30</td>
<td>Meet with City Agencies to review Street Improvements Plan/ Stormwater Control Plan</td>
</tr>
<tr>
<td>2-Apr 2015</td>
<td>Meet with Planning - Building Design Review</td>
</tr>
<tr>
<td>2-Apr 2015</td>
<td>Meet with Planning, SFMTA, PUC - Community Improvements Design Review</td>
</tr>
<tr>
<td>2-Apr 2015</td>
<td>Submit Site Permit Applications</td>
</tr>
<tr>
<td>9-Apr 2015</td>
<td>30% Design Development</td>
</tr>
<tr>
<td>9-Apr 2015</td>
<td>Submit Preliminary Stormwater Control Plan</td>
</tr>
<tr>
<td>9-Apr 2015</td>
<td>Meet with Planning - Buildings Design Review</td>
</tr>
<tr>
<td>9-Apr 2015</td>
<td>Meet with Planning, SFMTA, PUC - Community Improvements Design Review</td>
</tr>
<tr>
<td>13-May 2015</td>
<td>Tentative Map Approved (50 days after re-submission)</td>
</tr>
<tr>
<td>14-May 2015</td>
<td>Caltrans - Submit PSR</td>
</tr>
<tr>
<td>8-Jun 2015</td>
<td>Planning Design Review Complete (90 days)</td>
</tr>
<tr>
<td>1-Jul 2015</td>
<td>Preliminary Stormwater Control Plan Approved (90 days)</td>
</tr>
<tr>
<td>2-Jul 2015</td>
<td>Submit 100% Street Improvements Plan (20 day review period+approval of Preliminary Stormwater Control Plan)</td>
</tr>
<tr>
<td>7-Jul 2015</td>
<td>Planning Commission Hearing</td>
</tr>
<tr>
<td>14-Jul 2015</td>
<td>Approved Final Map/Street Vacation&amp;Dedication/Public Improvement Agreement by Board of Supervisors</td>
</tr>
<tr>
<td>3-Aug 2015</td>
<td>100% Design Development</td>
</tr>
<tr>
<td>17-Sep 2015</td>
<td>Site Permit Approval (30 days from PlanningCommission Hearing &amp; Approval)</td>
</tr>
<tr>
<td>28-Sep 2015</td>
<td>50% Construction Documents</td>
</tr>
<tr>
<td>29-Sep 2015</td>
<td>Submit Demo and Shoring Permit Applications</td>
</tr>
<tr>
<td>29-Sep 2015</td>
<td>Submit Addendum 1 - Foundation</td>
</tr>
<tr>
<td>28-Oct 2015</td>
<td>Caltrans - PSR Approval</td>
</tr>
<tr>
<td>2-Nov 2015</td>
<td>90% Construction Documents</td>
</tr>
<tr>
<td>4-Nov 2015</td>
<td>Street Improvements Permit Approved (90 days)</td>
</tr>
<tr>
<td>23-Nov 2015</td>
<td>100% Construction Documents</td>
</tr>
<tr>
<td>1-Dec 2015</td>
<td>Submit Addendum 2 - Structure</td>
</tr>
<tr>
<td>1-Dec 2015</td>
<td>Submit Addendum 3 - MEP + Architecture</td>
</tr>
<tr>
<td>4-Jan 2016</td>
<td>Start of Construction</td>
</tr>
<tr>
<td>12-Feb 2016</td>
<td>Caltrans - Encroachment Permit Review</td>
</tr>
<tr>
<td>28-Jul 2016</td>
<td>Caltrans - Encroachment Permit Approved</td>
</tr>
</tbody>
</table>