

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

A G E N D A

REVISED

ABAG EXECUTIVE BOARD SPECIAL MEETING NO. 419

Joint Meeting with the Metropolitan Transportation Commission

Thursday, November 17, 2016, 7:00 p.m.

Location:

Bay Area Metro Center
Board Room Conference Room 110B
375 Beale Street
San Francisco, California

Teleconference Location:

Vineland Branch Library, 1450 Blossom Hill Road, San Jose, California 95118

The ABAG Executive Board may act on any item on this agenda.

Agenda and attachments available at abag.ca.gov

For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913.

1. CALL TO ORDER, ROLL CALL AND CONFIRM QUORUM

2. PLEDGE OF ALLEGIANCE

3. COMPENSATION ANNOUNCEMENTS

A. ABAG COMPENSATION ANNOUNCEMENT

ABAG Executive Board INFORMATION

ABAG Clerk of the Board will give the ABAG compensation announcement.

B. MTC COMPENSATION ANNOUNCEMENT

MTC Commission INFORMATION

MTC Commission Secretary will give the MTC compensation announcement.

ABAG Executive Board

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4. REPORT ON PLAN BAY AREA 2040 FINAL PREFERRED SCENARIO AND INVESTMENT STRATEGY

ABAG Executive Board ACTION / MTC Commission APPROVAL

Report on the Final Preferred Scenario Investment Strategy, related funding assumptions and the relationship of funding priorities to the Final Preferred Scenario Growth Pattern.

Attachments: PBA 2040 Final Preferred Scenario and Investment Strategy; Updated Revenue Charts; PBA Final Preferred Scenario and Investment Strategy Rev; Handout Comment Letter from WPUSA

5. PUBLIC COMMENT / OTHER BUSINESS

ABAG Executive Board INFORMATION

6. MTC COMMISSION ADJOURNMENT

7. ABAG EXECUTIVE BOARD RECESS

8. ABAG EXECUTIVE BOARD RECONVENE

9. ABAG EXECUTIVE BOARD ANNOUNCEMENTS

ABAG Executive Board INFORMATION

10. ABAG PRESIDENT'S REPORT

ABAG Executive Board INFORMATION

11. ABAG DEPUTY EXECUTIVE DIRECTOR'S REPORT

ABAG Executive Board INFORMATION

12. ABAG CONSENT CALENDAR

ABAG Executive Board ACTION

Unless there is a request by an ABAG Executive Board member to take up an item on the consent calendar separately, the calendar will be acted upon in one motion.

A. Approval of ABAG Executive Board Summary Minutes of Meeting No. 416 on September 15 2016 and Special Meeting No. 417 on September 15, 2016; and Summary Notes of Meeting No. 418 on October 20, 2016

Attachments: Summary Minutes and Special Summary Minutes of September 15, 2016; Summary Notes of October 20, 2016

B. Approval of Meeting Schedule for 2017

The ABAG Executive Board is requested to approve its meeting schedule for 2017.

Attachment: Meeting Schedule 2017 Proposed

C. Accept Grant from Federal Emergency Management Agency (FEMA) for \$530,000 for Cooperating Technical Partnership, Year III

The ABAG Executive Board is requested to adopt Resolution No. 14-16 authorizing acceptance of FEMA financial assistance for fiscal year 2016 CTP to conduct Community Engagement and Risk Communication related work.

Attachments: FEMA Cooperating Grant; Resolution No. 14-16

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D. Accept Grant from United States Environmental Protection Agency (USEPA) for \$550,000 for East Bay Coalition Brownfields Assessment

The ABAG Executive Board is requested to adopt Resolution No. 15-16 authorizing acceptance of an EPA Brownfields Community Wide Coalition Assessment grant to conduct Phase I and Phase II environmental assessments along East 14th Street/International and Mission Boulevards.

Attachments: USEPA Brownfields Grant; Resolution No. 15-16

E. Accept Grant from United States Geological Survey (USGS) for \$45,353 for Bay Area Vulnerable Housing Field Guide

The ABAG Executive Board is requested to adopt Resolution No. 16-16 authorizing acceptance of a grant from USGS Earthquake Hazards Program to produce a new "Vulnerable Housing Field Guide" for the Bay Area.

Attachments: USGS Earthquake Hazards Grant; Resolution No. 16-16

F. Real Estate Exchange of ABAG's Interest in 101 8th Street, Oakland for an Interest in 375 Beale Street, San Francisco

The Executive Board is requested to grant to the Administrative Committee the authority to authorize the Executive Director, or his designee, subject to approval by Legal Counsel, to execute all documents reasonably necessary to complete the real estate exchange of ABAG's interest in 101 8th Street, Oakland for an interest in 375 Beale Street, San Francisco if the Executive Board does not meet in December 2016.

Attachments: Exchange Real Estate Interests; Memorandum of Understanding; Lease

13. ABAG LEGISLATION AND GOVERNMENTAL ORGANIZATION COMMITTEE REPORT

ABAG Executive Board Information/ACTION

Committee Chair Scott Haggerty, Supervisor, County of Alameda, will report on Committee activities and request ABAG Executive Board approval of Committee recommendations.

Attachment: LGO Committee Agenda

Agenda and attachments available at abag.ca.gov

14. ABAG FINANCE AND PERSONNEL COMMITTEE REPORT

ABAG Executive Board Information/ACTION

Committee Chair Bill Harrison, Mayor, City of Fremont, will report on Committee activities and request ABAG Executive Board approval of Committee recommendations.

Attachment: FP Committee Agenda

Agenda and attachments available at abag.ca.gov

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15. REPORT ON ABAG/MTC OPTION 7 IMPLEMENTATION ACTION PLAN

A. Report on an Ad Hoc Committee

ABAG Executive Board ACTION

Attachment: Ad Hoc Committee

B. Report on MTC Due Diligence

ABAG Executive Board INFORMATION

Attachment: MTC Due Diligence

16. CLOSED SESSION

PUBLIC EMPLOYEE APPOINTMENT

Title: Acting Executive Director

17. ADJOURNMENT

The next meeting of the ABAG Executive Board will be announced.

Submitted:

/s/ Brad Paul, Deputy Executive Director

Date Submitted: November 14, 2016

Date Posted: November 14, 2016



TO: MTC Commission and the
ABAG Executive Board

DATE: November 10, 2016

FR: ABAG Deputy Executive Director and
MTC Executive Director

RE: Plan Bay Area 2040 Final Preferred Scenario and Investment Strategy

Background

The Plan Bay Area 2040 Preferred Scenario encompasses a 2040 regional pattern of household and employment growth and a prioritized set of transportation investments comprising \$303 billion of projected revenues. Staff presented the *Draft Preferred Scenario* in September and provided an update on local jurisdiction and stakeholder feedback in October. On November 4, the Joint MTC Planning Committee and the ABAG Administrative Committee referred approval of the Final Preferred Scenario to the MTC Commission and ABAG Executive Board.

Action Plan

The Joint Committees also discussed a proposed resolution submitted by a coalition of community organizations. The resolution requests that MTC and ABAG establish an action plan for Plan Bay Area 2040 focused on steps for achieving the Plan's performance targets. At the committee's direction, staff engaged with community organizations, congestion management agencies, and other stakeholders on how to incorporate this type of work product into the Plan Bay Area 2040 process. In general, the community organizations have requested including specific language on the actions to be undertaken by the two staffs (e.g. incentives and partnerships, regional funding, policy and programmatic actions and state and federal advocacy) while the congestion management agencies have requested an emphasis on advocacy for new funding resources.

Based on the Joint Committees direction to focus on establishing a process and timeframe for an action plan and in recognition of implementation work already initiated by ABAG and MTC staff, staff proposes that the Commission and Executive Board approve the following policy statement below related to an action plan:

The Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) shall establish an Action Plan to be adopted concurrent with the final Plan Bay Area 2040, currently scheduled for late summer 2017.

The Action Plan will be developed starting in early 2017 following adoption of the Preferred Scenario, in consultation with local jurisdictions, interested public agencies, and non-governmental organizations representing the economy, environment and social equity.

The Action Plan will identify concrete near and medium-term action items for MTC, ABAG, and other stakeholders to make meaningful progress on the Plan's performance targets, with a focus on those targets where Plan Bay Area 2040 is moving off trajectory - housing affordability, displacement risk, and access to jobs.

November Election Results

In the recent election, Bay Area voters approved approximately \$11 billion of the possible \$19 billion in local transportation revenue measures. This corresponds to three of the five measures assumed in the revenue forecast for the draft and final scenarios of Plan Bay Area 2040: the BART bond, the Santa Clara County sales tax and the AC Transit parcel tax. The two measures that did not pass were the sales tax measure in Contra Costa County and the charter amendment in City and County of San Francisco. Combined, these two revenue measures would have generated approximately \$7 billion.

After consultation with the Contra Costa and San Francisco sales tax authorities and project sponsors, staff recommends removing the revenue for the measures that did not pass and reprioritizing the project lists for those two counties. The main impact of removing these revenue measures is to increase the local streets and roads shortfall and reduce several other program areas, given the largely programmatic nature of the two measures. At the meeting, staff will provide detailed information on affected programs and projects. The attached chart illustrates the overall change in revenue before and after the November election. However, if either county returns to the voters and passes a measure in the future, we will be able to amend or update the plan and include the projects and revenues accordingly.

Next Steps


Once adopted, the preferred scenario will undergo an environmental assessment under CEQA to inform decision-makers, responsible and trustee agencies, and Bay Area residents of the range of potential environmental impacts that could result from its implementation. This analysis along with federal air quality conformity requirements will incorporate a deeper level of transportation analysis to inform the final 2040 air quality results and other transportation-related performance results of the preferred scenario. The environmental analysis will also analyze a range of reasonable alternatives to the adopted preferred scenario that could feasibly attain most of the Plan's objectives and would avoid or substantially lessen any of the significant environmental impacts. Staff will present potential alternatives for the environmental analysis at the December meeting of the Joint MTC Planning Committee and ABAG Administrative Committee.

Recommendation

We recommend the following actions: 1) Adoption of the Final Preferred Scenario and Investment Strategy; and 2) Approval of the proposed Action Plan policy statement.



Brad Paul



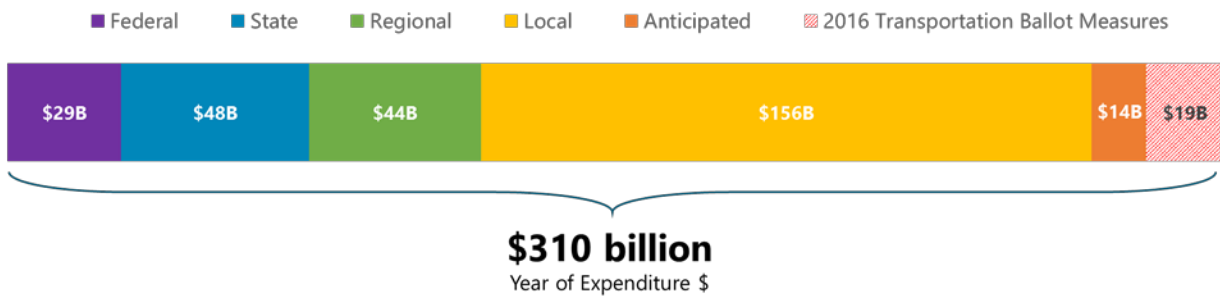
Steve Heminger

Attachments

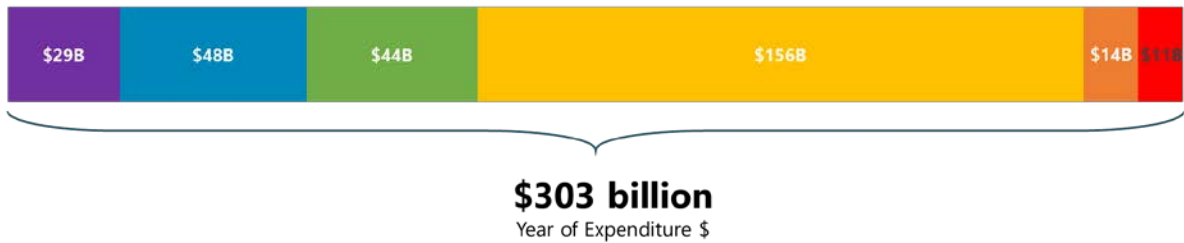
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**Original PBA 2040 Revenue Forecast
(before 11/8/2016 election)**



**Updated PBA 2040 Revenue Forecast
(after 11/8/2016 election)**



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TO: MTC Planning Committee and the
ABAG Administrative Committee

DATE: October 28, 2016

FR: ABAG Deputy Executive Director and
MTC Executive Director

RE: Plan Bay Area 2040 Final Preferred Scenario and Investment Strategy

Background

The Plan Bay Area 2040 Preferred Scenario encompasses a 2040 regional pattern of household and employment growth and a prioritized set of transportation investments comprising \$310 billion of anticipated revenues. Staff presented the *Draft Preferred Scenario* in September and provided an update on local jurisdiction and stakeholder feedback in October. At today's meeting, staff seeks the Joint Committee's referral of the Final Preferred Scenario and Investment Strategy to the MTC Commission and ABAG Executive Board for approval on November 17th.

Comments Received on the *Draft Preferred Scenario*

Between the *Draft Preferred Scenario*'s release in late August and the end of the comment period in mid-October, staff received 63 letters from local jurisdictions, transportation agencies, stakeholder organizations, and individuals. These comments with initial staff responses are summarized in Attachment A and all comments have been posted at <http://planbayarea.org/your-part/your-comments.html>. Staff will provide formal responses to all commenters before the end of December.

Staff has also engaged directly with local jurisdictions via planning director workshops in all nine counties and over twenty one-on-one meetings. Staff coordinated with the Congestion Management Agencies and transit operators regarding the investment strategy and land use projections, and met with numerous stakeholder organizations to discuss various issues including the Preferred Scenario's approach to jobs/housing balance, housing production, affordability, and open space. Staff has also presented the *Draft Preferred Scenario* to various committees and working groups, including the Partnership Board, the Regional Advisory Working Group, Regional Equity Working Group, Policy Advisory Council, the ABAG Regional Planning Committee and Executive Board.

The comments reflect a range of issues about the *Draft Preferred Scenario*'s approach to identifying a feasible pattern for regional growth and investment. Comments on land use varied widely, but generally focused on the Plan's strategies to drive a more efficient regional distribution of housing and employment while respecting local plans and aspirations. While several local jurisdictions expressed concern about housing projections in excess of local expectations, a greater number of jurisdictions expressed concern that the *Draft Preferred Scenario* had not adequately accounted for "pipeline development"—permitted or entitled housing or commercial space expected to occur in the near-term. Numerous jurisdictions also

expressed concern that employment projections fell short of expectations. An overarching concern of many commenters is how severe constraints on the supply of housing, particularly workforce housing, near major job centers will affect the livability of the region for future generations.

As context and an important reminder, the *Final Preferred Scenario* does not mandate any changes to local zoning rules, general plans or processes for reviewing projects, nor is it an enforceable direct or indirect cap on development locations or targets in the region. As is the case across California, the Bay Area's cities, towns and counties maintain control of all decisions to adopt plans and permit or deny development projects. Plan Bay Area 2040 does not establish new state-mandated Regional Housing Needs Allocation (RHNA) numbers for each jurisdiction. RHNA operates on an eight-year cycle, with the next iteration not due until the 2021 RTP/SCS. Because RHNA numbers are not at stake this cycle, MTC and ABAG are characterizing this update to the region's long-range plan as limited and focused.

Comments from transportation agencies and stakeholders also reflected a range of issues including the effect of the housing and employment distribution upon the efficiency, reliability, and resiliency of the transportation network. Some commenters expressed concern about the Plan's level of proposed investments in transit, express lanes, active transportation, and investments benefitting lower-income communities. A number of commenters also expressed concern that a continuing regional jobs/housing imbalance could perpetuate issues of highway congestion, transit crowding, and long commutes for many Bay Area residents.

Final Preferred Scenario Modifications

Staff worked to incorporate much of the feedback received into the *Final Preferred Scenario*. In terms of land use, staff made a series of modifications to the set of regional strategies influencing the housing and employment growth distribution and revised the 2010 household counts for consistency with the 2010 U.S. Census. The final list of strategies assumed in the *Final Preferred Scenario* is included in Attachment B1. Staff also worked to adjust assumptions on the square footage of office space per employee, incorporated available information on pipeline development, and made some technical corrections based on local input. For transportation, staff worked closely with the congestion management agencies, transit operators and stakeholders to clarify the investment strategy's funding assumptions. Staff also incorporated some modifications to the final project list (Attachment C1), most notably the inclusion of a number of express lanes segments that had not been included in the draft.

Final Preferred Scenario- Summary of Household and Employment Distributions

Incorporating the changes described above, the *Final Preferred Scenario* modifies the housing and employment growth distribution described previously in the draft. Based on the regional sub-geographies of "Big 3 Cities," "Bayside," and "Inland, Coastal, Delta," the most significant changes between the final and draft versions can be summarized as follows:

- *More overall employment and housing growth in the Big 3.* Overall, the Big 3 cities experience a slightly higher share of employment growth (43% vs 40% in the draft) and housing growth (46% vs 43% in the draft). San Jose and Oakland's employment forecasts have increased relative to the draft, a change resulting largely from changes in the office square foot per employee assumption, adjustments to zoning in priority development areas (PDAs), and incorporation of potential opportunity sites.

- *More balanced jobs/housing ratios between Bayside and Inland, Coastal, Delta.* The *Final Preferred Scenario* forecasts a slightly higher share of employment growth in the Inland, Coastal, Delta communities (17% vs 14% in draft) and a lower share of employment growth in Bayside communities (40% vs 46% in draft). This change reflects a more thorough accounting of pipeline projects, as well as overall modifications to regional forecasting assumptions.
- *PDA's are forecast to take on more housing and employment growth.* The *Final Preferred Scenario* forecasts 77% of household growth and 55% of employment growth to occur within PDA's, an increase of 2-3 percentage points over the draft. This change reflects adjustments to some PDA zoning, and other regional strategies assumed in the forecast.

Tables 1 and 2 below describe the changes in the *Final Preferred Scenario* across these three geographies. Attachment B2 describes the *Final Preferred Scenario's* household and employment projections by local jurisdiction, including PDA totals.

Table 1: Comparison of *Final Preferred Scenario* Household Forecast Summary

Subarea ¹	Households 2010 (000s)	Households 2040 Draft (000s)	Households 2040 Final (000s)	Share of Regional Growth Draft	Share of Regional Growth Final
Grand Total	2,608	3,427	3,427	100%	100%
Big 3 Cities	801	1,151	1,174	43%	46%
Bayside	1,035	1,319	1,313	33%	33%
Inland, Coastal, Delta	772	957	940	24%	21%
in PDA	553	1,172	1,182	75%	77%
outside PDA	2,055	2,255	2,244	25%	23%

Table 2: Comparison of *Final Preferred Scenario* Job Forecast Summary

Subarea ¹	Jobs 2010 (000s)	Jobs 2040 Draft (000s)	Jobs 2040 Final (000s)	Share of Regional Growth Draft	Share of Regional Growth Final
Grand Total	3,423	4,698	4,698	100%	100%
Big 3 Cities	1,144	1,648	1,700	40%	43%
Bayside	1,410	2,002	1,917	46%	40%
Inland, Coastal, Delta	869	1,048	1,081	14%	17%
in PDA	1,433	2,094	2,140	52%	55%
outside PDA	1,989	2,605	2,559	48%	45%

Note(s):

- 1) *Big 3 Cities (the region's three largest cities – San Jose, San Francisco, and Oakland)\
- *Bayside (generally cities directly adjacent to San Francisco Bay – e.g., Hayward, San Mateo, San Rafael and Richmond)
- *Inland, Coastal, and Delta (generally cities just outside of Bayside – e.g., Walnut Creek, Dublin, Santa Rosa, Antioch, Brentwood, Dixon)

Transportation Investment Strategy

As the transportation component of Plan Bay Area 2040, the *Draft Investment Strategy* comprises a 24-year fiscally constrained set of transportation projects and programs that support the region's land use and transportation goals. The total plan investment totals \$310 billion in year of expenditure (YOE) dollars. Of this total, roughly \$74 billion is considered to be discretionary revenue. Additionally, \$19 billion in revenue and projects from upcoming local transportation measures on the November 8th ballot are assumed. Attachments C1-9 describe the numerous funding assumptions and detail the specific investments.

Similar to Plan Bay Area 2013, Plan Bay 2040's proposed investment strategy focuses largely on maintenance and modernization of the existing system, as opposed to expanding it via roadway capacity expansion or extension of fixed guideway transit. In fact, 90 percent of the Plan's total investment, 90 percent of the Plan's regional discretionary investment, and 86 percent of the November measures focus on maintenance and modernization activities, a continuing reflection of the region's "fix-it-first" priority with an additional focus on upgrading and enhancing our existing infrastructure to boost capacity, improve service, and relieve congestion. Specifically, the investment strategy elevates the importance of Core Capacity transit and goods movement investments, which are further described in Attachments C1-9.

The investment strategy's focus on operations and maintenance results in the Plan moving in the right direction toward its state of good repair goals— however, much of this success hinges on the successful passage of the upcoming local transportation measures in next week's election. Without these investments included in the Plan, positive movement toward these goals will be more challenging. Staff is closely monitoring these measures and, if necessary, will modify the Investment Strategy to reflect the results prior to the MTC Commission and ABAG Executive Board meeting on November 17th.

Performance Target and Equity Measure Results

Similar to the *Draft Preferred Scenario*, the *Final Preferred Scenario* meets 5 targets, moves in the right direction on 5 targets, and falls short on 3 targets. This breakdown underscores the challenges the region faces in terms of equity and affordability going forward, even as we meet our environmental goals and make progress in improving our regional transportation system. While regional affordability and displacement are expected to worsen over the coming years, the Final Preferred Scenario either performs on par or better than other scenarios previously analyzed, indicating that adverse trends are being mitigated to the extent financially feasible given significant constraints on the supply of housing. Note that the complete table of target and equity results for all scenarios is included in Attachments D1 and D2.

With regards to equity measures, we can see that the Plan makes progress for lower-income communities and communities of concern in terms of improving access to jobs, improving health outcomes, and growing jobs in middle-wage industries. Notably, like the *Draft Preferred Scenario*, the *Final Preferred Scenario* minimizes displacement risk in communities of concern to a greater extent than in other more affluent Bay Area communities. Still, the most important finding of the equity analysis is that housing affordability remains the most significant regional challenge – and that lower-income communities will be hit the hardest over the coming years. Given these results, staff recommends prioritizing work on this topic area as part of Plan implementation in 2017.

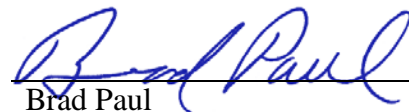
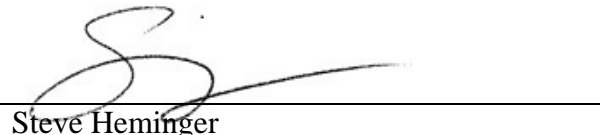
Next Steps

Next week, Bay Area voters will cast their ballots on five transportation ballot measures, as well as several bond measures focused on affordable housing. In addition to integrating feedback heard at today's meeting, staff will work to incorporate the results of these ballot initiatives prior to the joint meeting of the Commission and Executive Board on November 17. At this time, the *Final Preferred Scenario* assumes passage of all transportation measures and incorporates funding assumptions for housing that align with the housing bonds on the ballot. Success or failure of these measures at the ballot box may require some revisiting of assumptions included in the preferred scenario.

Once adopted, the preferred scenario will be subject to an environmental assessment under CEQA to inform decision-makers, responsible and trustee agencies, and Bay Area residents of the range of potential environmental impacts that could result from its implementation. This analysis along with federal air quality conformity requirements will incorporate a deeper level of transportation analysis that will be factored in when generating the final 2040 air quality results and other transportation-related performance results of the preferred scenario. The environmental analysis will also analyze a range of reasonable alternatives to the adopted preferred scenario that could feasibly attain most of the Plan's objectives and would avoid or substantially lessen any of the significant environmental impacts. Staff plans on discussing potential alternatives for the environmental analysis at your December 2016 or January 2017 meeting.

Recommendation

We recommend your referral for approval of the Final Preferred Scenario described herein.


Brad Paul
Steve Heminger

Attachments:

- Presentation Slides
- Attachment A: *Draft Preferred Scenario* Summary of Comments
- Attachment B1: Land Use Policies Included in the Preferred Scenario
- Attachment B2: Distribution of 2040 Household and Employment Forecasts
- Attachment C1: Plan Bay Area 2040 Expenditure Plan – Total Plan Revenue
- Attachment C2: Plan Bay Area 2040 Expenditure Plan – Regional Discretionary Funding
- Attachment C3: Needs Assessment – Transit Operations Funding Detail
- Attachment C4: Needs Assessment – Transit Capital Funding Detail
- Attachment C5: Needs Assessment – Local Streets and Roads Funding Detail
- Attachment C6: Goods Movement Projects in Plan Bay Area 2040
- Attachment C7: Core Capacity Transit Projects in Plan Bay Area 2040
- Attachment C8: Climate Program in Plan Bay Area 2040
- Attachment C9: Transportation Project List
- Attachment D1: Performance Target Results
- Attachment D2: Results for Equity Target Measures

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FINAL PREFERRED SCENARIO:

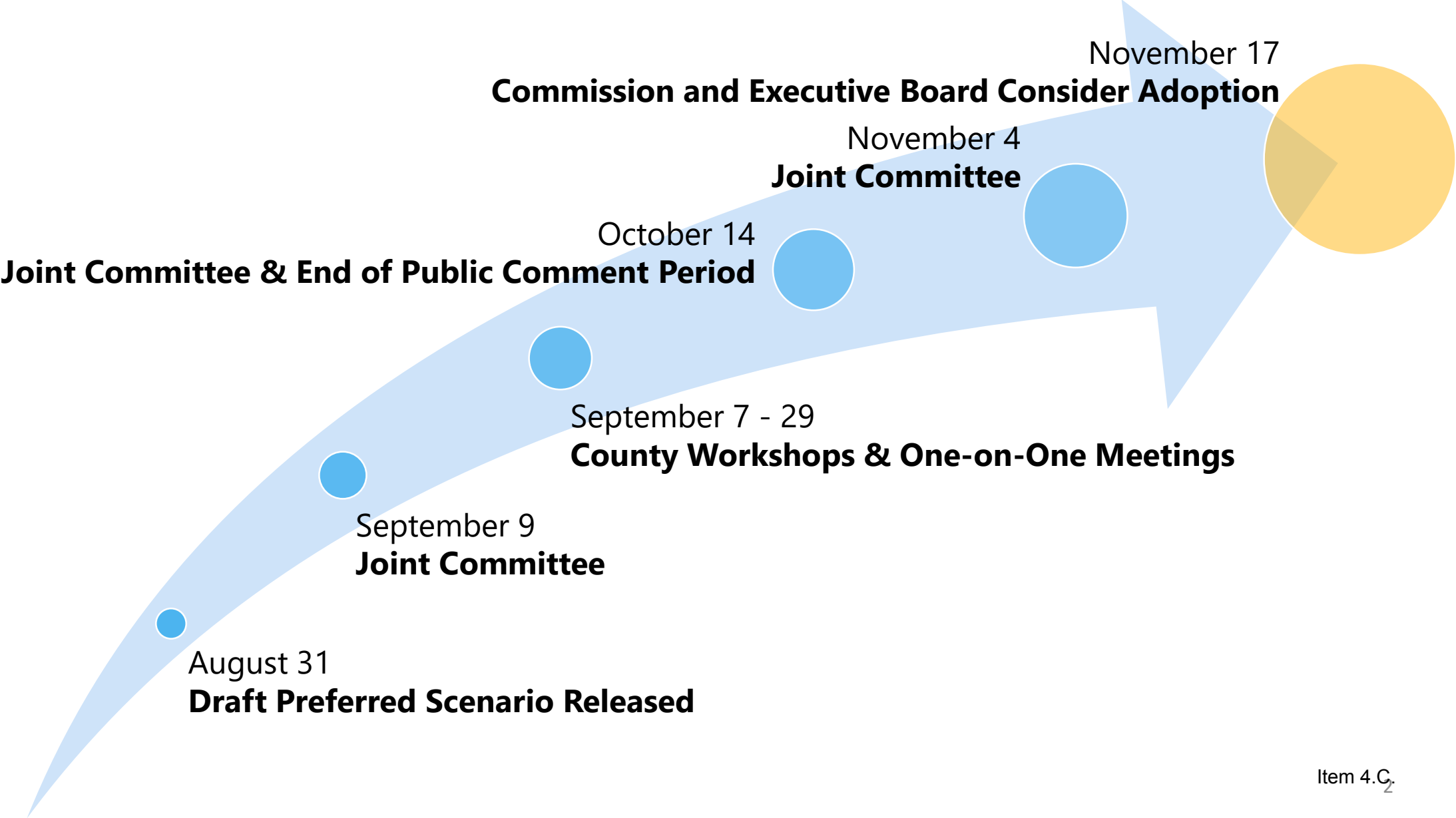
UPDATES TO THE REGIONAL GROWTH PATTERN & INVESTMENT STRATEGY



Ken Kirkey, MTC – November 4, 2016

Joint MTC Planning Committee with the ABAG Administrative Committee

November is an important month for Plan Bay Area 2040.



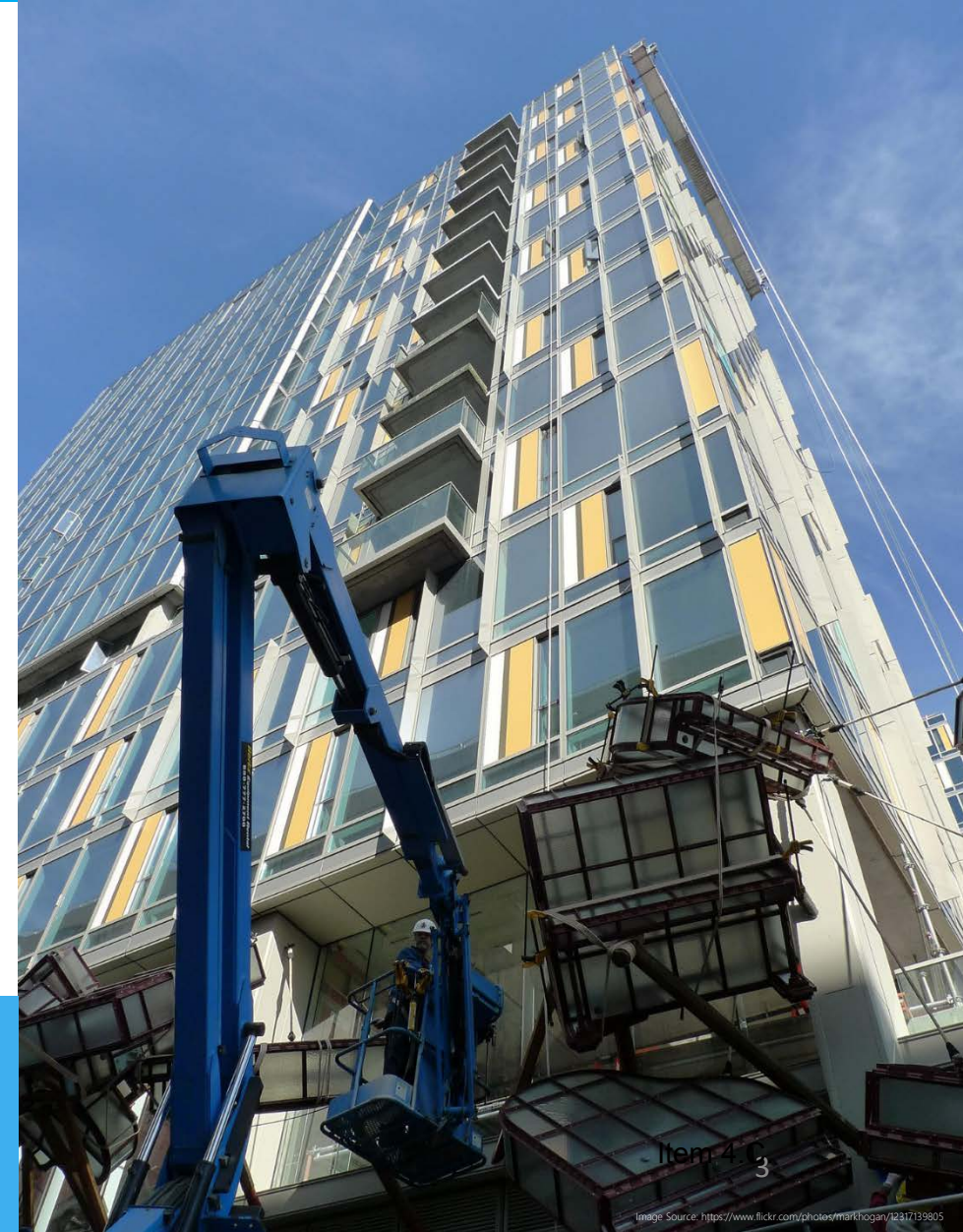
Local jurisdictions, stakeholders, and members of the public provided robust feedback on the Draft Preferred Scenario.

Specific issues included:

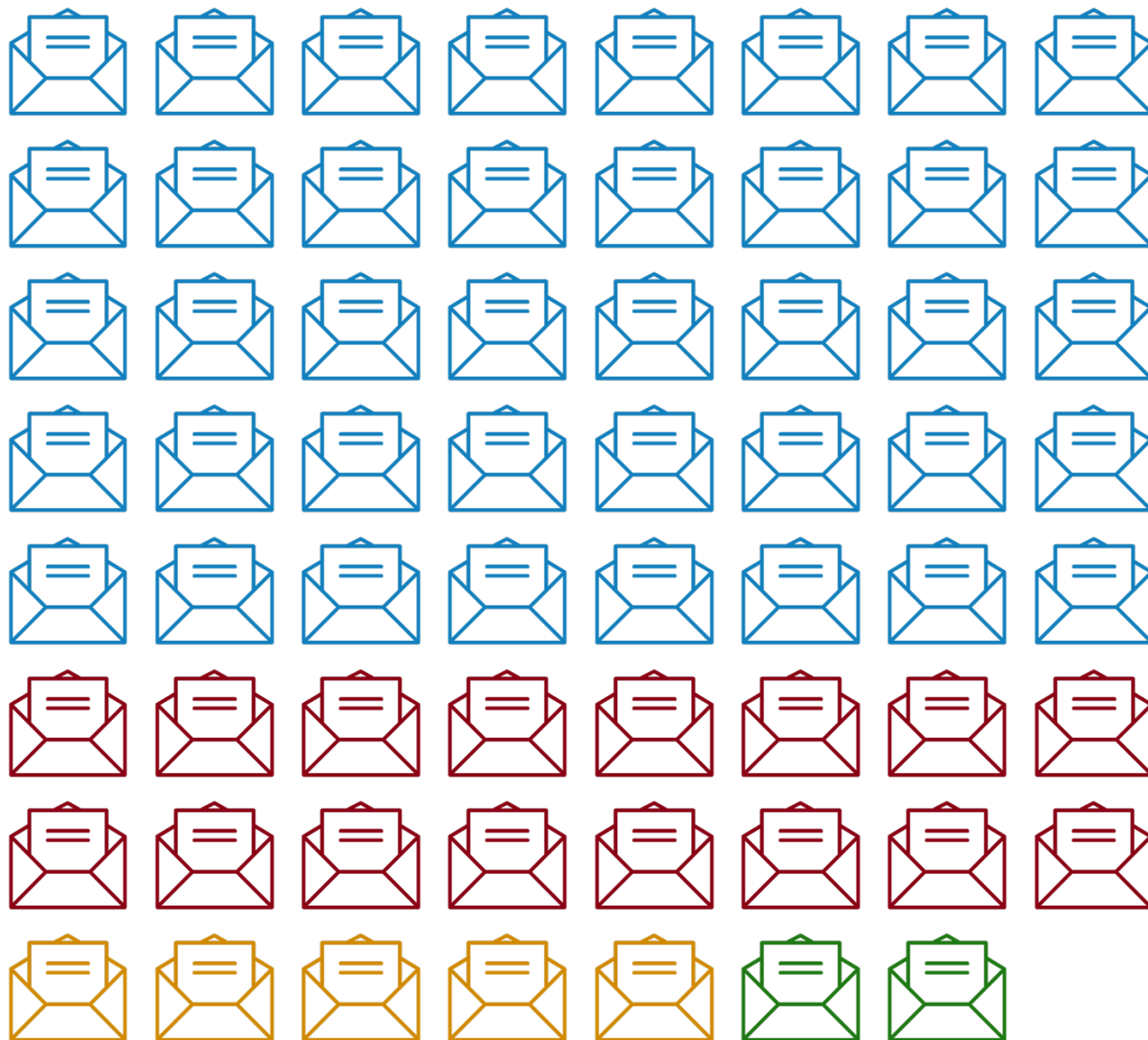
- **Technical corrections** on pipeline data, opportunity sites, and zoning assumptions to better match local plans
- **Requests to increase jobs-housing ratios** to improve commutes and to boost regional affordability
- **Requests for implementation action plans** on issues like affordability, physical activity, preservation of open space, and transportation funding advocacy

20 staff-to-staff meetings
with individual cities

9 county-level meetings
with planning directors



Most comments received on the Draft Preferred Scenario came from local jurisdictions.



63 *letters total*

Summary and responses can be found in Attachment A.

40 from cities and counties

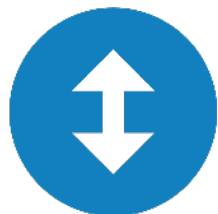
16 from stakeholder organizations

5 from other public agencies (incl. CMAs)

2 from individuals

In response, staff updated strategies in the Final Preferred Scenario, as well as baseline data inputs, when appropriate.

CHANGES TO POLICIES/STRATEGIES IN FINAL PREFERRED SCENARIO



Adjusted zoning in PDAs to align with PBA 2040 performance targets



Incorporated or added office or commercial development caps to reduce employment growth in job-rich cities

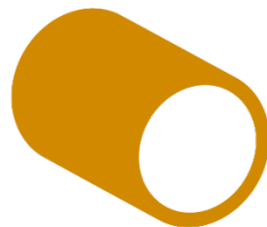


Added back select express lane projects not included in Draft Preferred Scenario

CHANGES TO BASELINE DATA AND MODEL ASSUMPTIONS



Updated employee office space density to trends more similar to status quo



Incorporated missing pipeline projects to better reflect current development underway



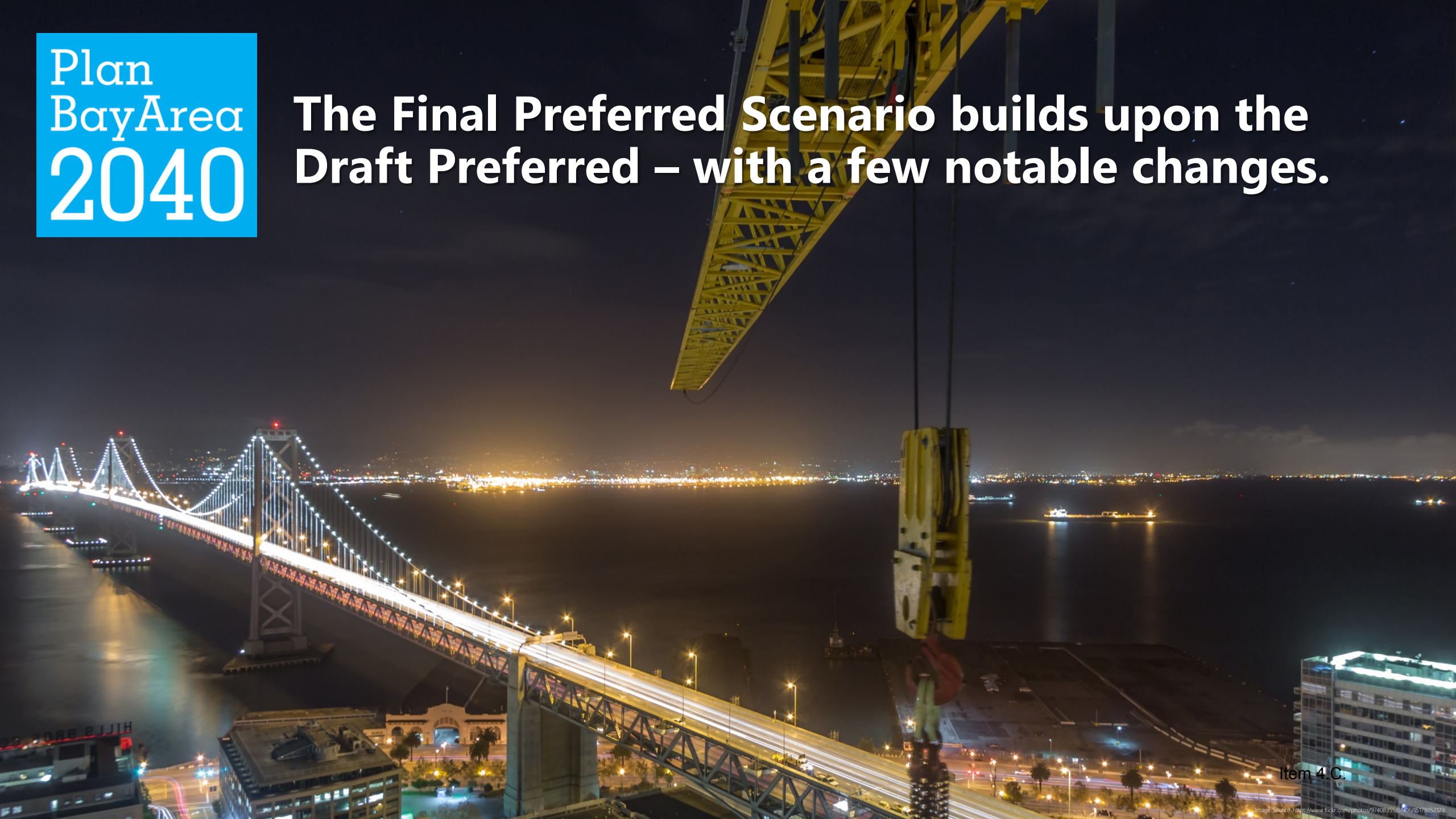
Made technical corrections on other land use baseline data (e.g., current zoning)

Staff continues to evaluate the feasibility and viability of adding housing bonds to the Final Preferred Scenario.

Staff is also updating forecasts for several jurisdictions where the Final Preferred Scenario has less growth than their current RHNA allocation.

Plan
BayArea
2040

The Final Preferred Scenario builds upon the Draft Preferred – with a few notable changes.



Item 4.C.

Image Source: <https://www.flickr.com/photos/97408355@voo/75178052123>

Land use strategies influence the location of future housing and jobs.

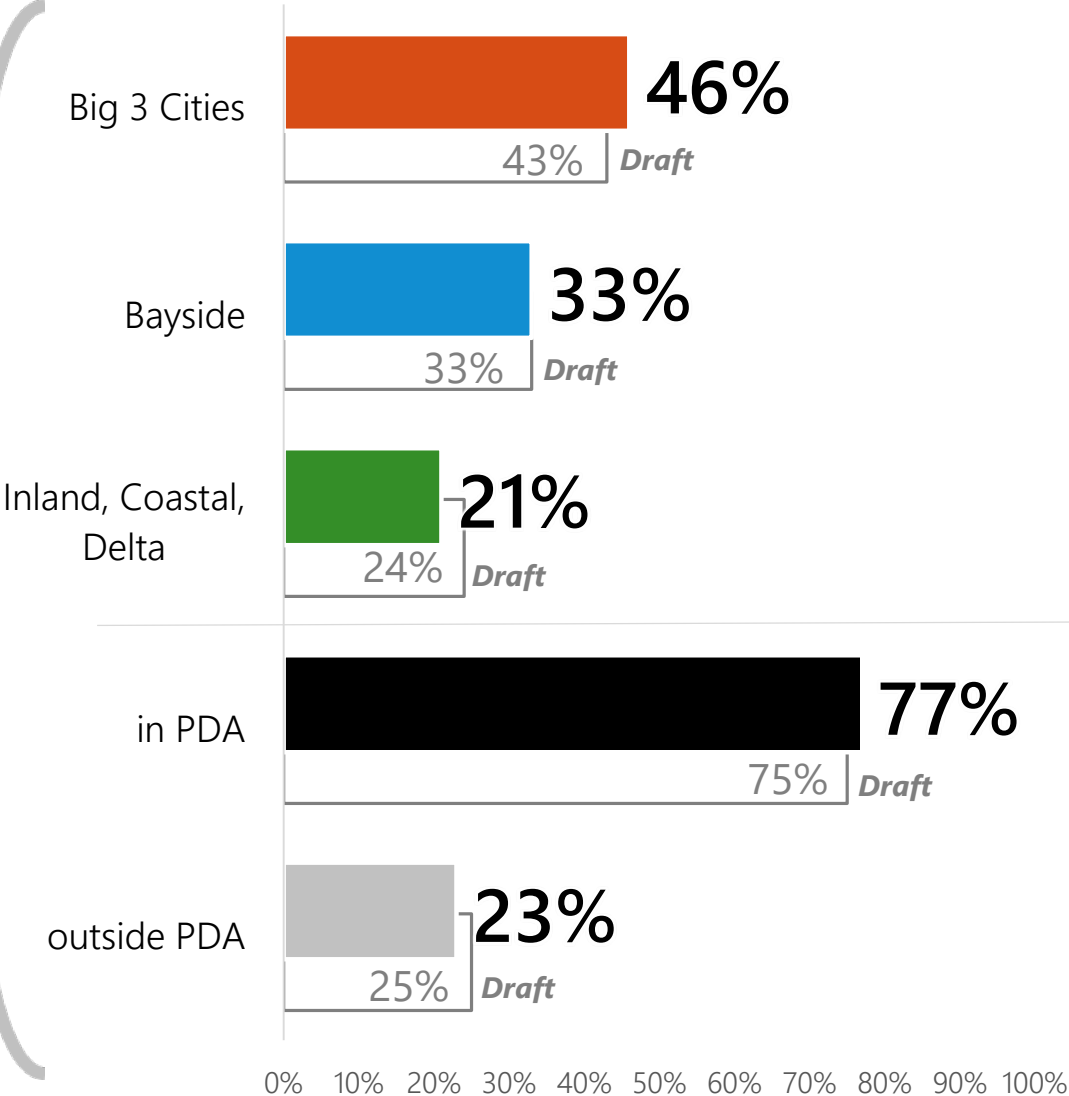
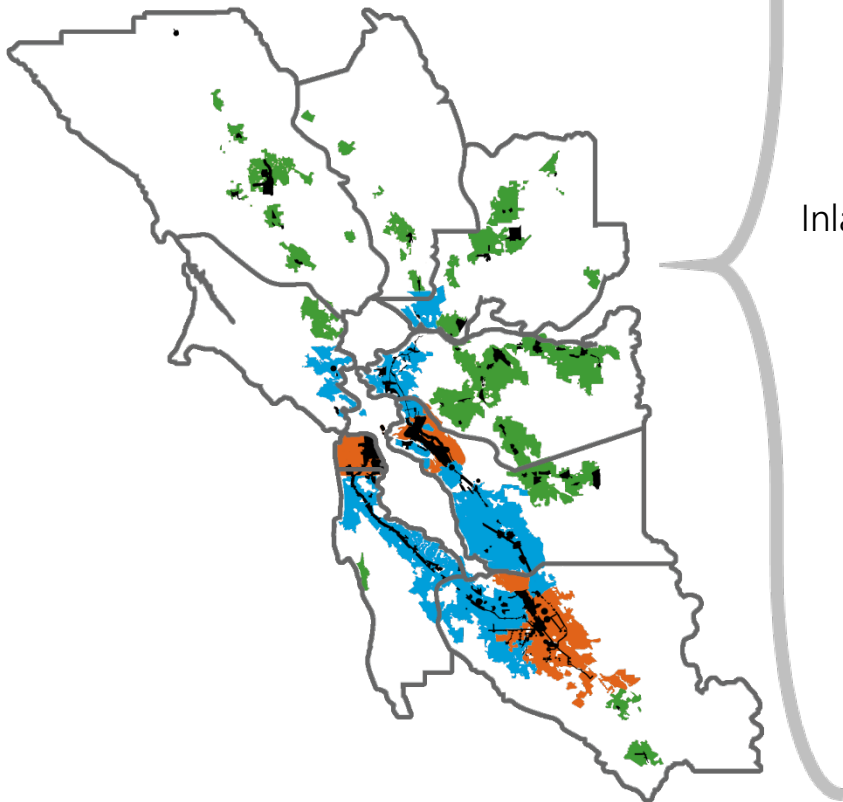
The **Final Preferred Scenario** has the following key strategies for land use:

- Assign **higher densities** than currently allowed by cities to select PDAs.
- Keep **current urban growth boundaries** in place.
- Preserve and incorporate **office space caps** in job-rich cities.
- Assume for-profit housing developments make **10 percent of units deed-restricted** in perpetuity.
- Reduce the cost of building in PDAs and TPAs through **eased parking minimums** and **streamlined environmental clearance**.
- Assume **subsidies** stimulate housing and commercial development within PDAs.
- Assess **commercial development fee** based on VMT to improve jobs-housing ratio and to fund affordable housing in PDAs.

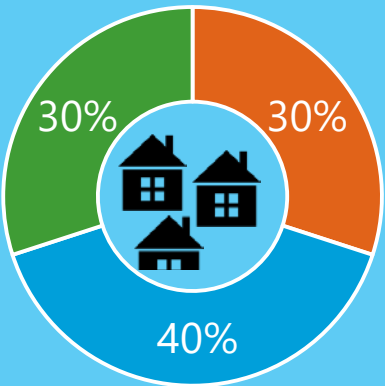


Compared to the Draft Preferred Scenario, the Final Preferred Scenario boosts housing growth in the “Big 3” cities.

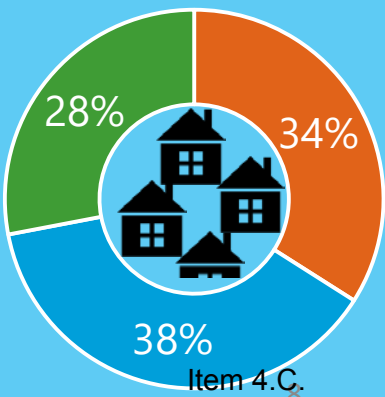
Where will the region plan for the 820,000 new households?



2010: **2.6 million** households

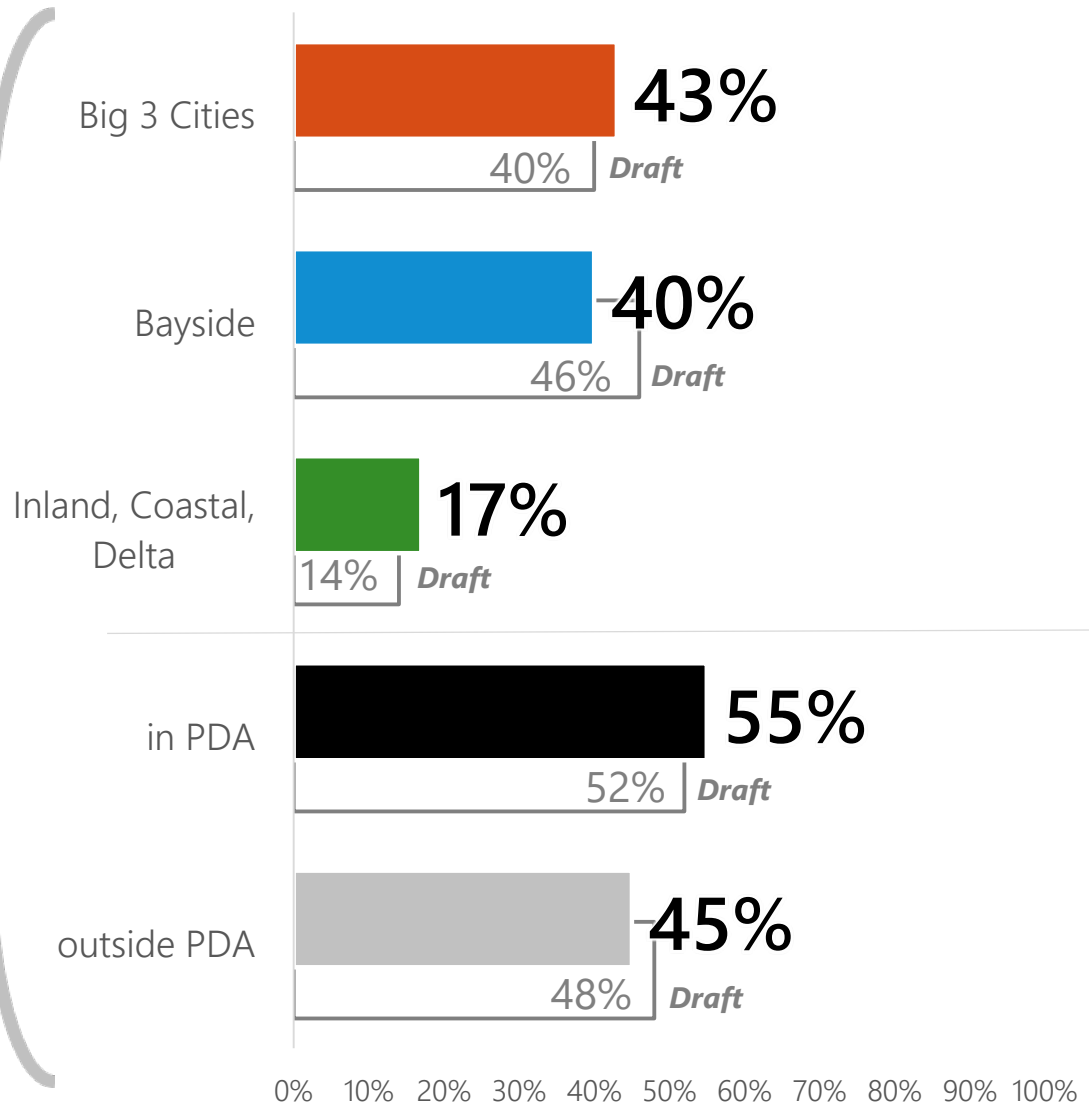
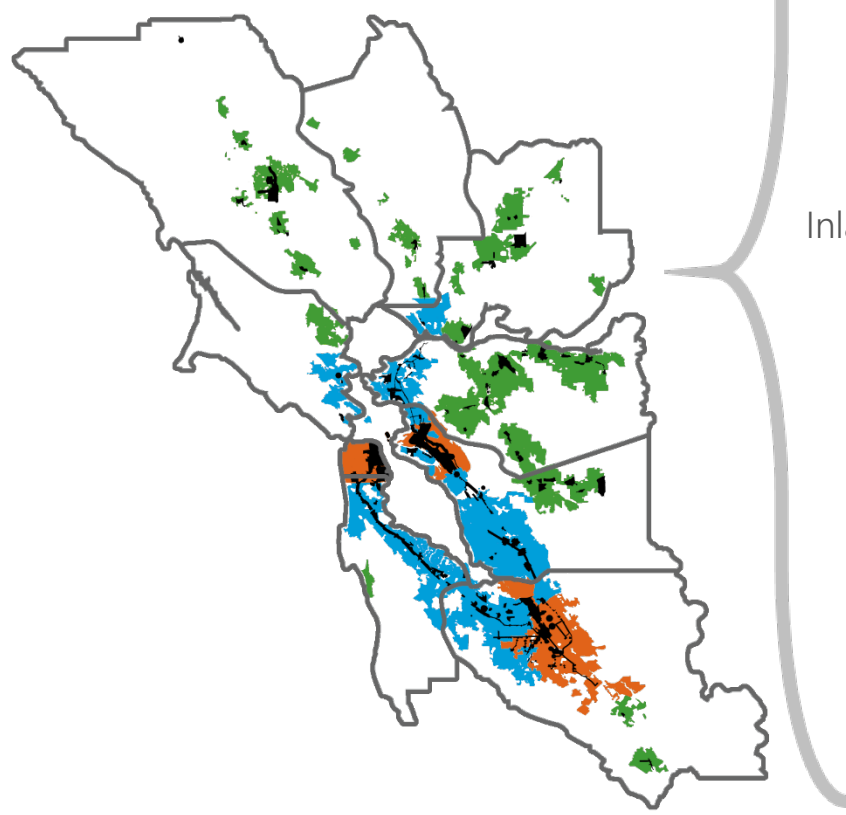


2040: **3.4 million** households

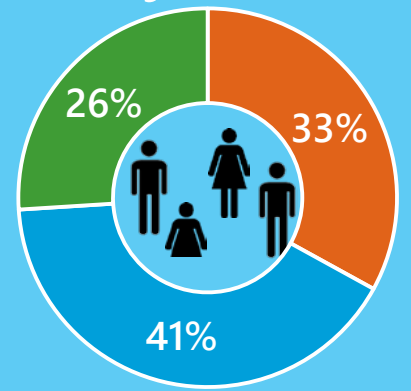


New strategies included in the Final Preferred Scenario shifted some job growth away from Bayside communities.

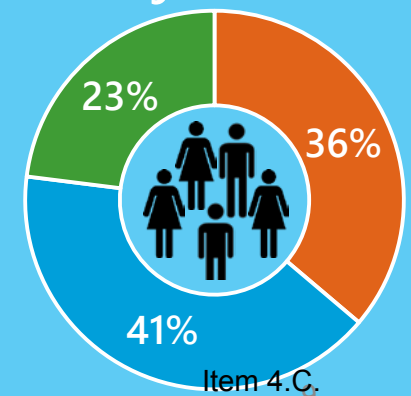
Where will the region plan for the 1.3 million new jobs?



2010: **3.4 million** jobs



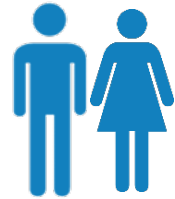
2040: **4.7 million** jobs



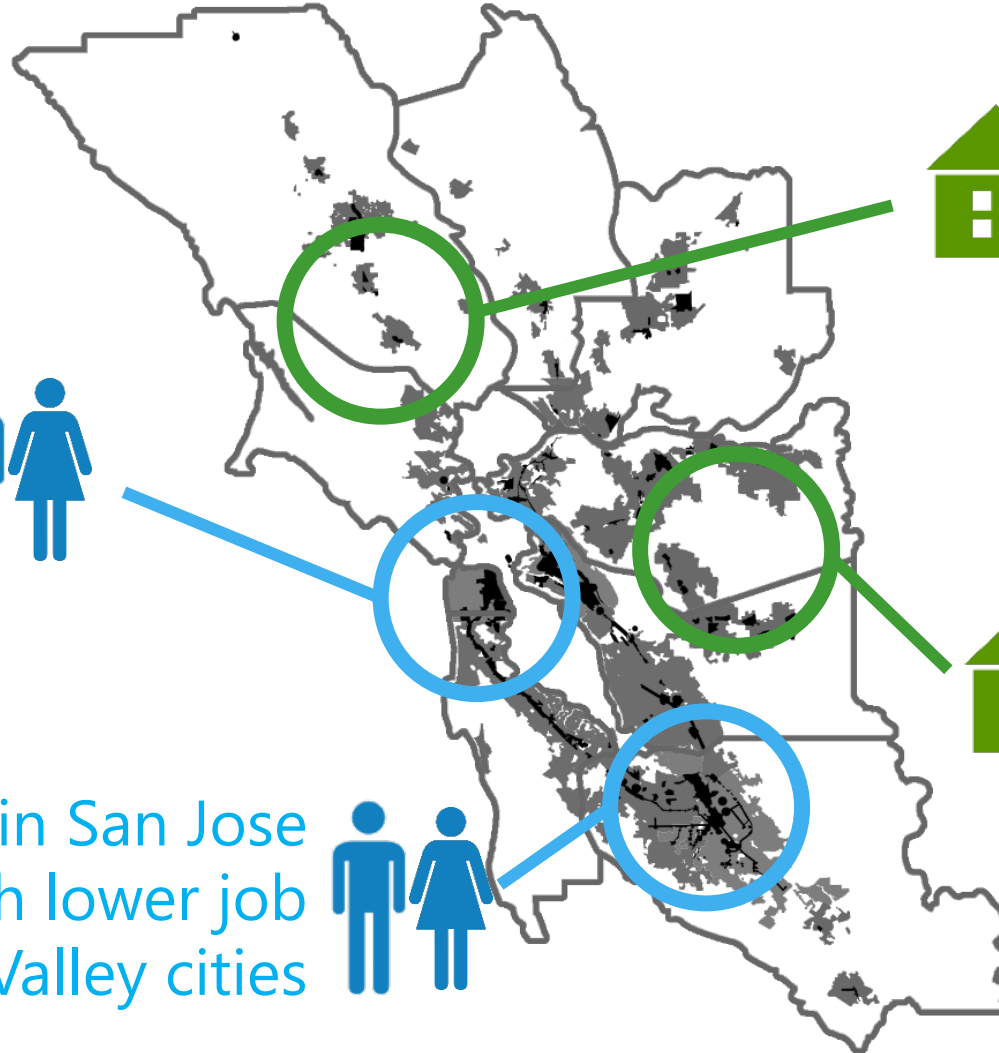
More information for local jurisdictions interested in detailed forecasts is publicly available.

Primary changes as a result of **policy** and **technical** changes since **September's draft release** include:

Reduced job growth
in San Francisco



Increased job growth in San Jose
(and Oakland), with lower job
forecasts for other Silicon Valley cities



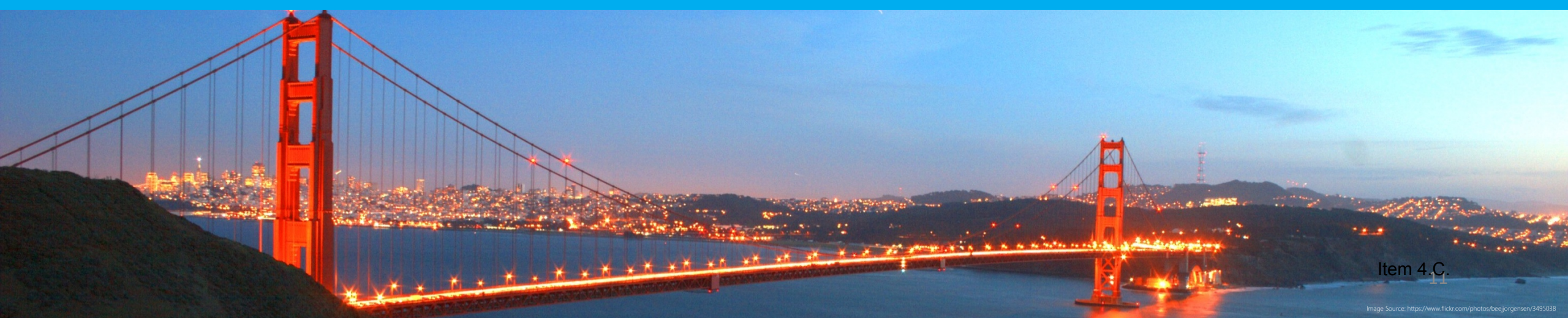
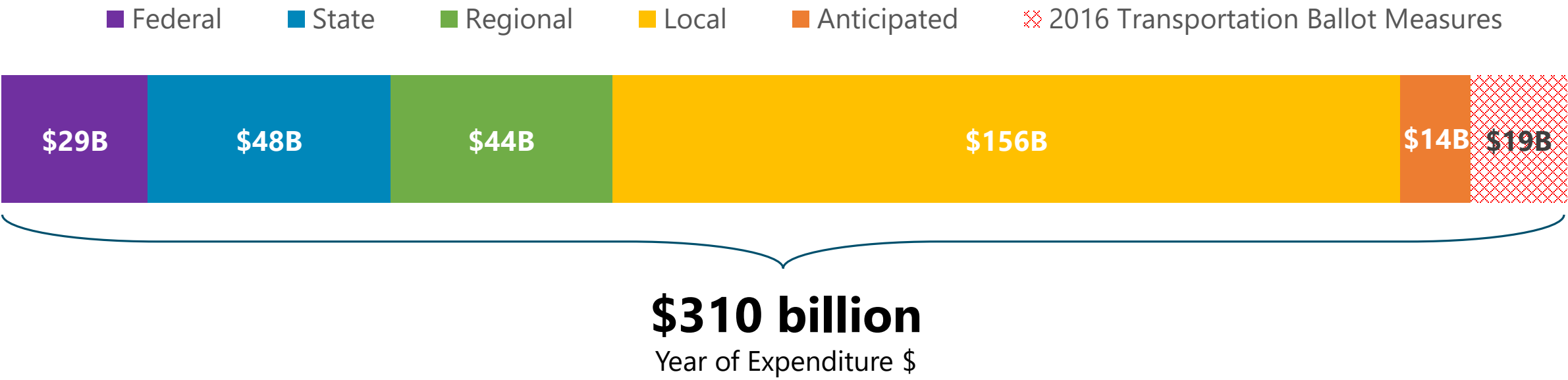
Reduced housing growth in North Bay,
especially in Sonoma
County



Shifted housing growth from Contra
Costa to other high-
population, job-rich
counties

As noted previously, the Final Preferred Scenario assumes passage of transportation ballot measures next Tuesday.

Revenue Envelope for Plan Bay Area 2040



The Final Preferred Scenario allocates over 90 percent of funds towards maintenance and modernization, similar to Plan Bay Area.

Plan BayArea
2040

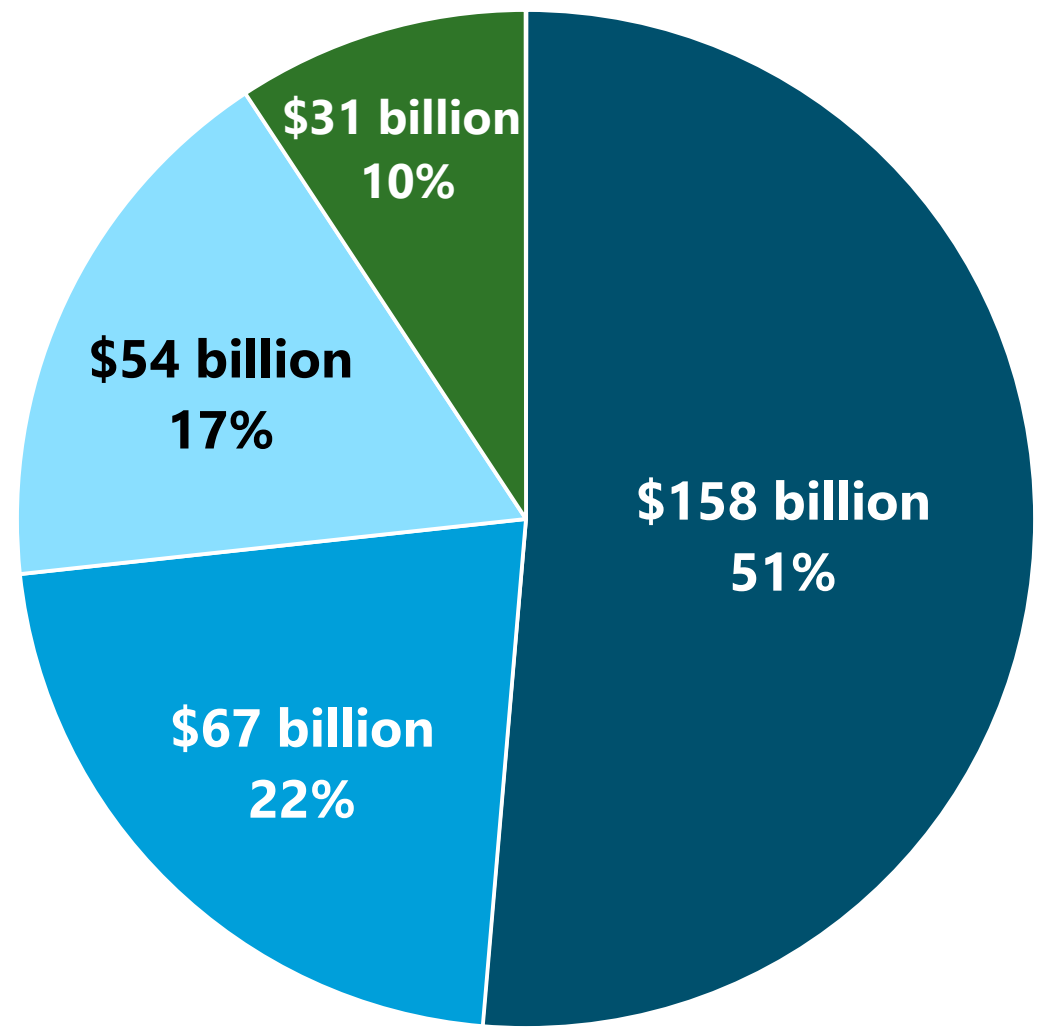
Total Plan Bay Area 2040 Expenditures - \$310 billion
(in billions of \$YOE)

90%

Operate, Maintain,
and Modernize

10%

Expand Existing
System

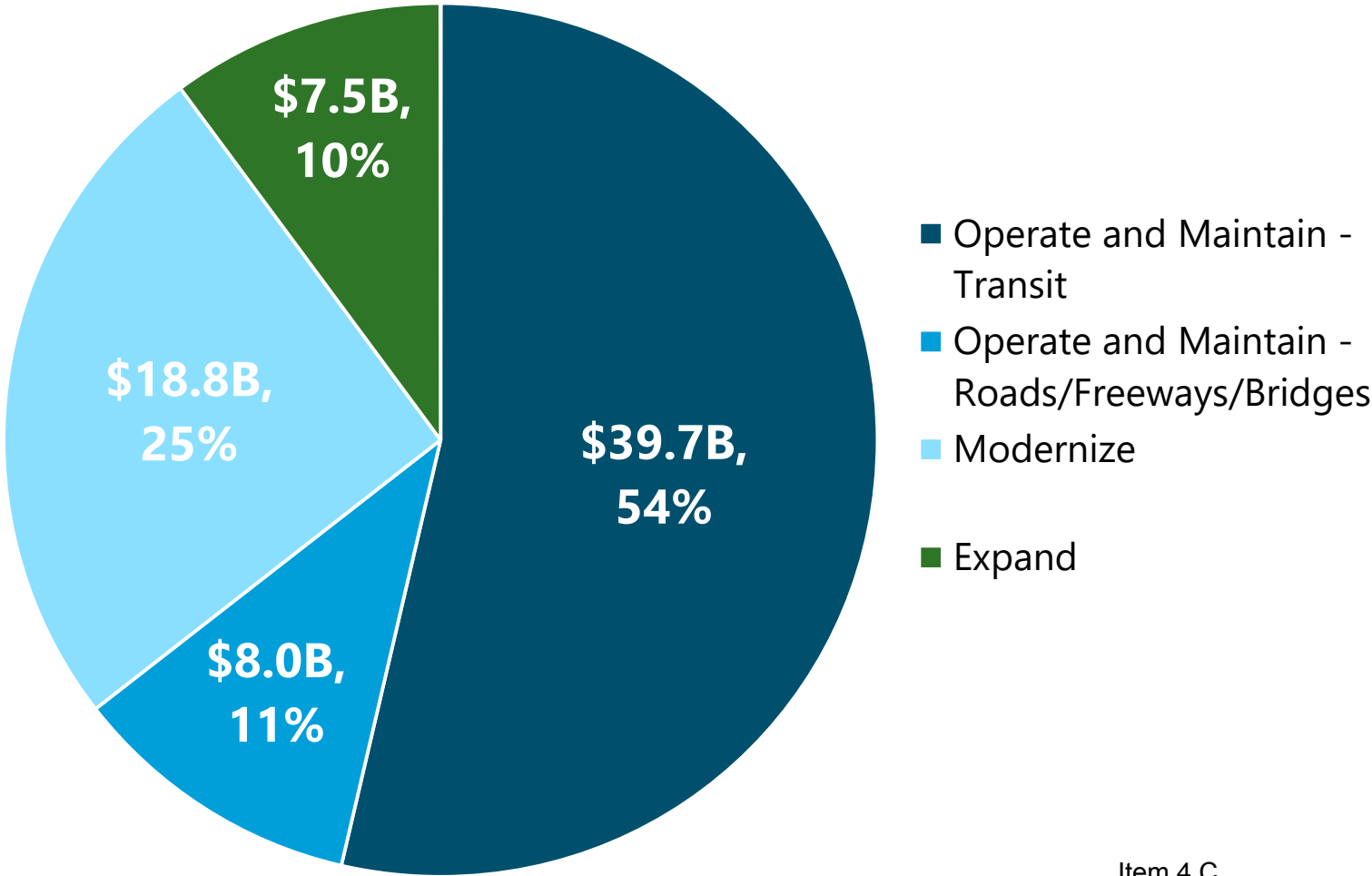


- Operate and Maintain - Transit
- Operate and Maintain - Roads/Freeways/Bridges
- Modernize
- Expand

Future regional discretionary revenues support maintaining the existing system while balancing modernizing and expanding.

Major Discretionary Fund Sources	Amount (in billions)
FTA Formula Funds + Other Cond. Discr. Sources	\$30.5
STP-CMAQ	\$4.7
New Starts/Small Starts/ Core Capacity	\$5.0
Cap and Trade	\$4.8
STA-Pop	\$1.9
ATP + ITIP	\$1.2
High Speed Rail	\$0.7
Future Regional Measures	\$8.9
Other Federal	\$2.3
Anticipated/Unspecified	\$14.0

Regional Discretionary Revenue - \$74 billion
(in billions of \$YOE)



Discretionary revenue is used to close the gaps on transit operating expenses over the next 24 years.

OVERVIEW OF REGIONAL
TRANSIT OPERATIONS:
SERVICE & FUNDING



Service Levels

+7.5%

greater than
the original
Plan Bay Area

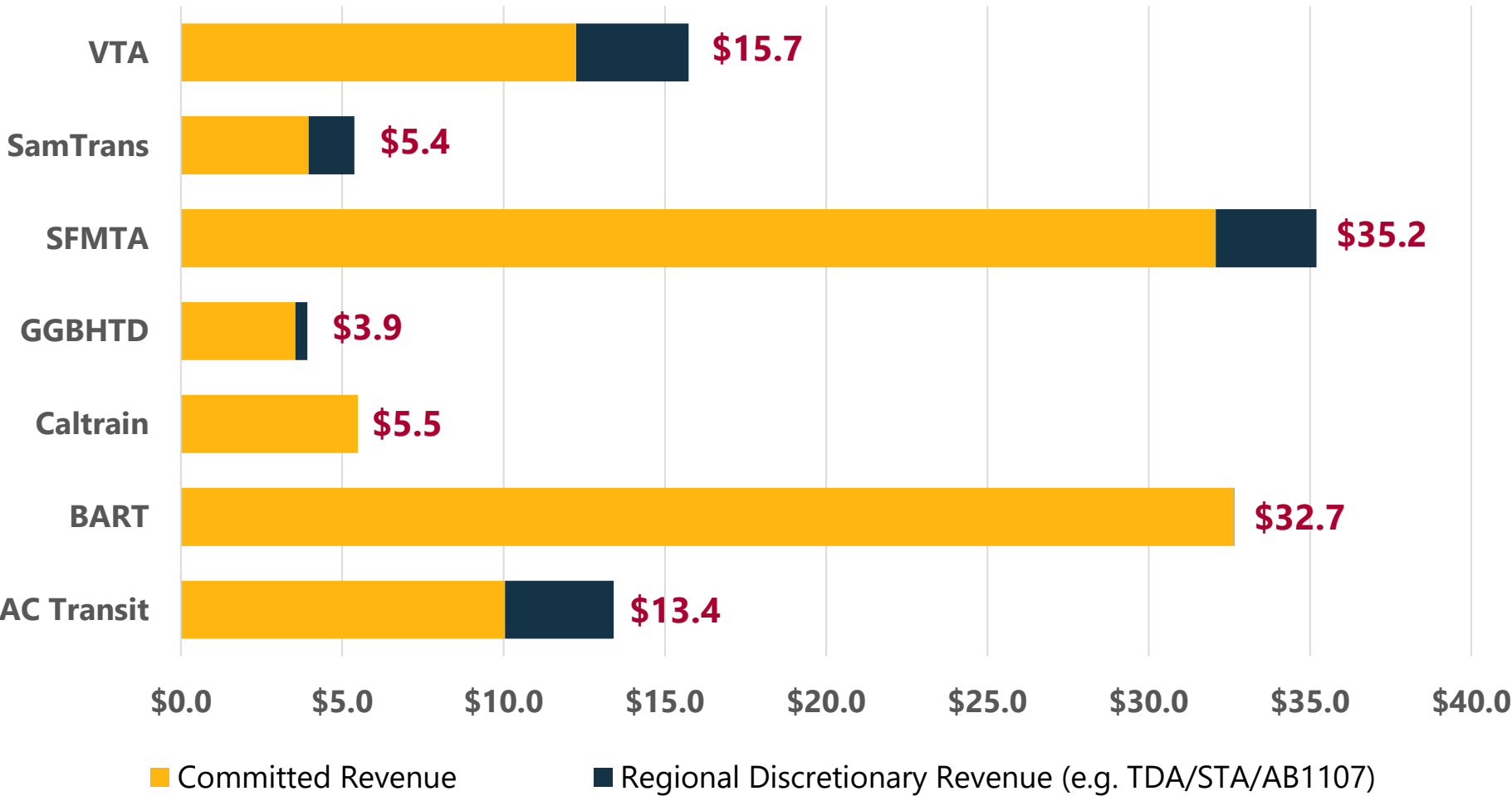


Annual Costs

+25%

greater than
the original
Plan Bay Area

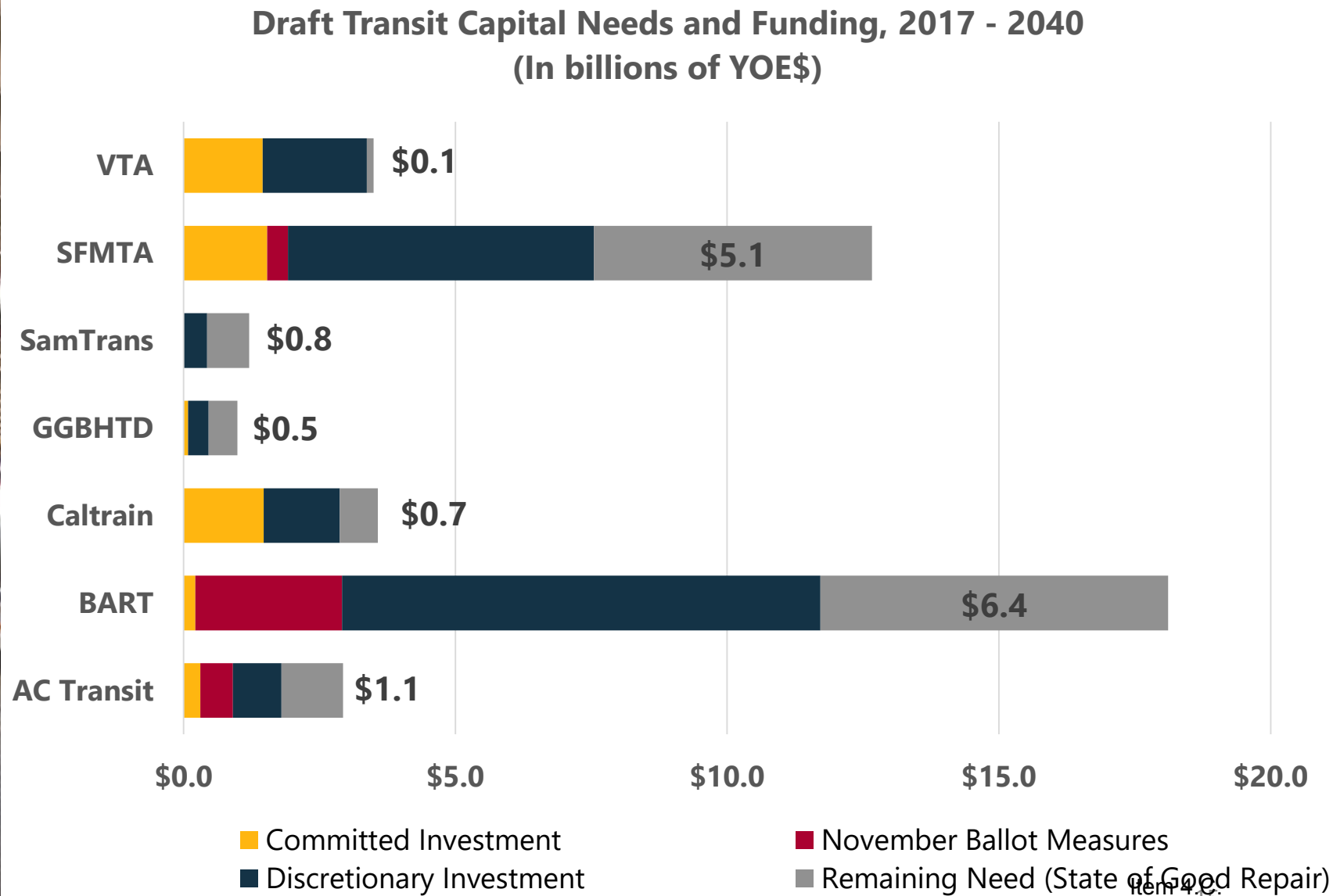
Draft Transit Operating Needs and Funding, 2017 - 2040
(In billions of YOE\$)



\$X.X = 24-Year Operating Need & Revenue

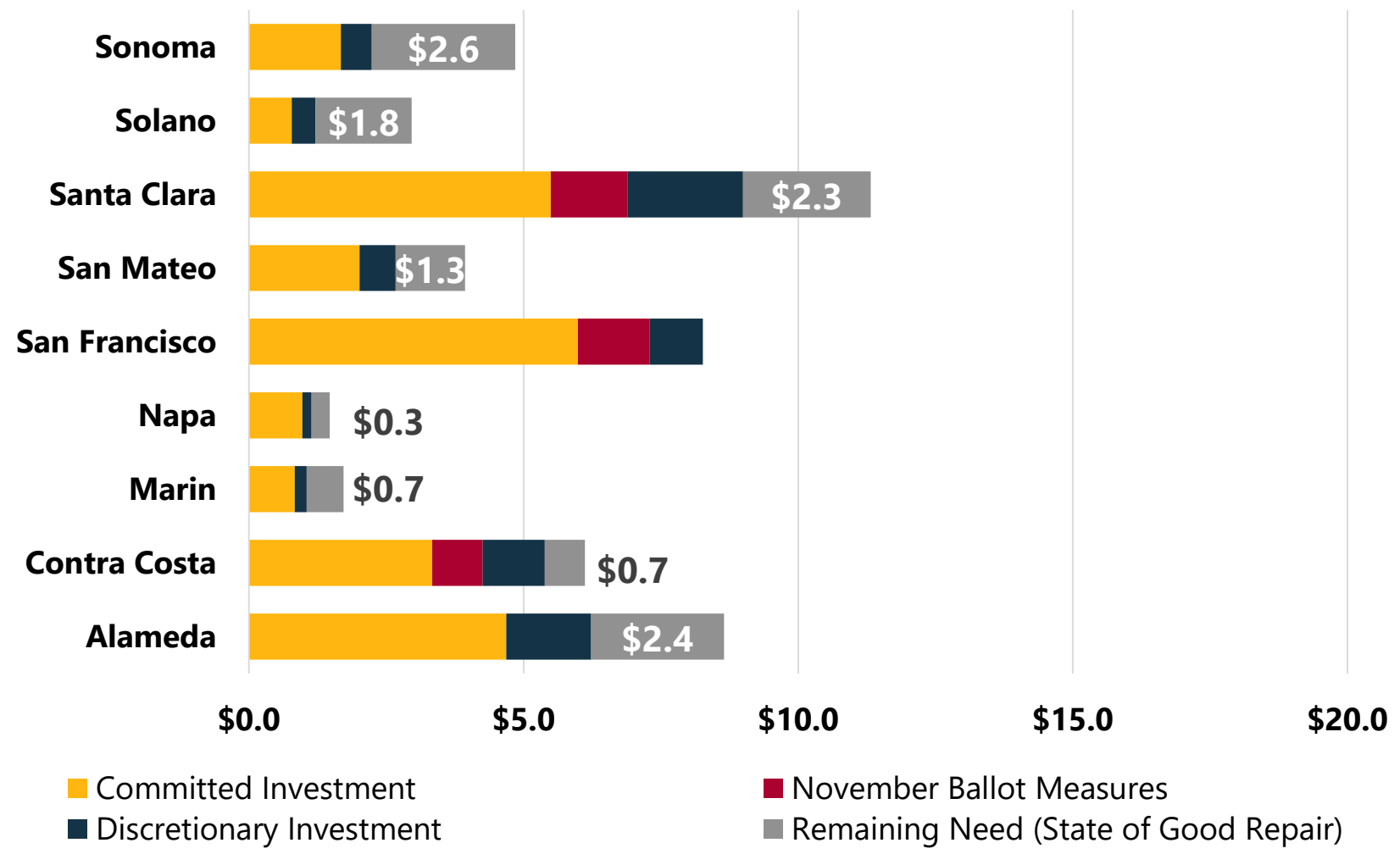
Note: statistics cited focus solely on operating existing service. Funding for projects that increase service is included within the modernize and expand investment categories.

Maintenance funding is directed to highest asset need, but does not fully achieve a state of good repair for transit capital.



Funding for local streets and roads also brings us closer, but not completely, to a state of good repair.

Draft Local Streets and Roads Needs and Funding, 2017 - 2040
(In billions of YOE\$)



Future regional funding is also directed to three key issue areas for Plan Bay Area 2040.



**Closing the
GHG Gap**



**Sustainable Goods
Movement**



**Core Capacity
Transit**

Most of the Plan's GHG emission reductions will come from MTC's Climate Initiatives Program.

Plan BayArea
2040

Transportation and land use strategies are not enough to meet the climate goals of SB375, requiring the following additional programs:



Transportation Demand Management



Alternative Fuel/Vehicle Strategies



Car Sharing and Vanpool Incentives

Strategy	Local/Comm.	Regional Discr.	Total Plan Investment
Regional Climate Initiatives Program	\$36 million	\$490 million	\$526 million

Total = 11% reduction in greenhouse gas emissions from 2005

Almost \$3 billion of discretionary funding would go toward modernizing the region's goods movement network.

The draft investment strategy seeks to improve goods movement operations while also increasing the environmental sustainability of the sector.

Strategy	Local/Comm.	Regional Discr.	Total Plan Investment
Modernizing Infrastructure	\$2,300 million	\$2,200 million	\$4,500 million
Clean Fuels and Impact Reduction		\$350 million	\$350 million
Smart Deliveries and Operations		\$300 million	\$300 million



Increase efficiency within the Port of Oakland



Reduce emissions of small trucks



Reduce neighborhood impacts

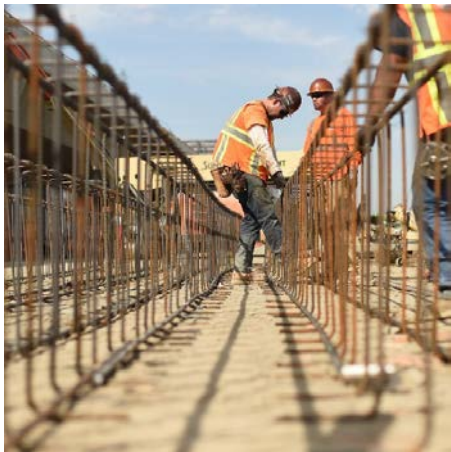


Fund strategic highway investments

The Final Preferred Scenario investment strategy would provide transit crowding relief throughout the region's core.

Major investments include:

- Extending BART to Silicon Valley
- Extending Caltrain to downtown San Francisco
- Increasing frequencies and capacity on BART
- Electrifying and modernizing Caltrain
- Bus rapid transit in San Francisco and Silicon Valley
- More vehicles for SFMTA, AC Transit, VTA and WETA
- Transit priority infrastructure in San Francisco and along the Bay Bridge approaches



Location	Total Plan Investment*
Transbay Corridor	\$5.8 billion
Peninsula Corridor	\$7.3 billion
Within San Francisco	\$3.9 billion
Within Santa Clara County	\$8.3 billion
Planning for future capacity projects	\$0.8 billion



*Includes funding from local/committed sources, regional discretionary sources and November 2016 ballot measures

Changes between the Draft Preferred and Final Preferred did not have any significant impacts on overall performance results.

PERFORMANCE
TARGET SUMMARY
FOR THE FINAL
PREFERRED
SCENARIO

Refer to
Attachment D1 for
detailed results.

*Final performance
results will differ slightly
from those shown here,
as the final scenarios will
include a complete network
of all transportation
projects. The final results
will also be analyzed
against the 2040 Plan
horizon year.*

TARGET ACHIEVED (5)



Climate Protection



Adequate Housing



Open Space and
Agricultural
Preservation



Middle-Wage Job
Creation



Goods Movement/
Congestion
Reduction

RIGHT DIRECTION (5)



Healthy and Safe
Communities



Affordable Housing



Non-Auto Mode
Shift



Road Maintenance



Transit
Maintenance

WRONG DIRECTION (3)



Housing +
Transportation
Affordability



Displacement Risk



Access to Jobs

We know what land use & transportation strategies are needed to tackle congestion – affordability is a much bigger challenge.

Plan BayArea
2040

PERFORMANCE TARGET
RESULTS FOR FINAL
PREFERRED

Target results for the Final Preferred are **ranked from best to worst**, depending on the degree to which performance exceeds (or underperforms) on a given target.

Final performance results will differ slightly from those shown here, as the final scenarios will include a complete network of all transportation projects. The final results will also be analyzed against the 2040 Plan horizon year.

	Goal	Final Preferred	
Goods Movement/Congestion Reduction	-20%	-29%	<div><div>BEST</div><div></div><div>WORST</div></div>
Climate Protection	-15%	-18%	
Middle-Wage Job Creation	+38%	+43%	
Open Space and Agricultural Preservation	100%	100%	
Adequate Housing	100%	100%	
Transit Maintenance	-100%	-78%	
Non-Auto Mode Shift	+10%	+3%	
Road Maintenance	-100%	-16%	
Affordable Housing	+15%	+2%	
Healthy and Safe Communities	-10%	-1%	
Access to Jobs	+20%	-0%	
Displacement Risk	+0%	+9%	
Housing + Transportation Affordability	-10%	+13%	Item 4.C.

Transportation investments are being targeted to benefit low-income Bay Area residents...

TRANSPORTATION FUNDING ALLOCATION FOR FINAL PREFERRED SCENARIO

	Share of Population	Share of Investment Benefit		
		Transit	Roadway	Total
Low-Income	24%	48%	27%	40%
Minority	59%	61%	52%	57%



Item 4.C.
23



Image Source: https://www.flickr.com/photos/psullivan_1056/4487394472/, <https://www.flickr.com/photos/24208255@N07/3802154159/>, <https://www.flickr.com/photos/bootleggerson/7946832080>

... but ultimately transportation isn't the primary challenge – rather, it's finding an affordable place to live.

Image Source: https://www.flickr.com/photos/pfsullivan_1056/4487394472

TRANSPORTATION FUNDING ALLOCATION
FOR FINAL PREFERRED SCENARIO

	Share of Population	Share of Investment Benefit		
		Transit	Roadway	Total
Low-Income	24%	48%	27%	40%
Minority	59%	61%	52%	57%

EQUITY MEASURE SUMMARY
FOR FINAL PREFERRED SCENARIO

Equity Measure	Are Disadvantaged Communities Outperforming the Region?	Are Disadvantaged Communities Making Progress?
Access to Jobs	Yes	Yes
Risk of Displacement	Yes	No
Healthy and Safe Communities	No	Yes
Middle-Wage Job Creation	n/a	Yes
Housing + Transport Affordability	No	No
Affordable Housing	No	Item 4.C.2 No



While the Final Preferred Scenario makes progress on many fronts, **regional affordability challenges remain**. Implementation actions on this front **are a key priority for MTC and ABAG in 2017**.



Staff requests that the MTC Planning and ABAG Administrative Committees **refer the Final Preferred Scenario to the Commission and Executive Board for approval.**



Plan Bay Area 2040
Summary of Comments and Responses on the Draft Preferred Scenario (DPS)

Attachment A

Agency Type	Sender Name	Comment Summary	Response Summary
Cities and Counties	Alameda County Community Development Agency	The Alameda County Community Development Agency recommends specific policies to be incorporated into UrbanSim, including anti-displacement policies, second unit allowances, compliance with the Surplus Land Act for publicly-owned land, and inclusionary zoning assumptions.	The Final Preferred Scenario includes inclusionary zoning within all PDAs and subsidies for affordable housing in PDAs. Additional policy suggestions will be assessed as staff develops the Plan document in advance of final Plan adoption.
Cities and Counties	City and County of San Francisco, San Francisco County Transportation Authority, and San Francisco Municipal Transportation Agency	Officials from San Francisco expressed concern that the household and employment projections for San Francisco are too high. They expressed concern with housing affordability and displacement, recommending specific legislative actions to address the housing crisis.	The Final Preferred Scenario incorporates a strict maintenance of Prop M and decreased upzoning in PDAs. Staff acknowledges the regional concern regarding housing and transportation affordability. Staff will work to address these policy issues further in the Plan Bay Area 2040 document.
Cities and Counties	City of Alameda	The City of Alameda projects lower household growth than does the Draft Preferred Scenario, particularly in areas outside the City's PDAs, due to lower levels of transit accessibility.	The Final Preferred Scenario includes reduced PDA upzoning for households, which should align more closely with local expectations.
Cities and Counties	City of Benicia	The City of Benicia projects higher employment levels than what are shown in the Draft Preferred Scenario.	The Final Preferred Scenario takes some steps toward improving jobs/housing balance in the Inland, Coastal, Delta parts of the region. Due to constraints on the total number of forecast regional jobs and available building stock, it was not always possible to match local employment aspirations.
Cities and Counties	City of Brentwood	The City of Brentwood projects higher employment levels than the Draft Preferred Scenario. This concern was raised during the last Plan Bay Area process as well.	The Final Preferred Scenario takes some steps toward improving jobs/housing balance in the Inland, Coastal, Delta parts of the region. Due to constraints on the total number of forecast regional jobs and available building stock, it was not always possible to match local employment aspirations.
Cities and Counties	City of Brisbane	The City of Brisbane expressed concern that housing in the Bi-County PDA significantly exceeds local expectations.	In an attempt to respond to the housing production and affordability challenge of the region, one of the goals of Plan Bay Area 2040 is to focus growth within PDAs. The Final Preferred Scenario reflects this planning objective.
Cities and Counties	City of Cloverdale	The City of Cloverdale expressed concern on the accuracy of DPS employment forecasts, noting a projected decrease in total employment and the number of PDAs.	The Final Preferred Scenario incorporates a refined employment growth model to better forecast growth in cities like Cloverdale, which results in employment growth more commensurate with household growth forecast.
Cities and Counties	City of Cupertino	The City of Cupertino expressed concern that the Draft Preferred Scenario (DPS) employment growth forecast exceeds local planning expectations. The City requests parcel-level data for further analysis.	The Final Preferred Scenario reflects corrected development projects records, lowered PDA upzoning, and included a cap on commercial development for the City of Cupertino.

Plan Bay Area 2040
Summary of Comments and Responses on the Draft Preferred Scenario (DPS)

Attachment A

Agency Type	Sender Name	Comment Summary	Response Summary
Cities and Counties	City of Dublin	The City stated that the DPS 2040 household projections are lower than what exists today around the Dublin Transit Center / Dublin Crossing PDA and downtown Dublin.	The final preferred scenario has incorporated pipeline projects and increased PDA upzoning, which results in increased housing projections in some communities.
Cities and Counties	City of East Palo Alto	The City of East Palo Alto is concerned with several outcomes of the draft preferred scenario, including jobs-housing balance, mobility management, displacement, traffic, and poor air quality. The City requests one more public meeting before formally adopted by MTC and ABAG boards.	Staff recognizes that housing affordability and jobs-housing balance is a regional concern. Compared to the draft, the final preferred scenario achieves higher household growth overall in San Mateo County. Issues related to housing affordability, displacement, and support for middle-wage jobs will continue to be evaluated in the preparation of the Plan document.
Cities and Counties	City of Gilroy	The City of Gilroy expressed concern that both household and employment projections are too low.	The Final Preferred Scenario projects more jobs in Santa Clara County than the draft preferred, increasing the jobs-housing ratio of the county.
Cities and Counties	City of Lafayette	The City of Lafayette requests lower household growth and changes to the 2010 base year.	The Final Preferred Scenario modifies the 2010 base year for housing and also reflects lowered PDA upzoning for households.
Cities and Counties	City of Livermore	The City of Livermore expressed concern that the housing totals outlined in the DPS are lower than the City's expectations and requests addition of the BART to Livermore project, which will include a new PDA increase housing.	The Final Preferred Scenario has incorporated pipeline projects and increased PDA upzoning, which results in increased housing projections in some communities. BART to Livermore/ACE Project Development and Construction Reserve is included in the Plan's investment strategy.
Cities and Counties	City of Los Altos	The City of Los Altos generally supports the Draft Preferred Scenario but requests slightly higher households in their PDA and lower employment levels to reflect the City's certified Housing Element.	The Final Preferred Scenario takes some steps toward improving jobs/housing balance in parts of Santa Clara county. Due to constraints on the total number of forecast regional households jobs and available building stock, it was not always possible to match local household or employment aspirations.
Cities and Counties	City of Mill Valley	The City of Mill Valley stated they look forward to reviewing the numbers in the Final Preferred Scenario, and that they may provide additional comments.	Comment noted.

Plan Bay Area 2040
Summary of Comments and Responses on the Draft Preferred Scenario (DPS)

Attachment A

Agency Type	Sender Name	Comment Summary	Response Summary
Cities and Counties	City of Mountain View	The City of Mountain View expressed concern that the DPS 2040 projections for employment are too low while the projections for housing are too high, especially compared to other cities in Santa Clara County.	The final preferred scenario projects more households and jobs in Santa Clara County relative to the draft preferred, and achieves an improved jobs/housing balance in some of the County's communities.
Cities and Counties	City of Novato	The City of Novato is concerned with changes between PBA 2013 and PBA 2040, the decrease in concentration of development in PDAs between the two Plans, and the feasibility of affordable housing subsidies.	Plan Bay Area 2040 uses a slightly different methodology for 2010 baseline employment numbers relative to Plan Bay Area 2013- information on this methodology has been supplied to all local jurisdictions. The Final Preferred Scenario increases levels of household and employment growth in PDAs relative to the draft. It also includes a set of regional strategies in an effort to move toward the region's housing production and affordability goals. Staff acknowledges that the implementation of specific housing policies remains a local decision.
Cities and Counties	City of Oakland	The City of Oakland expressed concerns that the household estimates in the DPS are too high while the employment estimates are too low. The City recommends several policy levers to incorporate in the Final Preferred, including "by-right" legislation, regional jobs-housing linkage fee, housing trust fund, stronger connections between transportation funding and housing policy, among other suggestions.	The latest projections incorporate adjusted assumptions on employee density in Oakland and some PDA upzoning for some commercial development opportunities. The DPS assumes a commercial development fee based on VMT to improve jobs-housing ratio and to fund affordable housing in PDAs.
Cities and Counties	City of Petaluma	Household and employment forecasts for the PDAs in the City of Petaluma exceed expectations relative to the rest of the City.	The Final Preferred Scenario made a number of technical corrections and reduced PDA upzoning for households, which should align more closely with local expectations.
Cities and Counties	City of Pleasanton	The City of Pleasanton projects lower household growth due to a growth management ordinance and questions 2010 baseline data for housing and employment.	The final preferred scenario made some adjustments to PDA zoning which should align more closely with growth expectations. The Final Preferred Scenario will utilize the same baseline housing information (based upon the U.S. Census) that served as the baseline for PBA 2013. ABAG's updated regional forecast revised 2010 baseline employment information and that is reflected in minor changes between PBA 2013 and PBA 2040 in some jurisdictions.
Cities and Counties	City of Pleasanton	The City of Pleasanton expressed concern about specific parcels in the UrbanSim land use model.	The Final Preferred Scenario has made a series of technical corrections to parcels, and reflects lower PDA zoning for housing for the City, which should better reflect growth expectations.
Cities and Counties	City of San Carlos	The City of San Carlos expressed concern that the DPS household and employment figures are lower than the numbers in San Carlos' 2030 General Plan. New housing and commercial development in San Carlos recently approved or under construction exceeds the figures listed in the DPS.	Because we are using an economically-based model (UrbanSim) to test out development feasibility for every parcel in the region, data forecasts for a given city/town/PDA may differ from local plans and may be different from the prior Plan Bay Area.
Cities and Counties	City of San Jose	The City of San Jose believes the DPS's employment forecast is low compared to the City's local planning targets, as well as historic growth patterns and long-term regional goals.	Several policy changes have been made in the final preferred scenario, including a modification on the assumption on square feet per employee, increased commercial upzoning and decreased residential upzoning in San Jose PDAs, updated development projects records, and incorporation of employment growth caps in some neighboring cities.

Plan Bay Area 2040
Summary of Comments and Responses on the Draft Preferred Scenario (DPS)

Attachment A

Agency Type	Sender Name	Comment Summary	Response Summary
Cities and Counties	City of San Leandro	The City of San Leandro expressed concern that the household and employment numbers in PDAs declined substantially from PBA 2013 to the DPS while city-wide job growth projections are much higher than PBA 2013.	Since PBA 2040 uses revised housing and employment control totals, as well as an economically-based model (UrbanSim) to test out development feasibility for every parcel in the region, data forecasts for a given city/town/PDA may differ from local plans and may be different from the prior Plan Bay Area.
Cities and Counties	City of San Pablo	The City of San Pablo would like to further consider the implications of inclusionary zoning for future residential housing development as well as the possibility of easing residential parking minimums.	The Final Preferred Scenario includes a set of regional strategies in an effort to move toward the region's housing production and affordability goals. Staff acknowledges that the implementation of specific housing policies remains a local decision.
Cities and Counties	City of San Rafael	The City expressed concerns about DPS employment growth projections and questioned whether the estimated growth can be accommodated without transportation and utility infrastructure improvements. They also question the use of 2010 as a baseline for the Plan.	Plan Bay Area 2040 includes a preferred growth distribution as well as a fiscally constrained set of corresponding transportation investments, including a number of major capital investments in Marin County. Similar to Plan Bay Area 2013, Plan Bay Area 2040 uses the same time horizon of 2010-2040, in keeping with the Plan's approach as a limited and focused update.
Cities and Counties	City of San Ramon	The City of San Ramon expressed concern that employment and household projections are lower than the City's General Plan and the distribution of growth is too heavily concentraed in the PDA.	The Final Preferred Scenario incorporates a number of pipeline development projects and more accurate employment zoning in the PDA.
Cities and Counties	City of Santa Rosa	The City of Santa Rosa believes that DPS household projections are higher than local expectations and employment is lower than the Santa Rosa General Plan. The City believes the DPS should be amended to recognize Santa Rosa's role as a regional jobs center.	The Final Preferred Scenario includes reduced PDA upzoning for households in Santa Rosa, which should align more closely with local expectations. It also takes some steps toward improving jobs/housing balance in many parts of the region, including the Inland, Coastal, Delta parts of the region. Due to constraints on the total number of forecast regional jobs and available building stock, it was not always possible to match local employment aspirations.
Cities and Counties	City of Sausalito	The City of Sausalito expressed concern that both household and employment projections in the DPS exceed local expectations. The City has specific parcels designated for conservation that should be off-limits to development in a regional forecast.	A number of technical corrections at the parcel-level were made in the Final Preferred Scenario.
Cities and Counties	City of South San Francisco	The City of South San Francisco projects higher household and employment growth than the DPS. The City anticipates significant transit-oriented development due to Caltrain and other transit improvements.	The Final Preferred Scenario has incorporated available information on pipeline projects, increasing the housing and/or employment projections for some places.
Cities and Counties	City of Sunnyvale	The City of Sunnyvale is concerned that the number of households is too high relative to their recently updated Land Use and Transportation Element.	The Final Preferred Scenario forecasts a higher share of both jobs and housing in jobs-rich areas like Silicon Valley. This reflects the Plan's performance targets, including improving access to job opportunities.

Plan Bay Area 2040
Summary of Comments and Responses on the Draft Preferred Scenario (DPS)

Attachment A

Agency Type	Sender Name	Comment Summary	Response Summary
Cities and Counties	City of Vallejo	The City of Vallejo expressed concern that household and employment projections in the DPS are lower than Vallejo’s own draft General Plan, but generally supports the Plan's principles.	The Final Preferred Scenario takes some steps toward improving jobs/housing balance in many parts of the region, including Bayside and the Inland, Coastal, Delta parts of the region. Due to constraints on the total number of forecast regional households jobs and available building stock, it was not always possible to match local household or employment aspirations.
Cities and Counties	Contra Costa County	Contra Costa County expressed concern that the DPS projects an increase in households over PBA 2013 but a reduction in employment. The County requests a better jobs/housing balance to bring jobs to the area and improve congestion, and would like a Priority Production Areas program in the Plan.	The Final Preferred Scenario achieves an improved jobs-housing balance in the Inland, Coastal, Delta parts of the region. Due largely to the incorporation of pipeline projects, Contra Costa sees an forecasted increase in employment relative to the Draft.
Cities and Counties	Mayors Lee, Edwin M; Liccardo, Sam; Schaaf, Libby	The mayors of Oakland, San Francisco, and San Jose would like to see balanced, walkable, and bikable communities with jobs and housing linked by regional transit. They also expressed concern with the housing affordability performance of the DPS and the need to grow middle-wage jobs and invest in transit.	The Plan's investment strategy makes a considerable investment in transit, including operations and maintenance to several multi-billion dollar expansions of BART and Caltrain. The investment strategy also provides significant funding for multimodal streetscapes. Staff acknowledges that the Final Preferred Scenario does not overcome the region's housing affordability crisis. Staff will work to address these policy issues in the Plan Bay Area 2040 document.
Cities and Counties	Solano County	Solano County expressed concern that DPS household projections exceed local expectations. The County is primarily agricultural with no urban services and therefore should have lower household projections.	The Final Preferred Scenario reflects lower household growth in unincorporated Solano County. The preferred scenario uses consistent jurisdictional boundaries between 2010 and 2040- some development currently shown in county unincorporated areas will likely be in local jurisdictions.
Cities and Counties	Town of Corte Madera	The Town of Corte Madera believes the growth forecasts to be inaccurate based on an analysis of specific parcels.	The Final Preferred Scenario reflects numerous technical fixes at the parcel level- while the Land Use model uses local general plans as a foundation, it will not capture perfect information about every single parcel in the region.
Cities and Counties	Town of Hillsborough	The Town of Hillsborough projects lower employment levels in the baseline and in 2040 than those shown in the Draft Preferred Scenario.	The Final Preferred Scenario includes an update to employment data for the Town of Hillsborough.
Cities and Counties	Town of Los Gatos	The Town of Los Gatos supports the household and employment projections provided in the DPS.	Comment noted.
Cities and Counties	Town of Portola Valley	The Town of Portola Valley assumes a significantly lower 2010 employment number, and also projects lower employment levels than the Draft Preferred Scenario.	The Final Preferred Scenario incorporates an adjustment to the base year employment number, which in turn affects the 2040 employment projection.

Plan Bay Area 2040
Summary of Comments and Responses on the Draft Preferred Scenario (DPS)

Attachment A

Agency Type	Sender Name	Comment Summary	Response Summary
Cities and Counties	Town of San Anselmo	The Town of San Anselmo is concerned that the DPS is based on inaccurate Town General Plan data and that household growth should be focused in PDAs.	The Final Preferred Scenario has removed some hillside parcels from development consideration in the regional forecast.
Individuals	Eklund, Pat	Ms. Eklund expressed concern and asked for more information related to base year household and jobs counts, in particular what changed in ABAG's employment counts; a reduction in PDA growth relative to PBA 2013; additional information on UrbanSim; and additional information on the assumed land use strategies.	2010 household base year figures have been revised since the draft. The Final Preferred Scenario achieves a higher level of PDA growth for households and employment relative to the draft. Since PBA 2040 uses revised housing and employment control totals, as well as an economically-based model (UrbanSim) to test out development feasibility for every parcel in the region, data forecasts for a given city/town/PDA may differ from local plans and may be different from the prior Plan Bay Area. Staff has provided information on methodology and the incorporation of regional policies, and can provide more details as requested.
Individuals	Severinghaus, Jean	Ms. Severinghaus expressed concern that the targets for the Draft Preferred Scenario fall short on ideal health and activity goals.	The Final Preferred Scenario makes a modest improvement toward meeting the Healthy and Safe Communities Target. In a mature region, increasing regional non-auto mode share is a difficult target to achieve. This and other policy objectives will be addressed in the Plan Bay Area 2040 document.
Stakeholder Organizations	6 Wins for Social Equity Network	The 6 Wins for Social Equity Network expressed concern on issues related to affordability and displacement, funding for transit operations including youth and means-based fare passes, the need for development growth in all "high-opportunity" areas, and support for middle-wage jobs.	Staff acknowledges the regional concern regarding housing and transportation affordability. The final preferred scenario continues significant investment in existing transit operations with several projects related to implementing the means-based fare study. Issues related to housing affordability, displacement, and support for middle-wage jobs will continue to be evaluated in the preparation of the Plan document.
Stakeholder Organizations	Bay Area Water Supply and Conservation Agency (BAWSCA)	The Bay Area Water Supply and Conservation Agency expressed concern of the increase in growth compared to Plan Bay Area, and the impact this additional growth may have on water supply.	Staff acknowledges the concern for water management and the impact of household growth on existing water supplies. Adoption of the Preferred Scenario will initiate the EIR analysis, which will include an analysis of surface water and groundwater resources in relation to the proposed Plan. The focused growth pattern of the preferred scenario will generally result in lower water use per capita than greenfield development.
Stakeholder Organizations	Building Industry Association (BIA) Bay Area	The Building Industry Association (BIA) expresses concern that although the region needs many new rental units, we should also be mindful of the economic security and opportunity offered by home ownership.	The land use model for the scenario developmental process differentiates between single-family and multi-family, but does not differentiate between rental and ownership housing units.
Stakeholder Organizations	Ditching Dirty Diesel Collaborative (DDDC)	The Ditching Dirty Diesel Collaborative (DDDC) expressed concern about some differences in projects, programs, and investment levels between the Regional Goods Movement Plan and PBA 2040.	The Final Preferred Scenario and Investment Strategy includes many of the same projects and programs included in the Regional Goods Movement Plan, including future programs to encourage and fund the deployment of zero-emissions freight and reduce impacts on local communities. Due to fiscal constraint, the investment strategy is not able to incorporate all aspects of the Goods Movement Planning work.
Stakeholder Organizations	Greenbelt Alliance	The Greenbelt Alliance believes the DPS needs to more explicitly identify policy gaps for open space preservation, affordable housing, transit and PDA infrastructure and include clear actions and measures to close the gap.	Staff recognizes the concern for open space preservation, affordable housing, and transit infrastructure. Staff will work to address these policy issues further in the Plan Bay Area 2040 document.

Plan Bay Area 2040
Summary of Comments and Responses on the Draft Preferred Scenario (DPS)

Attachment A

Agency Type	Sender Name	Comment Summary	Response Summary
Stakeholder Organizations	Greenbelt Alliance et al.	The Greenbelt Alliance expressed support for the DPS' ability to direct growth to the urban footprint, but would like to see additional emphasis on policies to: redirect growth from "edge" jurisdictions; improve social equity, including the environment, health, affordability, displacement, and open space; and implementation.	The Preferred Scenario continues to focus regional growth, including 45% of household growth in the Big 3 cities, and 77% of growth within PDAs. Staff acknowledges the regional concern regarding housing and production affordability. Staff will work to address these policy issues further in the Plan Bay Area 2040 document.
Stakeholder Organizations	Non Profit Housing Association of Northern California (NPH)	The Non-Profit Housing Association of Northern California expressed concern on housing affordability and displacement, a better balance between jobs and housing particularly in jobs-rich communities, and the need for further analysis and public outreach. NPH suggests including additional policy strategies to encourage housing production and affordability and an implementation plan(s) to further address these policy issues.	The Final Preferred Scenario takes some steps toward increasing housing in some jobs-rich areas. Due to technical and resource limitations, staff is unable to include many of the requested strategies, but public feedback is being used to help identify policies that would support improved performance to expedite implementation – above and beyond what is reflected in the adopted Plan and its associated performance results. Staff acknowledges the regional concern regarding housing and transportation affordability. Staff will work to address these policy issues further in the Plan Bay Area 2040 document.
Stakeholder Organizations	Rose Foundation for Communities and the Environment	The Rose Foundation for Communities and the Environment expressed concern on affordable housing, displacement, transit service and passes, and an implementation/action plan.	Staff acknowledges the regional concern regarding housing and transportation affordability. The final preferred scenario continues significant investment in existing transit operations with several projects related to implementing the means-based fare study. Issues related to housing affordability, displacement, and support for middle-wage jobs will continue to be evaluated in the preparation of the Plan document.
Stakeholder Organizations	Safe Routes to School National Partnership et al.	The Safe Routes to School National Partnership, Rails-to-Trails Conservancy, Walk SF, Center for Climate Protection, Sonoma County Bicycle Coalition, and Silicon Valley Bicycle Coalition jointly expressed concern on physical activity and public health goals, investments to achieve them, and the need for an implementation plan.	Staff notes that the final preferred scenario makes a modest improvement toward meeting the Healthy and Safe Communities Target. In a mature region, increasing regional non-auto mode share is a difficult target to achieve. This and other policy objectives will be addressed in Plan Bay Area 2040 as part of the Plan Document process and implementation efforts
Stakeholder Organizations	San Mateo County Union Community Alliance (SMCUCA)	SMCUCA expressed concern that MTC's model for middle-wage jobs projections is inaccurate. They state that current census data shows that the Bay Area is on a path to greater income inequality, and that PBA should focus on incentives, policy changes, and programs (such as OBAG) to create more middle-wage jobs.	Staff recognizes the concern from stakeholders about the future outlook for middle-wage jobs, especially in a region with a rapidly rising cost of living. As was noted during the target-setting process, ABAG and MTC do not currently have the ability to forecast jobs by wage. Future implementation work, which is not constrained by model limitations, may be able to better incorporate policy ideas or monitoring actions to spotlight this issue at the intersection of the regional economy and social equity.
Stakeholder Organizations	Santa Clara Valley Water District	The Santa Clara Valley Water District expressed concern on water usage and management.	Staff acknowledges the concern for water management and the potential benefit of water use efficiency practices. Adoption of the Preferred Scenario will initiate the EIR analysis, which will include an analysis of surface water and groundwater resources in relation to the proposed Plan.

Plan Bay Area 2040
Summary of Comments and Responses on the Draft Preferred Scenario (DPS)

Attachment A

Agency Type	Sender Name	Comment Summary	Response Summary
Stakeholder Organizations	Sierra Club	The Sierra Club expressed concerns about the Draft Preferred Scenario's accomplishment of SB 375 goals, in particular in-commuting; implementation; housing affordability; and more information on specific projects and plan development process.	The Plan scenarios forecast a supply of housing to accomodate the in-commute, and staff acknowledges long commute times are a major regional concern. Adoption of the Preferred Scenario will initiate the EIR analysis, which will include further analysis of the impact of the proposed plan on environmental resources. Staff acknowledges the regional concern regarding housing and transportation affordability. Staff will work to address these policy issues further in the Plan Bay Area 2040 document.
Stakeholder Organizations	SPUR	SPUR suggests that MTC/AGAG use the PBA 2040 as an opportunity to explore possibilities for new legislation, affordable housing strategies, and providing further incentives to communities willing to take on a greater share of housing. SPUR requests that MTC add an implementation chapter at the end of the plan that will address specific housing targets.	Staff acknowledges the regional concern regarding housing production and affordability. Staff will work to address these policy issues further in the Plan Bay Area 2040 document and implementation efforts moving forward.
Stakeholder Organizations	SV@Home	SV@Home expressed concern with household projections, stating they are lower than housing plans approved by local jurisdictions and that the DPS will exacerbate the existing jobs-housing imbalance in Santa Clara County.	The final preferred scenario projects more households and jobs in Santa Clara County relative to the draft preferred, and achieves an improved jobs/housing balance in some of the County's communities.
Transportation and Other Govt. Agencies	Alameda County Transportation Commission (Alameda CTC)	The Alameda County Transportaiton Commission expressed support for the goods movement strategy, requested modification of their express lane project, and requested more information on the implementation plan for specific regional transportation programs and potential funding advocacy.	The I-680 NB Sunol express lane has been added to the final preferred scenario with future express lane segments included as environmental and design phases. As we move into plan implementation, staff will work to further clarify regional programs.
Transportation and Other Govt. Agencies	Contra Costa Transportation Authority	The Contra Costa Transportation Authority expressed concern with low employment projections and high housing growth in Contra Costa County and similar estimates for Solano County. The agency also expressed support for Priority Production Areas.	The final preferred scenario projects more jobs in Contra Costa County than the draft preferred, increasing the jobs-housing ratio of the county.
Transportation and Other Govt. Agencies	San Francisco Municipal Transportation Agency (SFMTA)	The San Francisco Municipal Transportation Agency supports the DPS's emphasis on transit operations, state of good repair, transit modernization and core capacity-enhancing projects.	Comment noted.
Transportation and Other Govt. Agencies	Solano Transportation Authority (STA)	The Solano County Transportation Agency requests modifications to their express lane project, an update to the housing distribution between the county and the City of Fairfield, and increased employment in Solano County.	The I-80 Express Lane project from Airbase Parkway to I-505 is included in the final investment strategy, with the remaining express lanes includes as environmental and design phases. The preferred scenario uses consistent jurisdictional boundaries between 2010 and 2040- some development currently shown in county unincorporated areas will likely be in local jurisdictions. In general, the Final Preferred Scenario takes some steps toward improving jobs/housing balance in the Inland, Coastal, Delta parts of the region.
Transportation and Other Govt. Agencies	Sonoma County Transportation Authority	The Sonoma County Transportation Authority expressed concern that housing projections have increased since the last Plan, and expressed concern about parcel-level discrepancies. SCTA requests more collaboration to verify and validate UrbanSim inputs.	The Final Preferred Scenario reflects numerous technical fixes at the parcel level. It also takes some steps toward improving jobs/housing balance in many parts of the region, including the Inland, Coastal, Delta parts of the region.

Attachment B1: Land Use Policy Assumptions included in Final Preferred Scenario Plan Bay Area 2040 *Final Preferred Scenario*

The Final Preferred Scenario incorporates current zoning as its most fundamental planning assumption. However, the 2015 PDA Assessment emphasized that in their current form, many PDAs may not be able to accommodate forecasted growth and require additional policy interventions to increase their development potential. As a result, staff assumed a range of regional policy and investment strategies in the draft preferred land use scenario to increase development potential in PDA's, and influence the overall regional pattern.

<i>Zoning</i>	Assumes upzoning of residential lands in some Priority Development Areas (PDAs) to increase development potential.
<i>Urban Growth Boundaries</i>	Assumes 2010 Urban Growth Boundaries (UGBs), Urban Limit Lines (ULLs) or city boundaries if no UGB/ULLs exist are maintained. Assumes any new development avoids all Priority Conservation Areas (PCAs).
<i>Commercial / Office Development Caps</i>	Assumes San Francisco's office cap (Proposition M) of 1 million square feet of total space allowed annually is maintained.
<i>Inclusionary Zoning</i>	Assumes inclusionary zoning in all jurisdictions with PDAs and requires that new housing developers set aside 10% of all new units as affordable housing.
<i>Subsidies and Streamlining</i>	<ul style="list-style-type: none"> • Assumes \$200 million available annually to subsidize housing construction within any PDA throughout the region. • Assumes California Environmental Quality Act (CEQA) Tiering or Streamlining will increase development profitability by 1% in Transit Priority Areas (TPAs). • Assumes the CEQA Environmental Impact Report (EIR) move from a Level of Service (LOS) traffic impact analysis to Vehicle Miles Traveled (VMT) via Senate Bill (SB) 743 will result in slightly more development profitability for areas with efficient VMT and slightly less profitability in inefficient VMT areas.
<i>Vehicle Miles Traveled Fee</i>	Assumes a fee is assessed on new commercial developments in areas that generate high VMT. The funds generated by this fee are available regionally to subsidize housing construction in PDAs. The subsidized units in PDAs are assumed to be deed-restricted.
<i>Parking Policies</i>	Assumes Regional Parking Minimums are decreased in the Bay Area's core PDAs to make residential development projects 1% more profitable.

Attachment B2: Distribution of 2040 Household and Employment Forecasts
Plan Bay Area 2040 *Final Preferred Scenario*

County	Jurisdiction	Summary Level	Households 2010	Household Forecast 2040	Employment 2010	Employment Forecast 2040
Alameda	Alameda	Total	30,123	35,100	29,260	42,400
		PDA	1,780	5,500	6,940	16,900
	Albany	Total	7,401	7,850	4,420	5,190
		PDA	320	470	2,160	2,230
	Berkeley	Total	46,029	55,400	90,350	121,700
		PDA	6,620	12,900	28,600	36,400
	Dublin	Total	14,913	26,500	18,080	31,100
		PDA	3,090	11,000	4,970	13,600
	Emeryville	Total	5,694	18,900	15,860	20,000
		PDA	2,350	15,100	13,490	14,700
	Fremont	Total	71,004	90,200	86,150	118,500
		PDA	23,190	40,700	38,120	56,500
	Hayward	Total	45,365	54,300	60,870	77,800
		PDA	4,380	9,500	7,570	8,490
	Livermore	Total	29,134	39,700	42,710	45,850
		PDA	860	10,400	24,040	23,690
	Newark	Total	12,972	14,050	17,340	22,900
		PDA	220	470	390	420
	Oakland	Total	153,791	241,500	179,070	272,800
		PDA	112,600	197,700	158,200	241,200
	Piedmont	Total	3,801	3,850	1,820	1,930
	Pleasanton	Total	25,245	30,600	60,090	75,400
		PDA	1,300	5,150	12,600	23,300
	San Leandro	Total	30,717	37,300	49,710	59,600
		PDA	4,630	10,300	9,750	9,960
	Union City	Total	20,433	22,850	20,990	28,100
		PDA	500	2,200	270	230
	Alameda County Unincorporated	Total	48,516	56,300	28,820	29,680
		PDA	10,110	13,100	6,780	7,440
	County Total	Total	545,138	734,200	705,540	952,900
		PDA	171,950	334,500	313,880	455,100

County	Jurisdiction	Summary Level	Households 2010	Household Forecast 2040	Employment 2010	Employment Forecast 2040
Contra Costa	Antioch	Total	32,252	40,300	20,110	25,700
		PDA	1,390	5,300	2,010	2,720
	Brentwood	Total	16,494	26,100	11,620	11,990
		PDA	4,006	4,100	1,990	2,090
	Clayton	Total	4,006	4,100	1,990	2,090
		PDA	4,006	4,100	1,990	2,090
	Concord	Total	44,278	64,400	54,270	95,500
		PDA	3,890	21,300	10,430	40,300
	Danville	Total	15,420	16,020	11,840	13,100
		PDA	15,420	16,020	11,840	13,100
	El Cerrito	Total	10,142	12,100	5,320	5,910
		PDA	740	2,150	3,800	4,060
	Hercules	Total	8,115	9,650	4,950	5,420
		PDA	870	1,700	1,140	1,140
	Lafayette	Total	9,223	9,970	8,990	9,940
		PDA	1,700	2,240	6,550	7,500
	Martinez	Total	14,287	15,300	20,710	26,100
		PDA	710	1,040	6,800	9,400
	Moraga	Total	5,570	5,920	4,570	5,700
		PDA	30	180	1,420	1,630
	Oakley	Total	10,727	16,400	3,410	5,350
		PDA	770	5,900	1,610	3,050
	Orinda	Total	6,553	6,830	4,840	5,500
		PDA	230	330	2,660	3,150
	Pinole	Total	6,775	7,290	6,700	8,500
		PDA	360	640	5,180	6,200
	Pittsburg	Total	19,527	26,500	11,840	15,600
		PDA	5,130	8,550	5,130	6,700
	Pleasant Hill	Total	13,708	14,310	16,360	19,800
		PDA	860	1,030	6,370	7,600
	Richmond	Total	36,093	54,900	30,680	61,800
		PDA	8,360	24,000	13,370	35,300
	San Pablo	Total	8,761	9,800	7,430	9,100
		PDA	1,990	2,570	4,870	5,870
	San Ramon	Total	25,284	30,300	47,950	71,800
		PDA	220	1,950	25,530	44,900
	Walnut Creek	Total	30,443	37,500	50,860	58,100
		PDA	4,940	10,400	27,410	29,150
	Contra Costa County Unincorporated	Total	57,706	67,700	35,790	41,100
		PDA	4,340	12,000	8,650	11,150
	County Total	Total	375,364	475,400	360,230	498,100
		PDA	36,500	101,200	132,920	219,900

County	Jurisdiction	Summary Level	Households 2010	Household Forecast 2040	Employment 2010	Employment Forecast 2040
Marin	Belvedere	Total	928	990	310	320
	Corte Madera	Total	3,793	4,280	6,500	7,160
	Fairfax	Total	3,379	3,700	1,550	1,660
	Larkspur	Total	5,908	6,420	7,500	7,670
	Mill Valley	Total	6,084	6,380	5,980	6,550
	Novato	Total	20,279	21,200	26,380	28,300
	Ross	Total	798	840	360	380
	San Anselmo	Total	5,243	5,520	3,310	3,420
	San Rafael	Total	22,764	25,550	43,430	49,000
		PDA	1,670	2,560	9,070	10,020
	Sausalito	Total	4,112	4,370	5,220	5,880
	Tiburon	Total	3,729	3,900	2,840	2,930
	Marin County	Total	26,193	28,450	18,410	21,650
	Unincorporated	PDA	1,410	1,790	660	740
	County Total	Total	103,210	111,600	121,790	135,000
		PDA	3,080	4,350	9,730	10,750
Napa	American Canyon	Total	5,657	6,300	5,380	8,150
		PDA	410	490	1,290	1,600
	Calistoga	Total	2,019	2,110	2,220	2,360
	Napa	Total	28,166	30,600	33,920	42,900
		PDA	370	710	5,440	12,600
	St. Helena	Total	2,401	2,700	5,700	5,980
	Yountville	Total	1,050	1,100	2,770	2,820
	Napa County	Total	9,583	11,850	20,690	21,110
	Unincorporated					
	County Total	Total	48,876	54,600	70,680	83,400
		PDA	780	1,210	6,740	14,100
San Francisco	San Francisco	Total	345,811	483,700	576,850	872,500
		PDA	182,430	310,100	473,990	741,700

County	Jurisdiction	Summary Level	Households 2010	Household Forecast 2040	Employment 2010	Employment Forecast 2040
San Mateo	Atherton	Total	2,330	2,460	2,140	2,170
	Belmont	Total	10,575	11,600	7,920	9,450
		PDA	2,870	3,480	3,590	3,840
	Brisbane	Total	1,821	6,400	5,220	16,900
		PDA	0	4,350	560	9,500
	Burlingame	Total	12,361	13,750	28,020	42,600
		PDA	7,010	8,250	11,500	17,200
	Colma	Total	412	940	3,930	4,320
		PDA	320	760	1,510	1,960
	Daly City	Total	31,090	35,800	18,430	22,500
		PDA	8,540	11,550	4,640	4,790
	East Palo Alto	Total	6,940	8,700	5,130	6,650
		PDA	820	1,580	980	1,370
	Foster City	Total	12,016	15,100	15,800	27,200
	Half Moon Bay	Total	4,149	4,580	4,920	5,380
	Hillsborough	Total	3,693	3,910	2,120	2,270
	Menlo Park	Total	12,347	17,700	34,630	42,500
		PDA	180	870	6,220	11,400
	Millbrae	Total	7,994	9,750	5,920	11,600
		PDA	590	2,150	2,890	8,100
	Pacifica	Total	13,967	14,520	5,930	7,100
	Portola Valley	Total	1,746	1,800	1,500	1,520
	Redwood City	Total	27,957	38,100	59,290	86,700
		PDA	650	8,500	20,640	24,100
	San Bruno	Total	14,701	17,950	12,890	14,800
		PDA	3,710	6,550	9,280	10,300
	San Carlos	Total	11,524	14,000	16,300	19,150
		PDA	40	110	1,210	1,740
	San Mateo	Total	38,233	50,800	50,970	68,000
		PDA	11,320	19,600	25,370	32,900
	South San Francisco	Total	20,938	25,300	38,720	54,200
		PDA	5,390	9,100	8,290	9,110
	Woodside	Total	1,977	2,130	1,970	2,000
	San Mateo County	Total	21,066	22,750	21,610	25,050
	Unincorporated	PDA	2,380	3,170	3,320	3,310
	County Total	Total	257,837	318,000	343,330	472,000
		PDA	43,830	80,000	99,990	139,500

County	Jurisdiction	Summary Level	Households 2010	Household Forecast 2040	Employment 2010	Employment Forecast 2040
Santa Clara	Campbell	Total	16,163	18,750	25,450	32,700
		PDA	580	1,470	5,190	6,650
	Cupertino	Total	20,181	22,950	26,810	38,000
		PDA	2,170	3,450	9,810	12,250
	Gilroy	Total	14,175	19,600	17,840	22,300
		PDA	1,390	3,850	4,560	4,750
	Los Altos	Total	10,745	11,720	14,140	17,250
		PDA	10	40	2,240	2,750
	Los Altos Hills	Total	2,829	3,020	1,580	1,670
	Los Gatos	Total	12,355	13,040	18,890	20,600
	Milpitas	Total	19,184	30,400	42,020	58,000
		PDA	790	9,600	5,630	9,850
	Monte Sereno	Total	1,211	1,320	530	560
	Morgan Hill	Total	12,326	15,800	19,290	19,600
		PDA	260	1,350	1,530	1,260
	Mountain View	Total	31,957	58,300	48,480	73,300
		PDA	5,780	27,300	25,200	40,100
	Palo Alto	Total	26,493	32,900	101,940	126,500
		PDA	510	840	3,910	4,950
	San Jose	Total	301,366	448,300	387,510	554,900
		PDA	67,550	203,600	229,160	340,400
	Santa Clara	Total	43,021	57,000	102,950	170,600
		PDA	330	6,900	10,300	10,780
	Saratoga	Total	10,734	10,960	8,750	9,090
	Sunnyvale	Total	53,384	84,200	65,720	108,600
		PDA	6,340	35,800	21,820	33,100
	Santa Clara County Unincorporated	Total	28,080	32,450	29,640	36,200
	County Total	Total	604,204	860,800	911,530	1,289,900
		PDA	85,710	294,200	319,340	466,800

County	Jurisdiction	Summary Level	Households 2010	Household Forecast 2040	Employment 2010	Employment Forecast 2040	
Solano	Benicia	Total	10,686	11,850	12,840	17,100	
		PDA	620	1,290	9,250	12,850	
	Dixon	Total	5,856	7,250	4,850	5,400	
		PDA	450	600	280	340	
	Fairfield	Total	34,484	40,200	43,170	50,000	
		PDA	2,260	4,500	6,330	6,700	
	Rio Vista	Total	3,454	6,300	2,350	2,520	
	Suisun City	Total	8,918	10,000	2,500	2,860	
		PDA	1,090	1,850	1,090	1,000	
	Vacaville	Total	31,092	33,600	29,310	33,550	
		PDA	860	2,000	4,970	4,570	
	Vallejo	Total	40,559	46,900	30,900	35,050	
		PDA	390	1,550	2,630	2,770	
	Solano County Unincorporated	Total	6,709	13,300	4,240	4,510	
County Total	Total	141,758	169,400	130,160	151,000		
	PDA	5,680	11,800	24,550	28,250		
Sonoma	Cloverdale	Total	3,182	4,850	1,710	2,100	
		PDA	800	2,450	590	630	
	Cotati	Total	2,978	4,150	2,630	2,960	
		PDA	350	1,330	690	570	
	Healdsburg	Total	4,385	4,620	8,330	8,980	
	Petaluma	Total	21,737	24,500	29,990	39,800	
		PDA	510	1,170	3,520	5,800	
	Rohnert Park	Total	15,808	21,000	12,130	13,900	
		PDA	1,300	5,050	5,130	4,860	
	Santa Rosa	Total	63,591	80,000	76,570	92,100	
		PDA	16,740	30,000	41,160	45,900	
	Sebastopol	Total	3,276	3,840	4,970	5,280	
		PDA	2,040	2,560	4,650	4,790	
	Sonoma	Total	4,955	5,270	7,140	7,980	
	Windsor	Total	8,962	10,750	7,720	8,900	
		PDA	1,110	2,250	870	1,150	
	Sonoma County Unincorporated	Total	56,951	60,000	51,540	61,600	
	County Total	Total	185,825	219,100	202,730	243,600	
		PDA	22,860	44,800	56,600	63,700	
	Regional Total		Total	2,608,000	3,427,000	3,423,000	4,698,000
			PDA	552,800	1,182,200	1,437,700	2,139,800

Plan Bay Area 2040 Expenditure Plan - Total Plan Revenue (\$310 billion)

(in Millions of \$YOE, sorted by regional discretionary funding)

Investment Strategy	Amount in the RTP	Local/Committed	Nov. 2016 Measures	Regional Discretionary
Operate and Maintain				
Transit Capital Preservation	\$31,213	\$5,947	\$3,685	\$21,581
Transit Operations	\$121,792	\$105,741		\$16,051
Local Streets Preservation and Operations	\$37,152	\$25,768	\$3,604	\$7,780
Cost Contingency and Debt Service	\$5,100	\$3,000		\$2,100
Highway and Bridge Preservation	\$30,331	\$30,081		\$250
Modernize				
Transit Efficiency and Service Improvements	\$22,576	\$8,705	\$4,821	\$9,050
Goods Movement	\$5,432	\$2,494	\$124	\$2,814
Highway Operations and Interchanges	\$6,976	\$3,400	\$1,220	\$2,356
Multimodal and Bike Ped	\$6,140	\$3,257	\$1,288	\$1,595
Regional and County Access Initiatives	\$2,056	\$652	\$215	\$1,189
Planning, Local Road Operations, and Safety Improvements	\$3,661	\$1,876	\$1,007	\$778
Climate	\$819	\$141	\$25	\$653
Express Lanes (Conversions) and Pricing	\$6,411	\$6,026	\$47	\$338
Expand				
Transit Expansion	\$20,579	\$12,777	\$1,596	\$6,206
Express Lanes (Expand) and Roadway Expansion	\$10,055	\$7,777	\$1,029	\$1,249
Total	\$310,293	\$217,642	\$18,661	\$73,990

Notes:

Amount in the RTP does not include project costs and funding that occurred before the Plan period (e.g. before FY 2016-17)

Local/committed fund sources are any locally generated transportation funding source, like county sales tax, vehicle registration fees, and impact fees. This category also includes future extensions of county sales tax measure and anticipated state regional transportation improvement program (RTIP) funds per county.

November 2016 measures include upcoming sales tax measures for Contra Costa, San Francisco and Santa Clara counties, BART's bond measure, and AC Transit's parcel tax measure. After a measure passes, it will be considered local/committed for the final Plan Bay Area 2040 adoption.

Regional discretionary fund sources include future STP/CMAQ, Cap and Trade, New/Small Starts, future bridge tolls, a regional gas tax, and anticipated/unspecified funding

Total revenue is higher than what was presented in September due to the addition of express lanes segments that generate revenue.

Plan Bay Area 2040 Expenditure Plan – Regional Discretionary Funding (\$74 billion)

(in Millions of \$YOE, sorted by regional discretionary funding)

	Federal			State				Regional	Other		
Investment Strategy	STP-CMAQ	New/Small Starts	Other Federal ¹	Cap and Trade	HSR	ATP/ITIP	STA-Pop	Future Reg. Measures ²	Cond. Discr. ³	Anticipated	Total
Operate and Maintain											
Transit Capital Preservation	\$1,590							\$1,130	\$13,974	\$4,887	\$21,581
Transit Operations				\$100			\$695		\$15,256		\$16,051
Local Streets Preservation and Operations	\$840							\$3,940		\$3,000	\$7,780
Cost Contingency and Debt Service	\$550							\$1,100		\$450	\$2,100
Highway and Bridge Preservation								\$250			\$250
Modernize											
Transit Efficiency and Service Improvements	\$558	\$1,859		\$2,421	\$113		\$461	\$940	\$711	\$1,987	\$9,050
Goods Movement			\$2,063	\$501				\$250			\$2,814
Highway Operations and Interchanges	\$140		\$210			\$269		\$555		\$1,182	\$2,356
Multimodal and Bike Ped	\$70			\$663		\$591		\$230	\$40		\$1,595
Regional and County Access Initiatives				\$93			\$697		\$399		\$1,189
Planning, Local Road Operations, and Safety Improvements	\$371									\$407	\$778
Climate	\$334			\$319							\$653
Express Lanes (Conversions) and Pricing	\$50					\$229		\$60			\$338
Expand											
Transit Expansion	\$10	\$3,140		\$750	\$557			\$397	\$126	\$1,226	6,206
Express Lanes (Expand) and Roadway Expansion	\$220		\$27			\$119		\$40		\$843	1,249
Total	\$4,733	\$4,999	\$2,300	\$4,847	\$670	\$1,208	\$1,853	\$8,893	\$30,506	\$13,983	\$73,990

Notes

1) Other Federal includes FAST; Cap and Trade includes TIRCP, LCTOP-Pop, AHSC, Goods Movement

2) Future regional measures include potential increases to bridge tolls and a regional gas tax.

3) Conditioned Discretionary and Existing Bridge Tolls includes FTA Formula Funds, TDA, AB1107, AB664, 2% Bridge Toll, and 5% State General Fund

Needs Assessment - Transit Operations Funding Detail

(in millions of \$YOE)

The following table presents the amount of funding required to sustain existing service levels (year 2015) for every year in the plan period (e.g. through 2040) by transit operator. Note that in this plan period, the total need is equal to the revenue available to fund existing transit service levels. Projects that increase service levels above year 2015 conditions are funded in specific projects in the plan and are not included in this table.

Transit Operator	Service Levels (in revenue vehicle hours)	Total Need	Committed Investment	Discretionary Investment	Total Investment
ACE	1,117,485	\$1,300	\$1,221	\$79	\$1,300
AC Transit	40,513,851	\$13,416	\$10,046	\$3,370	\$13,416
BART	49,139,746	\$32,654	\$32,640	\$14	\$32,654
Caltrain	5,286,000	\$5,484	\$5,484	\$0	\$5,484
CCCTA	7,125,552	\$1,332	\$582	\$750	\$1,332
City of Dixon	186,291	\$39	\$3	\$35	\$38
ECCTA	5,307,150	\$786	\$203	\$583	\$786
City of Fairfield	2,287,392	\$355	\$125	\$230	\$355
GGBHTD	6,908,679	\$3,915	\$3,549	\$366	\$3,915
LAVTA	3,366,264	\$522	\$176	\$346	\$522
Marin Transit	6,059,722	\$972	\$677	\$295	\$972
NCTPA	2,647,608	\$310	\$56	\$254	\$310
City of Petaluma	710,836	\$82	\$23	\$59	\$82
City of Rio Vista	96,000	\$15	\$2	\$13	\$15
SFMTA	91,585,085	\$35,199	\$32,074	\$3,125	\$35,199
SamTrans	16,272,000	\$5,377	\$3,957	\$1,420	\$5,377
SMART	245,316	\$713	\$713	\$0	\$713
City of Santa Rosa	2,481,912	\$536	\$141	\$395	\$536
Solano County Transit	2,623,440	\$455	\$185	\$270	\$455
Sonoma County Transit	3,069,116	\$496	\$77	\$419	\$496
Union City Transit	2,211,407	\$211	\$68	\$144	\$211
City of Vacaville	1,120,654	\$166	\$13	\$153	\$166
VT A	49,893,621	\$15,734	\$12,251	\$3,483	\$15,734
WCCTA	2,578,325	\$312	\$161	\$151	\$312
WETA	404,701	\$1,413	\$1,315	\$98	\$1,413
TOTAL	303,238,153	\$121,792	\$105,741	\$16,051	\$121,792

Needs Assessment - Transit Capital Funding Detail

(in millions of \$YOE)

The following table presents the expenditure plan for transit capital preservation in Plan Bay Area 2040 by transit operator. With the proposed investments, several transit operators would exceed the funding required to maintain current asset condition levels. Only two operators would be able to fund replacements and maintenance at a rate large enough to achieve optimum asset condition. The region would carry a \$16 billion state of good repair backlog.

Transit Operator	Total Transit Capital Need	Amount Funded in the Expenditure Plan			Remaining Need/Surplus
	State of Good Repair	Committed Investment	November 2016 Ballot Measures	Discretionary Investment ⁵	State of Good Repair
AC Transit	\$2,934	\$306	\$600	\$951	(\$1,076)
ACE	\$291	\$1		\$176	(\$114)
BART ³	\$18,121	\$214	\$2,700	\$8,826	(\$6,381)
CalTrain ⁴	\$3,634	\$1,472		\$1,444	(\$718)
CCCTA County Connection	\$263	\$68		\$195	\$0
Delta Breeze	\$9	\$0		\$4	(\$5)
Dixon	\$8	\$2		\$5	(\$1)
ECCTA Tri Delta Transit	\$134	\$51		\$83	(\$0)
FAST	\$95	\$57		\$7	(\$30)
GGBHTD	\$990	\$84		\$373	(\$533)
LAVTA	\$183	\$10		\$109	(\$64)
Marin Transit	\$147	\$0		\$65	(\$83)
NCTPA	\$82	\$0		\$61	(\$21)
Petaluma Transit	\$32	\$18		\$14	(\$0)
SamTrans	\$1,208	\$1		\$442	(\$765)
Santa Rosa CityBus	\$72	\$2		\$21	(\$49)
SCT	\$197	\$24		\$104	(\$69)
SFMTA	\$12,664	\$1,536	\$385	\$5,615	(\$5,129)
SMART	\$629	\$569		\$60	\$0
SolTrans	\$240	\$1		\$139	(\$99)
Union City Transit	\$32	\$0		\$18	(\$14)
Vacaville City Coach	\$54	\$0		\$22	(\$32)
VTa	\$3,495	\$1,455		\$1,907	(\$133)
WestCAT	\$92	\$1		\$34	(\$58)
WETA	\$1,442	\$73		\$804	(\$565)

Transit Operator	Total Transit Capital Need	Amount Funded in the Expenditure Plan			Remaining Need/Surplus
	State of Good Repair	Committed Investment	November 2016 Ballot Measures	Discretionary Investment ⁵	State of Good Repair
Grand Total	\$47,050	\$5,947	\$3,685	\$21,478	(\$15,939)
		Total = \$31,110 million			

Notes:

- 1) There is approximately \$100 million in transit capital revenues that could not be assigned to a specific operator, but are projected to be available for transit capital maintenance in the region.
- 2) Revenue from San Francisco's Transportation Sustainability Fee, Proposition B, and sales tax reauthorization is assumed to be distributed to BART, Caltrain, and SFMTA according to current Prop K proportions.
- 3) \$900 million in capital replacement needs for BART train control was transferred to "Transit Efficiency and Service Improvements" within the Modernize investment category of Attachment C.1.
- 4) \$315 million in capital replacement needs for Caltrain vehicles was transferred to "Transit Efficiency and Service Improvements" category of Attachment C.1.
- 5) Discretionary funding has been distributed by a combination of formula and remaining need.

Needs Assessment - Local Streets and Roads Funding Detail

(in Millions of \$YOE)

The following table presents the expenditure plan for local streets and roads (LS&R) operations and maintenance in Plan Bay Area 2040 by county. With the proposed investments, only San Francisco County would meet and exceed its funding need to reach optimal pavement conditions and state of good repair of remaining roadway assets. All other counties would have a remaining need of at least \$400 million to maintain existing conditions, with a regional shortfall of almost \$6 billion.

County	Total LS&R Need	Amount Funded in the Expenditure Plan			Remaining Need/Surplus
	To State of Good Repair	Committed Investment	November 2016 Ballot Measures	Discretionary Investment*	To State of Good Repair
Alameda	\$8,649	\$4,683		\$1,546	(\$2,420)
Contra Costa	\$6,116	\$3,338	\$917	\$1,133	(\$729)
Marin	\$1,722	\$831		\$221	(\$670)
Napa	\$1,473	\$969		\$168	(\$335)
San Francisco	\$7,903	\$5,988	\$1,267	\$966	\$318
San Mateo	\$3,935	\$2,012		\$657	(\$1,266)
Santa Clara	\$11,320	\$5,492	\$1,420	\$2,097	(\$2,311)
Solano	\$2,963	\$782		\$429	(\$1,752)
Sonoma	\$4,846	\$1,672		\$564	(\$2,610)
REGION TOTAL	\$48,926	\$25,768	\$3,604	\$7,780	(\$11,775)
Total = \$37,152 million					

* Regional discretionary funds distributed by OBAG 2 formula

Goods Movement Projects in Plan Bay Area 2040

The projects in the plan related to goods movement support the recommendations of the Regional Goods Movement Plan, which was adopted in March of 2016. The Regional Goods Movement Plan recommended improvements for the Port of Oakland, strategic highway operations benefiting truck corridors and programs for reducing the impact of freight activity on adjacent neighborhoods.

In the materials presented to the MTC Planning and ABAG Administrative Committees in September 2016, approximately \$5 billion of project funded was classified as “goods movement.” Of that amount, about \$2 billion of funding would come from future local funding and previously committed funding amounts. Almost \$3 billion would come from regional discretionary funding, which is primarily federal and state sources. The following table presents goods movement categories and a funding breakdown between local/committed funding and regional discretionary funding. The highest amount of regional discretionary funding is assumed to go toward projects that improve operations within and around the Port of Oakland, ITS projects on the freight highway network, interchange reconstructions, and a future program on increasing the proliferation of zero and near-zero emission trucks as well as other neighborhood impact reduction initiatives.

Goods Movement Investment Strategy, sorted by Regional Discretionary Funding (all values in millions of \$YOE)

Goods Movement Investment	Amount in the RTP*	Local/Committed Funding	Nov. 2016 Measure	Regional Discretionary Funding
Global Competitiveness in Goods Movement Suite of projects to improve operations and increase rail access at the Port of Oakland such as 7th Street Grade Separation, Outer Harbor Intermodal Terminal, and Oakland Army Base transportation components	\$1,177	\$52		\$1,125
Smart Deliveries and Operations Future program for deploying communications infrastructure to increase active traffic management along freight corridors and to/from the Port of Oakland	\$300			\$300
Modernizing Infrastructure Set of highway projects and interchange improvements along freight corridors such as along I-880, I-80, US-101, I-580, I-680, and SR-4.	\$3,348	\$2,187	\$124	\$1,037
Sustainable Goods Movement Future program for implementing the recommendations of the Freight Emission Reduction Action Plan and developing programs for impact reduction in neighborhoods with high levels of freight activity.	\$350			\$350
Other Freight and Rail Program and projects for minor freight improvements and rail operations on track operated by public operators.	\$255	\$255		
Grand Total	\$5,430	\$2,494	\$124	\$2,812

* Amount in the RTP does not include project costs and funding that occurred before the Plan period (e.g. before FY 2016-17)

Core Capacity Projects in Plan Bay Area 2040

The projects in the plan related to increasing capacity in the core of the region are linked to on-going planning on the Core Capacity Transit Study (CCTS), a multi-agency study to identify and prioritize major transit investments serving the San Francisco Core. The CCTS is a collaboration of five transit operators (SFMTA, BART, AC Transit, WETA, and Caltrain), the Metropolitan Transportation Commission, and the San Francisco County Transportation Authority. Although not yet complete, initial planning work has informed the project list in terms of near-term and medium-term priorities. As a placeholder for other short, mid and long term projects currently under consideration in CCTS, the Plan also includes reserve funding for further implementation of recommendations developed after Plan Bay Area 2040 is adopted. Additionally, there is on-going work on increasing transit capacity to connect housing and jobs within Santa Clara County.

The following table presents the investment strategy for core capacity projects, organized by corridor. There is also a placeholder for planning and design work for recommendations that may come out of the study and that may be in any of the corridors. The Core Capacity investment strategy includes projects that are a subset of several investment categories in the expenditure plan of Attachment C.1, namely Transit Efficiency and Transit Expansion.

Core Capacity Investment Strategy (all values in millions of \$YOE)

Core Capacity Investment	Amount in the RTP*	Local/ Committed Funding	Nov. 2016 Measure	Regional Discretionary Funding
Transbay Corridor Investments include BART service increases, WETA ferry service increases, new ferry terminals at Berkeley, Mission Bay, and Alameda Point, AC Transit service increases and Bay Bridge operational projects.	\$5,764	\$1,306	\$1,200	\$3,258
Peninsula Corridor Investments include the Transbay Transit Center, extending Caltrain to the Transbay Transit Center, electrifying Caltrain, and station improvements in the Peninsula	\$7,281	\$2,387	\$572	\$4,322
Within San Francisco Investments include Muni service increases, bus rapid transit on Van Ness Avenue and Geary Boulevard, Muni Forward, and other operational improvements for SFMTA.	\$3,858	\$1,629	\$1,060	\$1,169
Planning for future capacity improvements Placeholder for future planning and design work for additional capacity increasing projects identified through the Core Capacity Transit Study and other planning work.	\$785	\$120	\$250	\$415
Core Connectivity in Santa Clara County Investments include extending BART to San Jose, increasing VTA core bus routes, El Camino Real BRT, extending light rail to Eastridge Transit Center and Winchester, as well as a reserve for future transit improvements in the SR-85 corridor and to the San Jose International Airport.	\$8,292	\$3,648	\$2,319	\$2,325
Grand Total	\$25,980	\$9,090	\$5,401	\$11,489

* Amount in the RTP does not include project costs and funding that occurred before the Plan period (e.g. before FY 2016-17)

Climate Program in Plan Bay Area 2040

Plan Bay Area 2040 transportation investments and land-use development patterns alone will not be sufficient to reach the region's statutory greenhouse gas (GHG) emissions reduction targets. It is anticipated that over 11 percentage points of the Plan's 2035 target will be achieved through climate strategies that are part of MTC's Climate Initiatives Program, such as transportation demand management programs, alternative fuel/vehicle strategies and car sharing. These types of climate strategies are referred to as "off-model" because the region's travel demand and land use models that factor in the region's future transportation investments and land-use development patterns are not sensitive to these types of initiatives. The plan includes \$526 million of funding for the regional Climate Initiatives Program, as well as another \$56 million for incentivizing higher levels of carpooling, and \$237 million for county-sponsored initiatives.

The types of projects and programs that would be funded through implementation of this category include:

- 1 Various transportation demand management (TDM) strategies, car sharing, vanpool incentives, alternative fuel/vehicle initiatives, targeted transportation alternatives, trip caps and existing commuter benefits ordinances.
- 2 Regional carpool incentives such as private sector ride-matching applications that target utilization of express lane corridors as well as first/last mile solutions to transit.
- 3 Various county-sponsored climate programs such as additional transportation demand management strategies and promotion of emission reduction technology.

Climate Initiative Program Funding in Plan Bay Area 2040 (all values in millions of \$YOE)

Climate Initiative	Amount in the RTP*	Local/Committed Funding	Regional Discretionary Funding
1. Regional Climate Initiatives Program	\$526	\$36	\$490
2. Regional Carpool Program	\$56	\$8	\$48
3. County-Sponsored Climate Programs in Alameda, San Francisco, Solano, and Marin counties	\$237	\$122	\$115
Grand Total	\$819	\$166	\$653

* Amount in the RTP does not include project costs and funding that occurred before the Plan period (e.g. before FY 2016-17)

Transportation Project List

values in millions of YOE \$

RTPID	Sponsor	Title	Strategy 1	Strategy 2	Total Project Cost	Pre2017 Funding	Post 2017 Local/ Committed Funding	Nov. 2016 Ballot Measure	Regional Discretionary Funding
17-01-0001	Alameda	Bicycle and Pedestrian Program	Modernize	Multimodal and Bike Ped	\$658	\$79	\$360		\$219
17-01-0002	Alameda	Climate Program: TDM and Emission Reduction Technology	Modernize	Climate	\$150	\$55	\$10		\$85
17-01-0003	Alameda	County Safety, Security and Other	Modernize	Planning and Programs	\$732	\$23	\$618		\$91
17-01-0004	Alameda	Multimodal Streetscape	Modernize	Multimodal and Bike Ped	\$461	\$71	\$300		\$90
17-01-0005	Alameda	PDA Planning	Modernize	Planning and Programs	\$61	\$6	\$50		\$5
17-01-0006	Alameda	Minor Roadway Expansions	Expand	Express Lanes (Expand) and Roadway Expansion	\$203		\$175		\$28
17-01-0007	Alameda	Roadway Operations	Modernize	Planning and Programs	\$203	\$66	\$110		\$27
17-01-0008	Alameda	Minor Transit Improvements	Modernize	Transit Efficiency and Service Improvements	\$762	\$135	\$572		\$55
17-01-0009	Alameda	New Alameda Point Ferry Terminal	Modernize	Transit Efficiency and Service Improvements	\$177		\$177		
17-01-0014	Alameda	I-680 Southbound Express Lanes (SR-237 to SR-84) Upgrades	Modernize	Express Lanes (Conversions) and Pricing	\$39		\$21		\$18
17-01-0015	Alameda	7th Street Grade Separation East	Modernize	Goods Movement	\$558	\$3			\$555
17-01-0016	Alameda	Oakland Army Base transportation infrastructure improvements	Modernize	Goods Movement	\$314	\$213	\$26		\$75
17-01-0017	Alameda	Outer Harbor Intermodal Terminal (OHIT) Phases 2 and 3	Modernize	Goods Movement	\$205		\$26		\$179
17-01-0018	Alameda	7th Street Grade Separation West	Modernize	Goods Movement	\$171	\$3			\$168
17-01-0019	Alameda	I-580 Integrated Corridor Mobility (ICM)	Modernize	Goods Movement	\$146				\$146
17-01-0020	Alameda	SR-262 Mission Boulevard Cross Connector Improvements	Modernize	Goods Movement	\$112		\$111		\$1
17-01-0021	Alameda	I-880 Whipple Road Interchange Improvements	Modernize	Goods Movement	\$80		\$77		\$3
17-01-0022	Alameda	Outer Harbor Turning Basin	Modernize	Goods Movement	\$65				\$65
17-01-0023	Alameda	I-880 Industrial Parkway Interchange Reconstruction	Modernize	Goods Movement	\$57		\$55		\$2
17-01-0024	Alameda	I-880 A Street Interchange Reconstruction	Modernize	Goods Movement	\$54		\$52		\$2
17-01-0025	Alameda	Oakland International Airport Perimeter Dike	Modernize	Goods Movement	\$53	\$3	\$0		\$50
17-01-0026	Alameda	Minor Freight Improvements Programmatic	Modernize	Goods Movement	\$51	\$2	\$49		
17-01-0027	Alameda	Middle Harbor Road Improvements	Modernize	Goods Movement	\$33				\$33
17-01-0028	Alameda	I-580/I-680 Interchange Improvement Project	Modernize	Goods Movement	\$300		\$300		
17-01-0029	Alameda	SR-84/I-680 Interchange Improvements and SR-84 Widening	Modernize	Goods Movement	\$278	\$5	\$121		\$152
17-01-0030	Alameda	I-880 Broadway/Jackson Interchange Improvements	Modernize	Goods Movement	\$244	\$2	\$242		
17-01-0031	Alameda	I-880 at 23rd/29th Avenue Interchange Improvements	Modernize	Goods Movement	\$111	\$67	\$44		
17-01-0032	Alameda	SR-84 Widening (Ruby Hill Drive_to Concannon Boulevard)	Modernize	Highway Operational and Interchanges	\$88	\$59	\$29		

Transportation Project List

values in millions of YOE \$

RTPID	Sponsor	Title	Strategy 1	Strategy 2	Total Project Cost	Pre2017 Funding	Post 2017 Local/ Committed Funding	Nov. 2016 Ballot Measure	Regional Discretionary Funding
17-01-0033	Alameda	I-580 Vasco Road Interchange Improvements	Modernize	Goods Movement	\$81		\$76		\$5
17-01-0034	Alameda	I-580 Greenville Road Interchange Improvements	Modernize	Goods Movement	\$68		\$64		\$4
17-01-0035	Alameda	I-580 First Street Interchange Improvements	Modernize	Goods Movement	\$62		\$59		\$3
17-01-0036	Alameda	SR-92/Clawiter Road/Whitesell Street Interchange Improvements	Modernize	Goods Movement	\$62		\$53		\$9
17-01-0037	Alameda	Ashby I-80 Interchange with Bicycle and Pedestrian Ramps	Modernize	Highway Operational and Interchanges	\$60		\$59		\$1
17-01-0038	Alameda	I-580 Interchange Improvement at Hacienda/Fallon Road - Phase 2	Modernize	Goods Movement	\$58		\$49		\$9
17-01-0039	Alameda	I-580 SR-84/Isabel Interchange Improvements Phase 2	Modernize	Goods Movement	\$43		\$40		\$3
17-01-0040	Alameda	I-80 Gilman Street Interchange Improvements	Modernize	Goods Movement	\$42	\$2	\$37		\$3
17-01-0041	Alameda	I-880 Winton Avenue Interchange Improvements	Modernize	Goods Movement	\$41		\$35		\$6
17-01-0042	Alameda	I-680 Overcrossing Widening and Improvements (at Stoneridge Drive)	Modernize	Highway Operational and Interchanges	\$19		\$16		\$3
17-01-0043	Alameda	42nd Ave & High St Access Improvement at I-880 On/Off Ramp	Modernize	Goods Movement	\$18	\$8	\$9		\$1
17-01-0044	Alameda	I-680 Sunol Interchange Modification	Modernize	Highway Operational and Interchanges	\$18		\$15		\$3
17-01-0045	Alameda	Santa Rita Road I-580 Overcrossing Widening	Modernize	Highway Operational and Interchanges	\$10		\$9		\$1
17-01-0046	Alameda	Coliseum City Transit Hub	Modernize	Multimodal and Bike Ped	\$181	\$9	\$133		\$39
17-01-0047	Alameda	I-880 to Mission Boulevard East-West Connector	Expand	Express Lanes (Expand) and Roadway Expansion	\$236	\$41	\$195		
17-01-0048	Alameda	Dublin Boulevard - North Canyons Parkway Extension	Expand	Express Lanes (Expand) and Roadway Expansion	\$89		\$76		\$13
17-01-0049	Alameda	Fruitvale Avenue (Miller Sweeney) Lifeline Bridge Project	Expand	Express Lanes (Expand) and Roadway Expansion	\$86		\$73		\$13
17-01-0050	Alameda	SR-84 Mowry Avenue Widening (Peralta Blvd to Mission Blvd)	Expand	Express Lanes (Expand) and Roadway Expansion	\$51		\$43		\$8
17-01-0051	Alameda	Tassajara Road Widening from N. Dublin Ranch Drive to City Limit	Expand	Express Lanes (Expand) and Roadway Expansion	\$48		\$41		\$7
17-01-0052	Alameda	Auto Mall Parkway Widening and Improvements	Expand	Express Lanes (Expand) and Roadway Expansion	\$30		\$26		\$4
17-01-0053	Alameda	Dougherty Road Widening	Expand	Express Lanes (Expand) and Roadway Expansion	\$23	\$4	\$17		\$2
17-01-0054	Alameda	Union City Boulevard Widening (Whipple to City Limit)	Expand	Express Lanes (Expand) and Roadway Expansion	\$17		\$15		\$2
17-01-0055	Alameda	SR-84 Peralta Boulevard Widening (Fremont Blvd to Mowry Ave)	Expand	Express Lanes (Expand) and Roadway Expansion	\$15		\$13		\$2
17-01-0056	Alameda	Thornton Avenue Widening (Gateway Boulevard to Hickory Street)	Expand	Express Lanes (Expand) and Roadway Expansion	\$15		\$13		\$2
17-01-0057	Alameda	Dublin Boulevard Widening - Sierra Court_ to Dublin Court	Expand	Express Lanes (Expand) and Roadway Expansion	\$6	\$1	\$5		

Transportation Project List

values in millions of YOE \$

RTPID	Sponsor	Title	Strategy 1	Strategy 2	Total Project Cost	Pre2017 Funding	Post 2017 Local/ Committed Funding	Nov. 2016 Ballot Measure	Regional Discretionary Funding
17-01-0058	Alameda	Irvington BART Station	Modernize	Transit Efficiency and Service Improvements	\$256		\$153		\$103
17-01-0059	Alameda	Union City Intermodal Station Phase 4	Modernize	Transit Efficiency and Service Improvements	\$78		\$66		\$12
17-01-0060	Alameda	East Bay BRT	Modernize	Transit Efficiency and Service Improvements	\$180	\$178	\$2		
17-01-0061	Alameda	Ralph Appenzato Memorial Parkway BRT	Modernize	Transit Efficiency and Service Improvements	\$10		\$8		\$2
17-01-0062	Alameda	BART to Livermore/ACE Project Development and Construction Reserve	Expand	Transit Expansion	\$553	\$7	\$435		\$111
17-01-0063	Alameda	Broadway Shuttle Expansion	Expand	Transit Expansion	\$37		\$29		\$8
17-02-0001	Contra Costa	Access and Mobility Program	Modernize	Regional and County Access Initiatives	\$391		\$259	\$132	
17-02-0002	Contra Costa	Innovative Transportation Technology	Modernize	Highway Operational and Interchanges	\$128			\$128	
17-02-0003	Contra Costa	Bicycle and Pedestrian Program	Modernize	Multimodal and Bike Ped	\$369		\$123	\$206	\$40
17-02-0004	Contra Costa	County Safety, Security and Other	Modernize	Planning and Programs	\$139		\$87	\$47	\$5
17-02-0005	Contra Costa	Multimodal Streetscape	Modernize	Multimodal and Bike Ped	\$792	\$1	\$318	\$449	\$24
17-02-0006	Contra Costa	Additional Local Road Preservation/Rehab	Operate and Maintain	Local Streets Preservation and Operations	\$917			\$917	
17-02-0007	Contra Costa	Minor Roadway Expansions	Expand	Express Lanes (Expand) and Roadway Expansion	\$527	\$4	\$523		
17-02-0008	Contra Costa	Roadway Operations	Modernize	Planning and Programs	\$44		\$44		
17-02-0009	Contra Costa	Minor Transit Improvements	Modernize	Transit Efficiency and Service Improvements	\$749	\$4	\$351	\$340	\$54
17-02-0010	Contra Costa	SR4 Integrated Corridor Mobility	Modernize	Goods Movement	\$15				\$15
17-02-0011	Contra Costa	I-80 ICM Project Operations and Maintenance	Modernize	Highway Operational and Interchanges	\$3		\$3		
17-02-0012	Contra Costa	I-680 Northbound Managed Lane Completion through 680/24 and Operational Improvements between N. Main and Treat Blvd	Expand	Express Lanes (Expand) and Roadway Expansion	\$99		\$85		\$14
17-02-0013	Contra Costa	I-680 Northbound HOV lane extension between N. Main and SR-242	Expand	Express Lanes (Expand) and Roadway Expansion	\$54			\$54	
17-02-0014	Contra Costa	Kirker Pass Road Northbound Truck Climbing Lane, Clearbrook Drive to Crest of Kirker Pass Road	Modernize	Goods Movement	\$19		\$19		
17-02-0015	Contra Costa	Vasco Road _ Byron Highway Connector Road (Formerly named: SR-239: Airport Connector)	Expand	Express Lanes (Expand) and Roadway Expansion	\$89			\$89	
17-02-0016	Contra Costa	Construct SR 242/Clayton Road on and off-ramps	Expand	Express Lanes (Expand) and Roadway Expansion	\$66		\$5		\$61
17-02-0017	Contra Costa	SR-239 Feasibility Studies and Project Development	Expand	Express Lanes (Expand) and Roadway Expansion	\$42		\$42		
17-02-0018	Contra Costa	I-80/SR4: New I-80 EB off-ramp at Sycamore	Expand	Express Lanes (Expand) and Roadway Expansion	\$15				\$15

Transportation Project List

values in millions of YOE \$

RTPID	Sponsor	Title	Strategy 1	Strategy 2	Total Project Cost	Pre2017 Funding	Post 2017 Local/ Committed Funding	Nov. 2016 Ballot Measure	Regional Discretionary Funding
17-02-0019	Contra Costa	I-680/SR4 Interchange Improvements - All Phases	Modernize	Highway Operational and Interchanges	\$599		\$158	\$107	\$334
17-02-0020	Contra Costa	SR-4 Operational Improvements - All Phases	Modernize	Goods Movement	\$303		\$164	\$124	\$15
17-02-0021	Contra Costa	Reconstruct I-80/San Pablo Dam Road Interchange	Modernize	Highway Operational and Interchanges	\$120		\$56	\$64	
17-02-0022	Contra Costa	I-680 Southbound HOV Lane between N. Main and Livorna	Modernize	Highway Operational and Interchanges	\$83		\$83		
17-02-0023	Contra Costa	State Route 4 Widening and Balfour Road IC Construction	Modernize	Highway Operational and Interchanges	\$69		\$69		
17-02-0024	Contra Costa	I-80/SR-4 Interchange Improvements - New Eastbound Willow Avenue Ramps, replace SR-4 to I-80 Ramp, and new EB off ramp at Sycamore	Modernize	Highway Operational and Interchanges	\$68				\$68
17-02-0025	Contra Costa	SR-24/Brookwood Ramp Modifications	Modernize	Highway Operational and Interchanges	\$48			\$20	\$28
17-02-0026	Contra Costa	I-80/Central Avenue Interchange Modification - Phases 1 & 2	Modernize	Highway Operational and Interchanges	\$26		\$20	\$6	
17-02-0027	Contra Costa	Construct Additional Auxiliary Lanes on I-680 - South of I-680/SR-24 Interchange	Modernize	Highway Operational and Interchanges	\$20				\$20
17-02-0028	Contra Costa	I-80 Eastbound and Westbound Pinole Valley Road On-ramp Improvement	Modernize	Highway Operational and Interchanges	\$10		\$10		
17-02-0029	Contra Costa	Eastbound SR-24: Construct Auxiliary Lane, Wilder Road to Camino Pablo	Modernize	Highway Operational and Interchanges	\$7				\$7
17-02-0030	Contra Costa	Widen Brentwood Boulevard - Havenwood Way to north city limit; and Chestnut to Fir	Expand	Express Lanes (Expand) and Roadway Expansion	\$34		\$34		
17-02-0031	Contra Costa	Widen Willow Pass Road, Lynwood Drive to SR 4	Expand	Express Lanes (Expand) and Roadway Expansion	\$20		\$20		
17-02-0032	Contra Costa	Widen Ygnacio Valley Road-Kirker Pass Road, Cowell to Michigan	Expand	Express Lanes (Expand) and Roadway Expansion	\$20		\$20		
17-02-0033	Contra Costa	Widen Camino Tassajara Road, Windemere to County Line	Expand	Express Lanes (Expand) and Roadway Expansion	\$17		\$17		
17-02-0034	Contra Costa	West Leland Road Extension	Expand	Express Lanes (Expand) and Roadway Expansion	\$16		\$16		
17-02-0035	Contra Costa	Lone Tree Way Widening	Expand	Express Lanes (Expand) and Roadway Expansion	\$16		\$16		
17-02-0036	Contra Costa	Pittsburg-Antioch Highway Widening	Expand	Express Lanes (Expand) and Roadway Expansion	\$15		\$15		
17-02-0037	Contra Costa	Widen Main St, SR 160 to Big Break Rd	Expand	Express Lanes (Expand) and Roadway Expansion	\$13		\$13		
17-02-0038	Contra Costa	Main Street Bypass	Expand	Express Lanes (Expand) and Roadway Expansion	\$4		\$4		
17-02-0039	Contra Costa	Hercules Train Station - All Phases	Modernize	Transit Efficiency and Service Improvements	\$97		\$15		\$82
17-02-0040	Contra Costa	Martinez Intermodal Project: Phase 3	Modernize	Transit Efficiency and Service Improvements	\$7				\$7

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RTPID	Sponsor	Title	Strategy 1	Strategy 2	Total Project Cost	Pre2017 Funding	Post 2017 Local/ Committed Funding	Nov. 2016 Ballot Measure	Regional Discretionary Funding
17-02-0041	Contra Costa	Privately Run Ferry Service including Small-Scale (non-WETA complying) Landside Improvements from Antioch, Martinez, and Hercules to San Francisco	Modernize	Transit Efficiency and Service Improvements	\$73			\$58	\$15
17-02-0042	Contra Costa	Richmond-San Francisco Ferry Service	Modernize	Transit Efficiency and Service Improvements	\$53		\$53		
17-02-0043	Contra Costa	BART Capacity, Access and Parking Improvements - non vehicles	Modernize	Transit Efficiency and Service Improvements	\$46			\$46	
17-02-0044	Contra Costa	Landside Improvements for Richmond Ferry Service	Modernize	Transit Efficiency and Service Improvements	\$25				\$25
17-02-0045	Contra Costa	El Cerrito del Norte BART Station Modernization, Phase 1	Modernize	Transit Efficiency and Service Improvements	\$22		\$22		
17-02-0046	Contra Costa	Civic Center Railroad Platform Park & Ride Complex	Modernize	Transit Efficiency and Service Improvements	\$8		\$8		
17-02-0047	Contra Costa	East County Rail Extension (eBART), Phase 1	Expand	Transit Expansion	\$525	\$525			
17-02-0048	Contra Costa	East County Rail Extension (eBART), Phase 2 - environmental and reserve	Expand	Transit Expansion	\$111			\$81	\$30
17-02-0049	Contra Costa	West County High Capacity Transit Investment Study Implementation - Phase 1	Expand	Transit Expansion	\$15			\$15	
17-02-0050	Contra Costa	Brentwood Intermodal Transit Center	Modernize	Transit Efficiency and Service Improvements	\$52		\$52		
17-02-0051	Contra Costa	I-680 Transit Improvements including Express Bus Service, ITS components, and Park & Ride Lots	Modernize	Transit Efficiency and Service Improvements	\$130			\$130	
17-02-0052	Contra Costa	Widen San Ramon Valley Boulevard from 2 to 4 lanes - Jewel Terrace to Podva Road	Expand	Express Lanes (Expand) and Roadway Expansion	\$1		\$1		
17-03-0001	Marin	Bicycle and Pedestrian Program	Modernize	Multimodal and Bike Ped	\$30		\$9		\$21
17-03-0002	Marin	Climate Program: TDM and Emission Reduction Technology	Modernize	Climate	\$1				\$1
17-03-0003	Marin	County Safety, Security and Other	Modernize	Planning and Programs	\$4				\$4
17-03-0004	Marin	Roadway Operations	Modernize	Planning and Programs	\$20				\$20
17-03-0005	Marin	Minor Transit Improvements	Modernize	Transit Efficiency and Service Improvements	\$42		\$6		\$36
17-03-0006	Marin	Implement Marin Sonoma Narrows HOV Lane and corridor improvements Phase 2 (Marin County)	Expand	Express Lanes (Expand) and Roadway Expansion	\$136		\$111		\$25
17-03-0007	Marin	US 101/580 Interchange Direct Connector - PAED	Modernize	Highway Operational and Interchanges	\$15				\$15
17-03-0008	Marin	Tiburon East Blithedale Interchange - PAED	Modernize	Highway Operational and Interchanges	\$12				\$12
17-03-0009	Marin	Access Improvements to Richmond San Rafael Bridge	Modernize	Highway Operational and Interchanges	\$7				\$7
17-03-0010	Marin	Highway Improvement Studies	Modernize	Highway Operational and Interchanges	\$5				\$5
17-03-0011	Marin	Widen Novato Boulevard between Diablo Avenue and Grant Avenue	Expand	Express Lanes (Expand) and Roadway Expansion	\$17		\$13		\$4

Transportation Project List

values in millions of YOE \$

RTPID	Sponsor	Title	Strategy 1	Strategy 2	Total Project Cost	Pre2017 Funding	Post 2017 Local/ Committed Funding	Nov. 2016 Ballot Measure	Regional Discretionary Funding
17-03-0012	Marin	Sir Francis Drake Boulevard/Red Hill Avenue/Center Boulevard (known as "The Hub") - project development	Expand	Express Lanes (Expand) and Roadway Expansion	\$6				\$6
17-03-0013	Marin	San Rafael Transit Center (SRTC) Relocation Project	Modernize	Transit Efficiency and Service Improvements	\$36				\$36
17-03-0014	Marin	Larkspur Ferry Terminal Parking Garage - Planning Study	Modernize	Transit Efficiency and Service Improvements	\$1				\$1
17-03-0015	Marin	SMART Downtown San Rafael to Larkspur Rail Extension	Expand	Transit Expansion	\$42	\$2	\$40		
17-03-0016	Marin	Multimodal Streetscape	Modernize	Multimodal and Bike Ped	\$49				\$49
17-04-0001	Napa	Bicycle and Pedestrian Program	Modernize	Multimodal and Bike Ped	\$98		\$35		\$63
17-04-0002	Napa	County Safety, Security and Other	Modernize	Planning and Programs	\$7				\$7
17-04-0003	Napa	Multimodal Streetscape	Modernize	Multimodal and Bike Ped	\$4		\$1		\$3
17-04-0004	Napa	Minor Roadway Expansions	Expand	Express Lanes (Expand) and Roadway Expansion	\$51		\$10		\$41
17-04-0005	Napa	Roadway Operations	Modernize	Planning and Programs	\$30	\$0	\$23		\$7
17-04-0006	Napa	Minor Transit Improvements	Modernize	Transit Efficiency and Service Improvements	\$246		\$156		\$90
17-04-0007	Napa	Countywide Intelligent Transportation Systems Program	Modernize	Highway Operational and Interchanges	\$9				\$9
17-04-0008	Napa	State Route 29 Improvements	Modernize	Highway Operational and Interchanges	\$35		\$35		
17-04-0009	Napa	Soscol Junction	Expand	Express Lanes (Expand) and Roadway Expansion	\$61		\$5		\$56
17-04-0010	Napa	SR29 Gateway	Expand	Express Lanes (Expand) and Roadway Expansion	\$32		\$12		\$20
17-05-0001	San Francisco	Bicycle and Pedestrian Program	Modernize	Multimodal and Bike Ped	\$887	\$16	\$598	\$243	\$30
17-05-0002	San Francisco	Climate Program: TDM and Emission Reduction Technology	Modernize	Climate	\$118		\$83	\$25	\$10
17-05-0003	San Francisco	County Safety, Security and Other	Modernize	Planning and Programs	\$418		\$290	\$100	\$28
17-05-0004	San Francisco	Multimodal Streetscape	Modernize	Multimodal and Bike Ped	\$383		\$279	\$90	\$14
17-05-0005	San Francisco	PDA Planning	Modernize	Planning and Programs	\$51	\$2	\$47		\$2
17-05-0006	San Francisco	Additional Local Road Preservation/Rehab	Operate and Maintain	Local Streets Preservation and Operations	\$1,267			\$1,267	
17-05-0007	San Francisco	Transit Preservation/Rehabilitation	Operate and Maintain	Transit Capital Preservation	\$2,256		\$1,871	\$385	
17-05-0008	San Francisco	Minor Roadway Expansions	Expand	Express Lanes (Expand) and Roadway Expansion	\$906	\$43	\$863		
17-05-0009	San Francisco	Roadway Operations	Modernize	Planning and Programs	\$182		\$137	\$45	
17-05-0010	San Francisco	Minor Transit Improvements	Modernize	Transit Efficiency and Service Improvements	\$1,121	\$110	\$144	\$867	
17-05-0011	San Francisco	San Francisco Late Night Transportation Improvements	Modernize	Regional and County Access Initiatives	\$91		\$10	\$39	\$42

Transportation Project List

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RTPID	Sponsor	Title	Strategy 1	Strategy 2	Total Project Cost	Pre2017 Funding	Post 2017 Local/ Committed Funding	Nov. 2016 Ballot Measure	Regional Discretionary Funding
17-05-0012	San Francisco	SFGo Integrated Transportation Management System	Modernize	Highway Operational and Interchanges	\$89	\$48	\$17		\$24
17-05-0013	San Francisco	Expand SFMTA Transit Fleet	Modernize	Transit Efficiency and Service Improvements	\$1,488		\$814	\$193	\$481
17-05-0014	San Francisco	Muni Forward (Transit Effectiveness Project)	Modernize	Transit Efficiency and Service Improvements	\$612	\$208	\$159		\$245
17-05-0015	San Francisco	Rail Capacity Long Term Planning and Conceptual Design - All	Modernize	Transit Efficiency and Service Improvements	\$450		\$100	\$250	\$100
17-05-0016	San Francisco	Better Market Street - Transportation Elements	Modernize	Transit Efficiency and Service Improvements	\$415	\$0	\$215		\$200
17-05-0017	San Francisco	Core Capacity Implementation - Planning and Conceptual Engineering	Modernize	Transit Efficiency and Service Improvements	\$335		\$20		\$315
17-05-0018	San Francisco	Downtown San Francisco Ferry Terminal Expansion - Phase II	Modernize	Transit Efficiency and Service Improvements	\$43				\$43
17-05-0019	San Francisco	Establish new ferry terminal at Mission Bay 16th Street	Modernize	Transit Efficiency and Service Improvements	\$17				\$17
17-05-0020	San Francisco	HOV/HOT Lanes on U.S. 101 and I-280 in San Francisco	Modernize	Express Lanes (Conversions) and Pricing	\$90		\$22	\$47	\$21
17-05-0021	San Francisco	Geary Boulevard Bus Rapid Transit	Modernize	Transit Efficiency and Service Improvements	\$300	\$0	\$57		\$243
17-05-0022	San Francisco	Presidio Parkway	Modernize	Highway Operational and Interchanges	\$1,595	\$859	\$736		
17-05-0023	San Francisco	Yerba Buena Island (YBI) I-80 Interchange Improvement	Modernize	Highway Operational and Interchanges	\$169	\$105	\$64		
17-05-0024	San Francisco	Balboa Park Station Area - Southbound I-280 Off-Ramp Realignment at Ocean Avenue	Modernize	Highway Operational and Interchanges	\$11	\$1			\$10
17-05-0025	San Francisco	Balboa Park Station Area - Closure of Northbound I-280 On-Ramp from Geneva Avenue	Modernize	Highway Operational and Interchanges	\$6				\$6
17-05-0026	San Francisco	Bayshore Station Multimodal Planning and Design	Modernize	Multimodal and Bike Ped	\$13		\$13		
17-05-0027	San Francisco	Hunters Point Shipyard and Candlestick Point Local Roads Phase 1	Expand	Express Lanes (Expand) and Roadway Expansion	\$501	\$14	\$487		
17-05-0028	San Francisco	Southeast San Francisco Caltrain Station - Environmental	Modernize	Transit Efficiency and Service Improvements	\$11	\$1	\$10		
17-05-0029	San Francisco	Downtown Value Pricing/Incentives - Pilot, Transit Service, Supportive Infrastructure	Modernize	Express Lanes (Conversions) and Pricing	\$876		\$826		\$50
17-05-0030	San Francisco	Treasure Island Mobility Management Program: Intermodal Terminal, Congestion Toll, Transit Service, Transit Capital	Modernize	Express Lanes (Conversions) and Pricing	\$974		\$925		\$49
17-05-0031	San Francisco	Southeast Waterfront Transportation Improvements - Phase 1	Modernize	Transit Efficiency and Service Improvements	\$406		\$406		
17-05-0032	San Francisco	Geneva-Harney Bus Rapid Transit	Modernize	Transit Efficiency and Service Improvements	\$256		\$156		\$100
17-05-0033	San Francisco	Van Ness Avenue Bus Rapid Transit	Modernize	Transit Efficiency and Service Improvements	\$215		\$215		
17-05-0034	San Francisco	Arena Transit Capacity Improvements	Modernize	Transit Efficiency and Service Improvements	\$137		\$137		

Transportation Project List

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RTPID	Sponsor	Title	Strategy 1	Strategy 2	Total Project Cost	Pre2017 Funding	Post 2017 Local/ Committed Funding	Nov. 2016 Ballot Measure	Regional Discretionary Funding
17-05-0035	San Francisco	EN Trips: All Components	Modernize	Transit Efficiency and Service Improvements	\$122		\$101		\$21
17-05-0036	San Francisco	Regional/Local Express Bus to Support Express Lanes in SF	Modernize	Transit Efficiency and Service Improvements	\$82		\$56		\$26
17-05-0037	San Francisco	Parkmerced Transportation Improvements	Modernize	Transit Efficiency and Service Improvements	\$76		\$76		
17-05-0039	San Francisco	Geneva Light Rail Phase I: Operational Improvements, Planning and Environmental	Modernize	Transit Efficiency and Service Improvements	\$18		\$18		
17-05-0040	San Francisco	T-Third Mission Bay Loop	Modernize	Transit Efficiency and Service Improvements	\$7	\$7			
17-05-0041	San Francisco	T-Third Phase II: Central Subway	Expand	Transit Expansion	\$1,578	\$1,578			
17-05-0042	San Francisco	Historic Streetcar Extension - Fort Mason to 4th & King	Expand	Transit Expansion	\$87		\$4		\$83
17-06-0001	San Mateo	Bicycle and Pedestrian Program	Modernize	Multimodal and Bike Ped	\$247	\$21	\$138		\$88
17-06-0002	San Mateo	County Safety, Security and Other	Modernize	Planning and Programs	\$41	\$1	\$28		\$12
17-06-0003	San Mateo	Multimodal Streetscape	Modernize	Multimodal and Bike Ped	\$289	\$14	\$197		\$78
17-06-0004	San Mateo	Minor Roadway Expansions	Expand	Express Lanes (Expand) and Roadway Expansion	\$58	\$1	\$46		\$11
17-06-0005	San Mateo	Roadway Operations	Modernize	Planning and Programs	\$64		\$43		\$21
17-06-0006	San Mateo	County-wide Intelligent Transportation System (ITS) and Traffic Operation System Improvements	Modernize	Highway Operational and Interchanges	\$93		\$80		\$13
17-06-0007	San Mateo	Modify existing lanes on U.S. 101 to accommodate HOV/T lane	Expand	Express Lanes (Expand) and Roadway Expansion	\$365	\$15	\$250		\$100
17-06-0008	San Mateo	Add northbound and southbound modified auxiliary lanes and/ or implementation of HOT lanes on U.S. 101 from Oyster Point to San Francisco County line	Expand	Express Lanes (Expand) and Roadway Expansion	\$222	\$5	\$172		\$45
17-06-0009	San Mateo	Improve operations at U.S. 101 near Route 92 - Phased	Modernize	Goods Movement	\$258	\$2	\$250		\$6
17-06-0010	San Mateo	Improve U.S. 101/Woodside Road interchange	Modernize	Goods Movement	\$171	\$7	\$98		\$66
17-06-0011	San Mateo	US 101 Produce Avenue Interchange	Modernize	Goods Movement	\$146	\$10	\$100		\$36
17-06-0012	San Mateo	U.S. 101 Interchange at Peninsula Avenue	Modernize	Highway Operational and Interchanges	\$89	\$9	\$65		\$15
17-06-0013	San Mateo	Reconstruct U.S. 101/Broadway interchange	Modernize	Highway Operational and Interchanges	\$83	\$83			
17-06-0014	San Mateo	Reconstruct U.S. 101/Willow Road interchange	Modernize	Highway Operational and Interchanges	\$80	\$60	\$8		\$12
17-06-0015	San Mateo	Construct auxiliary lanes (one in each direction) on U.S. 101 from Marsh Road to Embarcadero Road	Modernize	Highway Operational and Interchanges	\$79	\$79			
17-06-0016	San Mateo	Improve access to and from the west side of Dumbarton Bridge on Route 84 connecting to U.S. 101 per Gateway 2020 Study - Phased	Modernize	Highway Operational and Interchanges	\$39	\$3	\$13		\$23
17-06-0017	San Mateo	Route 101/Holly St Interchange Access Improvements	Modernize	Highway Operational and Interchanges	\$34	\$1	\$25		\$8

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17-06-0018	San Mateo	Improve local access at I-280/I-380 from Sneath Lane to San Bruno Avenue to I-380 - Environmental only	Modernize	Highway Operational and Interchanges	\$32		\$30		\$2
17-06-0019	San Mateo	State Route 92-82 (El Camino) Interchange Improvement	Modernize	Highway Operational and Interchanges	\$30	\$25	\$5		
17-06-0020	San Mateo	Hwy 1 operational & safety improvements in County Midcoast (acceleration/deceleration lanes; turn lanes; bike lanes; pedestrian crossings; and trails)	Modernize	Highway Operational and Interchanges	\$29	\$4	\$21		\$4
17-06-0021	San Mateo	Environmental Studies for 101/Candlestick Interchange	Modernize	Highway Operational and Interchanges	\$25	\$5	\$15		\$5
17-06-0022	San Mateo	Westbound slow vehicle lane on Route 92 between Route 35 and I-280 - Environmental Phase	Modernize	Highway Operational and Interchanges	\$25		\$20		\$5
17-06-0023	San Mateo	Route 1 Improvements in Half Moon Bay	Modernize	Highway Operational and Interchanges	\$19	\$10	\$7		\$2
17-06-0024	San Mateo	Reconstruct U.S. 101/Sierra Point Parkway interchange (includes extension of Lagoon Way to U.S. 101)	Modernize	Highway Operational and Interchanges	\$17	\$8	\$9		
17-06-0025	San Mateo	US 101/University Ave. Interchange Improvements	Modernize	Highway Operational and Interchanges	\$11		\$7		\$4
17-06-0026	San Mateo	Implement incentive programs to support transit-oriented development	Modernize	Multimodal and Bike Ped	\$106		\$100		\$6
17-06-0027	San Mateo	Implement supporting infrastructure and Automated Transit Signal Priority to support SamTrans express rapid bus service along El Camino Real	Modernize	Multimodal and Bike Ped	\$1		\$1		
17-06-0028	San Mateo	Make incremental increase in SamTrans paratransit service - Phase	Modernize	Regional and County Access Initiatives	\$377		\$289		\$88
17-06-0029	San Mateo	Add new rolling stock and infrastructure to support SamTrans bus rapid transit along El Camino Real-Phase	Modernize	Transit Efficiency and Service Improvements	\$228		\$205		\$23
17-06-0030	San Mateo	Environmental Clearance and Design of the Redwood City Ferry Terminal and Service	Expand	Transit Expansion	\$8		\$8		
17-06-0031	San Mateo	Implement Redwood City Street Car - Planning Phase	Expand	Transit Expansion	\$1		\$0		\$1
17-06-0032	San Mateo	Route 1 San Pedro Creek Bridge Replacement and Creek Widening Project	Expand	Express Lanes (Expand) and Roadway Expansion	\$14	\$14			
17-06-0033	San Mateo	Widen Route 92 between SR 1 and Pilarcitos Creek alignment, includes widening of travel lanes and shoulders	Expand	Express Lanes (Expand) and Roadway Expansion	\$8	\$0	\$6		\$2
17-06-0034	San Mateo	Construct Route 1 (Calera Parkway) northbound and southbound lanes from Fassler Avenue to Westport Drive in Pacifica	Expand	Express Lanes (Expand) and Roadway Expansion	\$58	\$9	\$35		\$14
17-06-0035	San Mateo	I-280 improvements near D Street exit	Expand	Express Lanes (Expand) and Roadway Expansion	\$1				\$1
17-06-0036	San Mateo	Widen Skyline Boulevard (Route 35) to 4-lane roadway from I-280 to Sneath Lane - Phased	Expand	Express Lanes (Expand) and Roadway Expansion	\$25		\$17		\$8

Transportation Project List

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17-06-0037	San Mateo	Widen Millbrae Avenue between Rollins Road and U.S. 101 southbound on-ramp and resurface intersection of Millbrae Avenue and Rollins Road	Expand	Express Lanes (Expand) and Roadway Expansion	\$11		\$11		
17-06-0038	San Mateo	Construct a 6-lane arterial from Geneva Avenue/Bayshore Boulevard intersection to U.S. 101/Candlestick Point interchange - Environmental phase	Expand	Express Lanes (Expand) and Roadway Expansion	\$17	\$1	\$15		\$1
17-06-0039	San Mateo	Grade Separations	Modernize	Planning and Programs	\$265	\$5	\$221		\$39
17-06-0040	San Mateo	Extend Blomquist Street over Redwood Creek to East Bayshore and Bair Island Road	Expand	Express Lanes (Expand) and Roadway Expansion	\$28	\$19	\$5		\$4
17-07-0001	Santa Clara	Bicycle and Pedestrian Program	Modernize	Multimodal and Bike Ped	\$874		\$295	\$300	\$279
17-07-0002	Santa Clara	Caltrain Grade Separations	Modernize	Planning and Programs	\$800			\$800	
17-07-0003	Santa Clara	Multimodal Streetscape	Modernize	Multimodal and Bike Ped	\$446		\$196		\$250
17-07-0004	Santa Clara	Additional Local Road Preservation/Rehab	Operate and Maintain	Local Streets Preservation and Operations	\$1,420			\$1,420	
17-07-0005	Santa Clara	Minor Roadway Expansions	Expand	Express Lanes (Expand) and Roadway Expansion	\$980		\$436		\$544
17-07-0007	Santa Clara	Affordable Fare Program	Modernize	Regional and County Access Initiatives	\$44			\$44	
17-07-0008	Santa Clara	Implement System Operations and Management Program for Santa Clara County	Modernize	Highway Operational and Interchanges	\$899		\$600		\$299
17-07-0009	Santa Clara	SR 87 Technology-based Corridor Improvements	Modernize	Highway Operational and Interchanges	\$52		\$30	\$22	
17-07-0010	Santa Clara	Hwy. Transportation Operations System/Freeway Performance Initiative Phase 1 & 2	Modernize	Highway Operational and Interchanges	\$20		\$10	\$10	
17-07-0012	Santa Clara	BART Silicon Valley Extension - San Jose (Berryessa) to Santa Clara (escalated capital cost is \$5.175 billion)	Expand	Transit Expansion	\$5,467		\$1,717	\$1,500	\$2,250
17-07-0013	Santa Clara	Implement El Camino Rapid Transit Project	Modernize	Transit Efficiency and Service Improvements	\$267		\$192		\$75
17-07-0021	Santa Clara	Alviso Wetlands Doubletrack	Modernize	Goods Movement	\$196		\$196		
17-07-0022	Santa Clara	Environmental Studies for SR-152 New Alignment	Expand	Express Lanes (Expand) and Roadway Expansion	\$30			\$30	
17-07-0023	Santa Clara	US 101/Zanker Rd./Skyport Dr./Fourth St. Interchange Improvements	Modernize	Highway Operational and Interchanges	\$161		\$75	\$86	
17-07-0024	Santa Clara	Lawrence/Stevens Creek/I-280 Interchange	Modernize	Highway Operational and Interchanges	\$140		\$70	\$70	
17-07-0025	Santa Clara	I-280/Winchester Blvd Interchange Improvements	Modernize	Highway Operational and Interchanges	\$100		\$50	\$50	
17-07-0026	Santa Clara	I-280/Wolfe Road Interchange Improvements	Modernize	Highway Operational and Interchanges	\$97		\$40	\$57	
17-07-0027	Santa Clara	US 101/Mabury Rd./Taylor St. Interchange Improvements	Modernize	Highway Operational and Interchanges	\$82		\$21	\$61	
17-07-0028	Santa Clara	I-280 Mainline Improvements from County line to Sunnyvale	Modernize	Highway Operational and Interchanges	\$60		\$30	\$30	

Transportation Project List
values in millions of YOE \$

RTPID	Sponsor	Title	Strategy 1	Strategy 2	Total Project Cost	Pre2017 Funding	Post 2017 Local/ Committed Funding	Nov. 2016 Ballot Measure	Regional Discretionary Funding
17-07-0029	Santa Clara	I-280/Saratoga Avenue Interchange Improvements	Modernize	Highway Operational and Interchanges	\$60		\$30	\$30	
17-07-0030	Santa Clara	I-280 Northbound Braided Ramps between Foothill Expressway and SR 85	Modernize	Highway Operational and Interchanges	\$54		\$34	\$20	
17-07-0031	Santa Clara	US 101 Southbound/Trimble Rd./De La Cruz Blvd./Central Expressway Interchange Improvements	Modernize	Highway Operational and Interchanges	\$53		\$20	\$33	
17-07-0032	Santa Clara	I-680/ Alum Rock/ McKee Road Interchange Improvements	Modernize	Highway Operational and Interchanges	\$47			\$47	
17-07-0033	Santa Clara	SR 237/Mathilda Ave. and US 101/Mathilda Ave. Interchange Improvement	Modernize	Highway Operational and Interchanges	\$42			\$42	
17-07-0034	Santa Clara	US 101 Interchanges Improvements: San Antonio Rd. to Charleston Rd./Rengstorff Ave.	Modernize	Highway Operational and Interchanges	\$40		\$20	\$20	
17-07-0035	Santa Clara	US 101/Buena Vista Ave. Interchange Improvements	Modernize	Highway Operational and Interchanges	\$40		\$20	\$20	
17-07-0036	Santa Clara	SR 85 Northbound to Eastbound SR 237 Connector Ramp and Northbound SR 85 Auxiliary Lane	Modernize	Highway Operational and Interchanges	\$39		\$9	\$30	
17-07-0037	Santa Clara	SR 85/El Camino Real Interchange Improvements	Modernize	Highway Operational and Interchanges	\$28			\$28	
17-07-0038	Santa Clara	US 101/Blossom Hill Rd. Interchange Improvements	Modernize	Highway Operational and Interchanges	\$28			\$28	
17-07-0039	Santa Clara	US 101/Old Oakland Rd. Interchange Improvements	Modernize	Highway Operational and Interchanges	\$28		\$7	\$21	
17-07-0040	Santa Clara	US 101/Shoreline Blvd. Interchange Improvements	Modernize	Highway Operational and Interchanges	\$20			\$20	
17-07-0042	Santa Clara	SR 237/Great America Parkway WB Off- Ramps Improvements	Modernize	Highway Operational and Interchanges	\$15			\$15	
17-07-0043	Santa Clara	SR 237/El Camino Real/Grant Rd. Intersection Improvements	Modernize	Highway Operational and Interchanges	\$6			\$6	
17-07-0044	Santa Clara	Double Lane Southbound US 101 off-ramp to Southbound SR 87	Modernize	Highway Operational and Interchanges	\$3			\$3	
17-07-0051	Santa Clara	Widen Calaveras Blvd. overpass from 4 to 6 lanes	Expand	Express Lanes (Expand) and Roadway Expansion	\$85		\$50	\$35	
17-07-0056	Santa Clara	Bus Stop Improvements	Modernize	Transit Efficiency and Service Improvements	\$47			\$47	
17-07-0057	Santa Clara	Frequent Core Bus Network - 15 minutes	Modernize	Transit Efficiency and Service Improvements	\$658		\$200	\$458	
17-07-0058	Santa Clara	SR 85 Corridor Improvements - reserve amount	Modernize	Transit Efficiency and Service Improvements	\$450			\$450	
17-07-0059	Santa Clara	Implement Stevens Creek Rapid Transit Project	Modernize	Transit Efficiency and Service Improvements	\$254		\$254		
17-07-0060	Santa Clara	North First Street light rail speed Improvements	Modernize	Transit Efficiency and Service Improvements	\$12		\$12		
17-07-0061	Santa Clara	Extend Capitol Expressway light rail to Eastridge Transit Center - Phase II	Expand	Transit Expansion	\$386		\$386		
17-07-0062	Santa Clara	Extend light-rail transit from Winchester Station to Route 85 (Vasona Junction)	Expand	Transit Expansion	\$256		\$256		

Transportation Project List

values in millions of YOE \$

RTPID	Sponsor	Title	Strategy 1	Strategy 2	Total Project Cost	Pre2017 Funding	Post 2017 Local/ Committed Funding	Nov. 2016 Ballot Measure	Regional Discretionary Funding
17-07-0063	Santa Clara	Mineta San Jose International Airport APM connector - planning and environmental	Expand	Transit Expansion	\$50		\$50		
17-07-0064	Santa Clara	County Safety, Security, Noise and Other	Modernize	Planning and Programs	\$25		\$10	\$15	
17-07-0065	Santa Clara	Caltrain Station and Service Enhancements	Modernize	Transit Efficiency and Service Improvements	\$722		\$150	\$572	
17-07-0066	Santa Clara	Future Transit Corridor Studies	Modernize	Transit Efficiency and Service Improvements	\$5		\$5		
17-07-0067	Santa Clara	SR 17 Corridor Congestion Relief in Los Gatos	Modernize	Highway Operational and Interchanges	\$30		\$15	\$15	
17-07-0068	Santa Clara	237 WB Additional Lane from McCarthy to North First	Modernize	Highway Operational and Interchanges	\$52		\$12	\$40	
17-07-0069	Santa Clara	US 101/SR 25 Interchange	Modernize	Highway Operational and Interchanges	\$185		\$150	\$35	
17-07-0070	Santa Clara	SR 237 Express Lanes: North First St. to Mathilda Ave.	Modernize	Express Lanes (Conversions) and Pricing	\$27		\$27		
17-07-0074	Santa Clara	SR 85 Express Lanes: US 101 (South San Jose) to Mountain View	Expand	Express Lanes (Expand) and Roadway Expansion	\$198		\$198		
17-07-0075	Santa Clara	US 101 Express Lanes: Whipple Ave. in San Mateo County to Cochrane Road in Morgan Hill	Expand	Express Lanes (Expand) and Roadway Expansion	\$507		\$507		
17-07-0076	Santa Clara	Santa Clara County Express Lanes Operations and Maintenance	Expand	Express Lanes (Expand) and Roadway Expansion	\$720		\$720		
17-07-0077	Santa Clara	BART – Warm Springs to Berryessa Extension (SVBX)	Expand	Transit Expansion	\$2,522	\$2,324	\$197		
17-07-0078	Santa Clara	Envision Expressway (Tier 1 Expressway Plan) Major and Minor Projects	Expand	Express Lanes (Expand) and Roadway Expansion	\$821			\$821	
17-07-0079	Santa Clara	Envision Highway Minor Projects	Modernize	Highway Operational and Interchanges	\$56			\$56	
17-07-0080	Santa Clara	Alum Rock/Santa Clara Street Bus Rapid Transit	Modernize	Transit Efficiency and Service Improvements	\$115	\$115			
17-07-0081	Santa Clara	I-880 Express Lanes: SR-237 to US-101	Modernize	Express Lanes (Conversions) and Pricing	\$28		\$28		
17-07-0082	Santa Clara	SR-87 Express Lanes: I-880 to SR-85	Modernize	Express Lanes (Conversions) and Pricing	\$43		\$43		
17-07-0083	Santa Clara	I-680 Express Lanes: SR-237 to US-101	Modernize	Express Lanes (Conversions) and Pricing	\$91		\$91		
17-07-0084	Santa Clara	I-280 Express Lanes: US-101 to Magdalena Avenue	Modernize	Express Lanes (Conversions) and Pricing	\$113		\$113		
17-07-0085	Santa Clara	Santa Clara County Express Lanes - Environmental and Design Phase for Future Segments	Expand	Express Lanes (Expand) and Roadway Expansion	\$200		\$200		
17-07-0086	Santa Clara	Santa Clara County Express Lanes - Reserve	Expand	Express Lanes (Expand) and Roadway Expansion	\$384		\$384		
17-07-0087	Santa Clara	Widen San Tomas Expressway to 8 Lanes from Stevens Creek Blvd to Campbell Ave	Expand	Express Lanes (Expand) and Roadway Expansion	\$44		\$44		
17-07-0088	Santa Clara	Senter Road Widening from Umbarger to Lewis	Expand	Express Lanes (Expand) and Roadway Expansion	\$8		\$2		\$6

Transportation Project List

values in millions of YOE \$

RTPID	Sponsor	Title	Strategy 1	Strategy 2	Total Project Cost	Pre2017 Funding	Post 2017 Local/ Committed Funding	Nov. 2016 Ballot Measure	Regional Discretionary Funding
17-07-0089	Santa Clara	South Bascom Complete Streets	Expand	Express Lanes (Expand) and Roadway Expansion	\$40		\$8		\$32
17-07-0090	Santa Clara	Widen Brokaw Bridge over Coyote Creek	Expand	Express Lanes (Expand) and Roadway Expansion	\$29		\$6		\$23
17-07-0091	Santa Clara	Widen Oakland Road from 4-lanes to 6-lanes between U.S. 101 and Montague Expressway	Expand	Express Lanes (Expand) and Roadway Expansion	\$15		\$3		\$12
17-08-0001	Solano	Access and Mobility Program	Modernize	Regional and County Access Initiatives	\$113		\$94		\$19
17-08-0002	Solano	Bicycle and Pedestrian Program	Modernize	Multimodal and Bike Ped	\$20		\$10		\$10
17-08-0003	Solano	Climate Program: TDM and Emission Reduction Technology	Modernize	Climate	\$23		\$4		\$19
17-08-0004	Solano	County Safety, Security and Other	Modernize	Planning and Programs	\$17	\$2	\$3		\$12
17-08-0005	Solano	Multimodal Streetscape	Modernize	Multimodal and Bike Ped	\$2		\$2		
17-08-0006	Solano	PDA Planning	Modernize	Planning and Programs	\$17		\$2		\$15
17-08-0007	Solano	Minor Roadway Expansions	Expand	Express Lanes (Expand) and Roadway Expansion	\$10		\$10		
17-08-0008	Solano	Roadway Operations	Modernize	Planning and Programs	\$59		\$1		\$58
17-08-0009	Solano	I-80/I-680/SR12 Interchange (Packages 2-7)	Modernize	Goods Movement	\$380	\$5	\$90		\$285
17-08-0010	Solano	Improve interchanges and widen roadways serving Solano County Fairgrounds, including Redwood Parkway	Modernize	Highway Operational and Interchanges	\$100		\$55		\$45
17-08-0011	Solano	Provide auxiliary lanes on I-80 in eastbound and westbound directions from I-680 to Airbase Parkway	Modernize	Goods Movement	\$57		\$20		\$37
17-08-0012	Solano	Construct 4-lane Jepson Parkway from Route 12 to Leisure Town Road at I-80	Expand	Express Lanes (Expand) and Roadway Expansion	\$85	\$59	\$26		
17-08-0013	Solano	Conduct planning and design studies along SR-12 corridor in Solano County	Modernize	Goods Movement	\$58		\$10		\$48
17-08-0014	Solano	Construct train station building and support facilities at the new Fairfield / Vacaville multimodal station	Modernize	Transit Efficiency and Service Improvements	\$81	\$63			\$18
17-08-0015	Solano	Solano MLIP Support Projects	Modernize	Transit Efficiency and Service Improvements	\$115		\$10		\$105
17-08-0016	Solano	Vallejo Station Parking Structure Phase B	Modernize	Transit Efficiency and Service Improvements	\$30				\$30
17-08-0017	Solano	I-80 WB Truck Scales	Modernize	Goods Movement	\$170				\$170
17-09-0001	Sonoma	Bicycle and Pedestrian Program	Modernize	Multimodal and Bike Ped	\$173		\$123		\$50
17-09-0002	Sonoma	SMART Rail Freight Improvements	Modernize	Goods Movement	\$10		\$10		
17-09-0003	Sonoma	Multimodal Streetscape	Modernize	Multimodal and Bike Ped	\$28		\$18		\$10
17-09-0004	Sonoma	Minor Roadway Expansions	Expand	Express Lanes (Expand) and Roadway Expansion	\$176	\$19	\$157		
17-09-0005	Sonoma	Roadway Operations	Modernize	Planning and Programs	\$272		\$152		\$120
17-09-0006	Sonoma	Implement Marin Sonoma Narrows Phase 2 (Sonoma County)	Expand	Express Lanes (Expand) and Roadway Expansion	\$243		\$120		\$123

Transportation Project List

values in millions of YOE \$

RTPID	Sponsor	Title	Strategy 1	Strategy 2	Total Project Cost	Pre2017 Funding	Post 2017 Local/ Committed Funding	Nov. 2016 Ballot Measure	Regional Discretionary Funding
17-09-0008	Sonoma	Arata Lane Interchange	Expand	Express Lanes (Expand) and Roadway Expansion	\$4		\$4		
17-09-0009	Sonoma	Cotati US 101/Railroad Avenue Improvements (incl. Penngrove)	Modernize	Highway Operational and Interchanges	\$56		\$56		
17-09-0010	Sonoma	Hearn Avenue Interchange	Modernize	Highway Operational and Interchanges	\$36		\$36		
17-09-0011	Sonoma	Shiloh Road Interchange Reconstruction	Modernize	Highway Operational and Interchanges	\$27		\$27		
17-09-0012	Sonoma	Cotati Highway 116 Cotati Corridor Improvements	Modernize	Highway Operational and Interchanges	\$20		\$20		
17-09-0013	Sonoma	Petaluma Crosstown Connector and Rainier Interchange	Expand	Express Lanes (Expand) and Roadway Expansion	\$123		\$123		
17-09-0014	Sonoma	Farmers Lane extension between Bennett Valley Rd and Yolanda Avenue	Expand	Express Lanes (Expand) and Roadway Expansion	\$72	\$5	\$67		
17-09-0015	Sonoma	Road Diet Extension - Petaluma Boulevard South	Expand	Express Lanes (Expand) and Roadway Expansion	\$3		\$3		
17-09-0016	Sonoma	SMART Petaluma Infill Station	Modernize	Transit Efficiency and Service Improvements	\$11		\$11		
17-09-0017	Sonoma	Enhance bus service frequencies in Sonoma County	Modernize	Transit Efficiency and Service Improvements	\$409		\$80		\$329
17-09-0018	Sonoma	SMART Rail Extension to Windsor + Environmental to Cloverdale + Bike Path	Expand	Transit Expansion	\$49		\$49		
17-10-0001	AC Transit	AC Transit Fleet Expansion and Major Corridors	Modernize	Transit Efficiency and Service Improvements	\$340				\$340
17-10-0003	AC Transit	San Pablo Avenue BRT	Modernize	Transit Efficiency and Service Improvements	\$300		\$25		\$275
17-10-0004	AC Transit	Environmental Studies for Bay Bridge Contraflow Lane	Modernize	Transit Efficiency and Service Improvements	\$20				\$20
17-10-0005	BART	BART Metro Program + Bay Fair Connector	Modernize	Transit Efficiency and Service Improvements	\$1,055		\$267	\$200	\$588
17-10-0006	BART	BART Transbay Core Capacity Project	Modernize	Transit Efficiency and Service Improvements	\$3,419		\$769	\$1,000	\$1,650
17-10-0007	CAHSR	California HSR in the Bay Area	Expand	Transit Expansion	\$8,489		\$8,489		
17-10-0008	Caltrain	Caltrain Electrification Phase 1 + CBOSS	Modernize	Transit Efficiency and Service Improvements	\$2,360		\$1,120		\$1,240
17-10-0009	GGBHTD	Golden Gate Bridge Capital and Operations	Operate and Maintain	Highway and Bridge Preservation	\$2,031		\$2,031		
17-10-0010	GGBHTD	Bus and Ferry Service Expansion	Modernize	Transit Efficiency and Service Improvements	\$199		\$199		
17-10-0011	Multi-County	Lifeline, Community Based Transportation Program, and Mobility Management	Modernize	Regional and County Access Initiatives	\$890				\$890
17-10-0012	Multi-County	Means-Based Fare Study Implementation	Modernize	Regional and County Access Initiatives	\$150				\$150
17-10-0013	Multi-County	Transportation Management Systems	Modernize	Highway Operational and Interchanges	\$500				\$500

Transportation Project List

values in millions of YOE \$

RTPID	Sponsor	Title	Strategy 1	Strategy 2	Total Project Cost	Pre2017 Funding	Post 2017 Local/ Committed Funding	Nov. 2016 Ballot Measure	Regional Discretionary Funding
17-10-0014	Multi-County	Bay Trail - non toll bridge segments	Modernize	Multimodal and Bike Ped	\$220		\$8		\$212
17-10-0015	Multi-County	Climate Program: TDM and Emission Reduction Technology	Modernize	Climate	\$535	\$9	\$36		\$490
17-10-0016	Multi-County	Cost Contingency	Operate and Maintain	Cost Contingency and Debt Service	\$1,000				\$1,000
17-10-0017	Multi-County	Capital Projects Debt Service	Operate and Maintain	Cost Contingency and Debt Service	\$4,100		\$3,000		\$1,100
17-10-0018	Multi-County	Goods Movement Clean Fuels and Impact Reduction Program	Modernize	Goods Movement	\$350				\$350
17-10-0019	Multi-County	Goods Movement Technology Program	Modernize	Goods Movement	\$300				\$300
17-10-0020	Multi-County	New/Small Starts Reserve	Expand	Transit Expansion	\$640				\$640
17-10-0021	Multi-County	Priority Development Area (PDA) Planning Grants	Modernize	Planning and Programs	\$200				\$200
17-10-0022	Multi-County	Local and Streets and Roads - Existing Conditions	Operate and Maintain	Local Streets Preservation and Operations	\$20,698		\$12,918		\$7,780
17-10-0023	Multi-County	Local Streets and Roads - Operations	Operate and Maintain	Local Streets Preservation and Operations	\$12,850		\$12,850		
17-10-0024	Multi-County	Regional and Local Bridges - Existing Conditions	Operate and Maintain	Highway and Bridge Preservation	\$14,550		\$14,300		\$250
17-10-0025	Multi-County	Regional State Highways - Existing Conditions	Operate and Maintain	Highway and Bridge Preservation	\$13,750		\$13,750		
17-10-0026	Multi-County	Regional Transit Capital - Existing Conditions	Operate and Maintain	Transit Capital Preservation	\$28,957		\$4,076	\$3,300	\$21,581
17-10-0027	Multi-County	Regional Transit Operations	Operate and Maintain	Transit Operations	\$121,792		\$105,741		\$16,051
17-10-0028	Multi-County	Clipper	Modernize	Transit Efficiency and Service Improvements	\$1,735		\$661		\$1,074
17-10-0029	Multi-County	511 Traveler Information Program	Modernize	Transit Efficiency and Service Improvements	\$280		\$41		\$239
17-10-0030	Multi-County	SAFE Freeway Patrol	Modernize	Highway Operational and Interchanges	\$150		\$150		
17-10-0031	Multi-County	Regional Transportation Emergency Management Program	Modernize	Planning and Programs	\$25				\$25
17-10-0032	Multi-County	Regional Rail Station Modernization and Access Improvements	Modernize	Transit Efficiency and Service Improvements	\$370			\$210	\$160
17-10-0033	Multi-County	Bay Area Forward - Active Traffic Management, Arterial Operations , Connected Vehicles, Shared Mobility, Transbay Operations, Managed Lanes Implementation Plan Operations, Transit and Commuter Parking	Modernize	Highway Operational and Interchanges	\$995		\$129		\$866
17-10-0034	Multi-County	San Francisco-Oakland Bay Bridge West Span Bicycle, Pedestrian, and Maintenance Path - Environmental Only	Modernize	Multimodal and Bike Ped	\$30	\$10			\$20
17-10-0036	Multi-County	I-580 Access Improvements Project	Modernize	Highway Operational and Interchanges	\$74	\$74			

Transportation Project List

values in millions of YOE \$




RTPID	Sponsor	Title	Strategy 1	Strategy 2	Total Project Cost	Pre2017 Funding	Post 2017 Local/ Committed Funding	Nov. 2016 Ballot Measure	Regional Discretionary Funding
17-10-0037	Multi-County	Highway 37 Improvements and Sea Level Rise Mitigation PSR	Modernize	Goods Movement	\$24		\$12		\$12
17-10-0038	TJPA	Caltrain/HSR Downtown San Francisco Extension (capital cost is \$3.999 billion)	Expand	Transit Expansion	\$4,250	\$109	\$1,058		\$3,083
17-10-0039	TJPA	Implement Transbay Transit Center/Caltrain Downtown Extension (Phase 1 - Transbay Transit Center)	Expand	Transit Expansion	\$2,259	\$2,200	\$59		
17-10-0040	WETA	North Bay Ferry Service Enhancement	Modernize	Transit Efficiency and Service Improvements	\$220				\$220
17-10-0041	WETA	Central Bay Ferry Service Enhancement	Modernize	Transit Efficiency and Service Improvements	\$212				\$212
17-10-0042	WETA	Albany/Berkeley Ferry Terminal	Modernize	Transit Efficiency and Service Improvements	\$143				\$143
17-10-0043	Multi-County	Regional Carpool Program	Modernize	Climate	\$60	\$3	\$8		\$48
17-10-0044	Multi-County	I-80 Express Lanes in both directions: Airbase Parkway to Red Top Road	Modernize	Express Lanes (Conversions) and Pricing	\$44		\$15		\$29
17-10-0045	Multi-County	I-80 Express Lanes: Westbound Bay Bridge Approaches	Modernize	Express Lanes (Conversions) and Pricing	\$18		\$0		\$18
17-10-0047	Multi-County	I-680 Express Lanes: Northbound from Marina Vista to SR 242	Modernize	Express Lanes (Conversions) and Pricing	\$15		\$2		\$13
17-10-0048	Multi-County	I-680 Express Lanes: Southbound from Marina Vista to Rudgear	Modernize	Express Lanes (Conversions) and Pricing	\$36		\$36		
17-10-0049	Multi-County	I-680 Express Lanes in both directions: Livorna/Rudgear to Alcosta	Modernize	Express Lanes (Conversions) and Pricing	\$56		\$56		
17-10-0050	Multi-County	SR-84 Express Lanes: Westbound from I-880 to Dumbarton Bridge Toll Plaza	Modernize	Express Lanes (Conversions) and Pricing	\$6		\$2		\$4
17-10-0051	Multi-County	SR-92 Express Lanes: Westbound from Hesperian to San Mateo Bridge Toll Plaza	Modernize	Express Lanes (Conversions) and Pricing	\$7		\$2		\$5
17-10-0052	Multi-County	I-880 Express Lanes in both directions: Hegenberger/Lewelling to SR-237	Modernize	Express Lanes (Conversions) and Pricing	\$78		\$40		\$38
17-10-0053	Multi-County	I-80 Express Lanes in both directions: Carquinez Bridge to Bay Bridge	Modernize	Express Lanes (Conversions) and Pricing	\$81		\$41		\$40
17-10-0054	Multi-County	MTC Express Lane Program Cost	Modernize	Express Lanes (Conversions) and Pricing	\$113		\$60		\$53
17-10-0055	Multi-County	East and North Bay Express Lanes Operations and Maintenance	Modernize	Express Lanes (Conversions) and Pricing	\$1,512		\$1,512		
17-10-0056	Multi-County	East and North Bay Express Lanes Reserve	Modernize	Express Lanes (Conversions) and Pricing	\$2,164		\$2,164		
17-10-0057	Multi-County	I-880 Express Lanes: Northbound from Hegenberger to Lewelling and bridge improvements	Expand	Express Lanes (Expand) and Roadway Expansion	\$221		\$221		
17-10-0058	Multi-County	I-680 Express Lanes: Northbound from SR-84 to SR-237	Expand	Express Lanes (Expand) and Roadway Expansion	\$394		\$394		
17-10-0059	Multi-County	I-80 Express Lanes in both directions: Airbase Parkway to I-505	Expand	Express Lanes (Expand) and Roadway Expansion	\$136		\$136		
17-10-0060	Multi-County	I-680 Express Lanes: Northbound from Rudgear to SR 242 and operational improvements	Expand	Express Lanes (Expand) and Roadway Expansion	\$57		\$57		

Transportation Project List

values in millions of YOE \$




RTPID	Sponsor	Title	Strategy 1	Strategy 2	Total Project Cost	Pre2017 Funding	Post 2017 Local/ Committed Funding	Nov. 2016 Ballot Measure	Regional Discretionary Funding
17-10-0061	Multi-County	I-680 Express Lanes: I-80 westbound to I-680 southbound and I-680 northbound to I-80 eastbound direct connectors	Expand	Express Lanes (Expand) and Roadway Expansion	\$140		\$140		
17-10-0062	Multi-County	East and North Bay Express Lanes - Environmental and Design Phases for Future Segments	Expand	Express Lanes (Expand) and Roadway Expansion	\$200		\$200		
17-10-0063	BART	BART Seismic Safety Augmentation	Modernize	Planning and Programs	\$90		\$10		\$80
17-10-0064	BART	Hayward Maintenance Complex Phase 1	Modernize	Transit Efficiency and Service Improvements	\$433	\$254	\$179		

Draft Performance Target Results

					<div> <div>Main Streets</div> <div>Connected Neighborhoods</div> <div>Big Cities Preferred</div> <div>Final</div> </div>				
Goal		Target*	%	No Project					
	Climate Protection	1	Reduce per-capita CO ₂ emissions	-15%	-4%	-16%	-19%	-20%	-18%
	Adequate Housing	2	House the region's population	100%	100%	100%	100%	100%	100%
	Healthy and Safe Communities	3	Reduce adverse health impacts	-10%	-0%	-0%	-1%	-1%	-1%
	Open Space and Agricultural Preservation	4	Direct development within urban footprint	100%	85%	96%	100%	100%	100%
	Equitable Access	5	Decrease H+T share for lower-income households	-10%	+14%	+13%	+13%	+13%	+13%
		6	Increase share of affordable housing	+15%	-0%	+1%	+2%	-0%	+2%
		7	Do not increase share of households at risk of displacement	+0%	+20%	+11%	+14%	+19%	+9%
	Economic Vitality	8	Increase share of jobs accessible in congested conditions	+20%	-2%	-1%	-1%	-1%	-0%
		9	Increase jobs in middle-wage industries	+38%	+43%	+43%	+43%	+43%	+43%
		10	Reduce per-capita delay on freight network	-20%	+10%	-30%	-26%	-36%	-29%
	Transportation System Effectiveness	11	Increase non-auto mode share	+10%	+2%	+2%	+3%	+3%	+3%
		12	Reduce vehicle O&M costs due to pavement conditions	-100%	+47%	-65%	-9%	+15%	-16%
		13	Reduce per-rider transit delay due to aged infrastructure	-100%	-61%	-77%	-78%	-80%	-78%

Notes: *Target results are subject to change as scenarios are further refined and finalized. Note that select targets have not yet been analyzed for the final horizon year of 2040 and are currently using year 2035 as the best available proxy. Final target results released in mid-November will reflect the ultimate horizon year. Complete target language as adopted by the Commission and ABAG Board can be found at <http://planbayarea.org/the-plan/plan-details/goals-and-targets.html>. Target language shown above is summarized for brevity.

Symbols used in summary tables:

 Performance moving in wrong direction from target
  Performance moving in right direction, but falls well short of target
  Target achieved

Draft Results for Equity Measures

Attachment D.2

Equity Measures		Geography	%	No Project	Main Streets	Connected Neighborhoods	Big Cities	Final Preferred
3	Reduce adverse health impacts	High-Income Households	-10%	-1%	-1%	-1%	-1%	-1%
		Low-Income Households		-0%	-0%	-0%	-1%	-1%
5	Decrease H+T share for lower-income households	Higher-Income Households	-10%	+4%	+4%	+4%	+4%	+4%
		Lower-Income Households		+14%	+13%	+13%	+13%	+13%
6	Increase share of affordable housing	Outside Communities of Concern	+15%	+0%	+1%	+2%	-0%	+2%
		Inside Communities of Concern		-1%	-1%	-1%	-2%	-1%
7	Do not increase share of households at risk of displacement	Outside Communities of Concern	+0%	+16%	+13%	+14%	+15%	+11%
		Inside Communities of Concern		+30%	+9%	+14%	+31%	+6%
8	Increase share of jobs accessible in congested conditions	Outside Communities of Concern	+20%	-2%	-1%	-1%	-1%	-0%
		Inside Communities of Concern		-1%	-0%	-0%	-2%	+1%
9	Increase jobs in middle-wage industries	Outside Communities of Concern	+43%	+43%	+43%	+43%	+43%	+43%
		Inside Communities of Concern		+43%	+43%	+43%	+43%	+43%

Notes: Equity measure results are subject to change as scenarios are further refined this fall. Note that select equity measures have not yet been analyzed for the final horizon year of 2040 and are currently using year 2035 as the best available proxy. Final equity measure results released in fall 2016 will reflect the ultimate horizon year. For equity measures #3 and #5, low-income households earn less than \$30,000 in year 2000 dollars, lower-income households earn less than \$60,000 in year 2000 dollars, high-income households earn more than \$100,000 in year 2000 dollars, and higher-income households earn more than \$60,000 in year 2000 dollars. For equity measures #6 and #7, the measures are specific to Priority Development Areas, Transit Priority Areas, or High-Opportunity Areas. Note that Communities of Concern do not generally overlap with High-Opportunity Areas.

Symbols used in summary tables:



Stronger performance in Communities of Concern or for lower-income households



Weaker performance in Communities of Concern or for lower-income households



Similar performance in Communities of Concern or for lower-income households

Item 4.C.

From: Louise Auerhahn
To: [Martha Silver](#)
Subject: Public comment for Joint MTC/ABAG Committee Nov. 4th
Date: Thursday, November 03, 2016 10:29:11 PM
Attachments: [Draft Resolution re Implementation Actions eds v5.docx](#)

Martha,

Attached please find a proposed resolution submitted by a coalition of community organizations for the Committee's consideration. My apologies for the late notice (we have just made several revisions from an earlier version).

Can you please make sure the Joint Committee members are provided with a copy?

Many thanks,

Louise Auerhahn

Louise Auerhahn
Director of Economic & Workforce Policy
Working Partnerships USA

(408) 809-2131
lauerhahn@wpusa.org
www.wpusa.org

Resolution #

WHEREAS as the elected representatives of the Bay Area's nine counties and 101 jurisdictions we attest that the region is facing unprecedented housing affordability and displacement crises, coupled with pressing environmental, public health, and economic challenges;

WHEREAS we affirm that the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) should work, through their regional planning processes, to continuously improve the quality of life of the region's 7.6 million residents, especially its low-income communities;

WHEREAS if Plan Bay Area 2040 is to meaningfully advance a vision of a Bay Area that can reduce greenhouse gas emissions, affordably house its residents, retain and promote quality jobs, prevent displacement of its longtime residents, preserve its open space and decrease congestion, it must include specific tools and mechanisms that can help support those goals and a clear implementation strategy to put those policies into action;

THEREFORE BE IT RESOLVED, that the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) shall establish an ACTION PLAN for Plan Bay Area 2040, to be adopted as part of the Final Plan Bay Area 2040 that is fully consistent with the RTP/SCS, which includes the following components:

- 1) The ACTION PLAN will quantify the funding gaps and describe the funding and policy actions necessary to achieve the Plan Bay Area 2040 Performance Targets, with a focus on those where the region appears to be moving off target such as housing and transportation affordability, displacement risk, and access to jobs.
- 2) The ACTION PLAN will establish specific actions to be taken in the near (Immediately – 2 years), medium (2-5 years), and long term (5 years+) to achieve the Plan's Performance Targets:
 - a) The ACTION PLAN will specify actions to be undertaken by ABAG and MTC that considers a variety of approaches including the following:
 - i) Conditioning the provision of transportation funds on local policies and actions;
 - ii) Leveraging and/or creating new regional funding sources within the purview of the agencies;
 - iii) Creating new regional programs and partnerships with the purposes of achieving Plan Bay Area's performance targets;
 - iv) The refinement of existing programs to improve their performance relative to achieving the Plan's targets; and
 - v) Refinements or new approaches to data collection, analysis and modelling to improve our understanding of how funding, policy, and program actions impact progress towards Performance Targets.

- b) The ACTION PLAN will specify actions to be undertaken in partnership with relevant stakeholders including: local jurisdictions and public agencies and non-profit and community-based organizations that represent social equity, affordable housing, tenants' rights, the environment, transportation, public health, labor, and business.
 - c) The ACTION PLAN will call for development of actions to be advocated for by MTC and ABAG at the state and federal levels.
 - d) The ACTION PLAN will be revised periodically to incorporate new relevant analyses conducted by MTC and ABAG
- 3) The ACTION PLAN will include a detailed WORK PROGRAM that outlines actions to be taken by regional agency staff to accomplish the priorities described above.
 - 4) The ACTION PLAN will be developed in consultation with relevant stakeholders named in 2b through a public process.

THEREFORE BE IT RESOLVED, that MTC and ABAG shall create an ACTION PLAN comprised of the four components outlined above that is fully consistent with the RTP/SCS, that shall be adopted or as part of the Final Plan Bay Area 2040.

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SUMMARY MINUTES (DRAFT)

ABAG Executive Board Meeting No. 416
ABAG Executive Board Special Meeting No. 417
Thursday, September 15, 2016
Bay Area Metro Center
375 Beale Street, Board Room
San Francisco, California

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

President Julie Pierce, Councilmember, City of Clayton, called the regular meeting and special meeting of the Executive Board of the Association of Bay Area Governments to order at about 7:06 p.m. in memory of Patricia M. Jones, former ABAG Assistant Executive Director.

President Pierce led the Executive Board and the public in the Pledge of Allegiance.

A quorum of the Executive Board was present at about 7:14 p.m.

President Pierce introduced Anthony Rodriguez, a Planning intern.

Representatives and Alternates Present

Supervisor Candace Andersen
Supervisor Damon Connolly
Supervisor David Cortese
Councilmember Jim Davis
Mayor Pat Eklund
Councilmember Abel Guillen
Vice Mayor Pradeep Gupta
Supervisor Scott Haggerty
Mayor Barbara Halliday
Mayor Bill Harrison
Councilmember Dave Hudson
Supervisor Mark Luce
Vice Mayor Jake Mackenzie
Supervisor Eric Mar
Supervisor Karen Mitchoff
Councilmember Mary Ann Nihart
Councilmember Raul Peralez
Councilmember Julie Pierce
Supervisor Dave Pine
Supervisor David Rabbitt
Vice Mayor Greg Scharff
Supervisor John Vazquez

Representatives Absent

Mayor Jack Batchelor
Councilmember Annie Campbell Washington
Supervisor Cindy Chavez
Dir Nicole Elliott, Leg and Gov Affairs

Jurisdiction

County of Contra Costa
County of Marin
County of Santa Clara
City of Sunnyvale
City of Novato
City of Oakland
City of South San Francisco
County of Alameda
City of Hayward
City of Fremont
City of San Ramon
County of Napa
City of Rohnert Park
County of San Francisco
County of Contra Costa
City of Pacifica
City of San Jose
City of Clayton
County of San Mateo
County of Sonoma
City of Palo Alto
County of Solano

Jurisdiction

City of Dixon
City of Oakland
County of Santa Clara
City of San Francisco

Mayor Leon Garcia	City of American Canyon
Councilmember Charles "Chappie" Jones	City of San Jose
Supervisor Jane Kim	County of San Francisco
Director William Kissinger*	RWQCB
Mayor Edwin Lee	City of San Francisco
Councilmember Lynette Gibson McElhaney	City of Oakland
Supervisor Nathan Miley	County of Alameda
Supervisor Warren Slocum	County of San Mateo

[* Non-voting Advisory Member]

2. PUBLIC COMMENT

The following individual gave public comment: Matt Vander Sluis, Greenbelt Alliance.

3. ANNOUNCEMENTS

There were no member announcements.

4. PRESIDENT'S REPORT

A. Adoption of Resolution No. 10-16, Recognizing the Lifetime Commitment and Outstanding Achievements of Patricia M. Jones On Her Passing August 5, 2016

President Pierce introduced and welcomed Mr. Terry Jones, the brother of Patricia M. Jones, former ABAG Assistant Executive Director.

President Pierce recognized a motion by Scott Haggerty, Supervisor, County of Alameda, which was seconded by Dave Rabbitt, Supervisor, County of Sonoma, to adopt Resolution No. 10-16, Recognizing the Lifetime Commitment and Outstanding Achievements of Patricia M. Jones on Her Passing August 5, 2016.

President Pierce read the resolution and presented it to Mr. Jones who accepted it with comments and thanks to ABAG.

There was no discussion.

There was no public comment.

The aye votes were: Andersen, Connolly, Cortese, Davis, Eklund, Guillen, Gupta, Haggerty, Halliday, Harrison, Hudson, Luce, Mackenzie, Mar, Mitchoff, Nihart, Peralez, Pierce, Pine, Rabbitt, Scharff, Vazquez

The nay votes were: None.

Abstentions were: None.

Absent were: Batchelor, Campbell Washington, Chavez, Elliot, Garcia, Jones, Kim, Kissinger, Lee, McElhaney, Miley, Slocum

The motion passed unanimously.

5. EXECUTIVE DIRECTOR'S REPORT

A. Update on the ABAG/MTC Option 7 Implementation Action Plan

Brad Paul, ABAG Deputy Executive Director, reported on the ABAG/MTC Option 7 Implementation Action Plan, including the work on due diligence, the employee

representation group, contract for services and memorandum of understanding, Management Partners and schedule, and regular updates to staff.

Members discussed reviewing the draft contract for services and draft memorandum of understanding.

6. CONSENT CALENDAR

President Pierce recognized a motion by Pat Eklund, Mayor, City of Novato, which was seconded by Haggerty, to approve the consent calendar.

There was no discussion.

There was no public comment.

The aye votes were: Andersen, Connolly, Cortese, Davis, Eklund, Guillen, Gupta, Haggerty, Halliday, Harrison, Hudson, Luce, Mackenzie, Mar, Mitchoff, Nihart, Peralez, Pierce, Pine, Rabbitt, Scharff, Vazquez

The nay votes were: None.

Abstentions were: None.

Absent were: Batchelor, Campbell Washington, Chavez, Elliot, Garcia, Jones, Kim, Kissinger, Lee, McElhaney, Miley, Slocum

The motion passed unanimously.

A. Approval of Executive Board Summary Minutes of Meeting No. 415 held on July 21, 2016

The Executive Board approved the Summary Minutes of Meeting No. 415 held on July 21, 2016.

B. Approval of Transmission of Federal Grant Applications to State Clearinghouse

With Executive Board consent, ABAG will transmit a list of federal grant applications to the State Clearinghouse. These applications were circulated in ABAG's Intergovernmental Review Newsletter since the last Executive Board meeting.

C. Authorization to Submit a Full Proposal and Accept a Grant from the U.S. EPA Bay Water Quality Improvement Fund to Undertake a Project on Multi-Benefit Urban Greening and Tidal Wetlands Restoration in Silicon Valley

The Executive Board authorized approval of submittal of a Full Proposal to U.S. EPA and for the Executive Director or designee to sign an agreement with U.S. EPA to accept a grant for the Healthy Watersheds, Resilient Baylands project. The project assists with implementation of the Comprehensive Conservation and Management Plan (CCMP) for the San Francisco Estuary.

D. Ratification of Application to US Environmental Protection Agency (EPA) for Fiscal Year 2016-2017 National Estuary Program Funding

The Executive Board approved the annual ABAG/SFEP application for funds under the National Estuary Program and authorized the Executive Director or designee to enter into a new cooperative agreement or amendment with EPA on behalf of the San Francisco Estuary Partnership to provide technical, public involvement and

administrative support in implementing the Comprehensive Conservation and Management Plan (CCMP). The agreement term will be through September 30, 2017.

E. Adoption of Resolution No. 11-16, Authorizing the Executive Director, or Designee, to Submit an Application and Execute an Agreement with the California State Parks Division of Boating and Waterways on Behalf of the San Francisco Estuary Partnership's Clean Vessels Act Program

The Executive Board adopted Resolution No.11-16, authorizing the Executive Director or Designee to submit a proposal to the California State Parks Division of Boating and Waterways for funding of up to \$300,000, and to enter into a grant agreement if that funding is awarded at a match rate of 33%.

7. LEGISLATION AND GOVERNMENTAL ORGANIZATION COMMITTEE REPORT

Committee Chair Scott Haggerty, Supervisor, County of Alameda, reported on committee activities and requested Executive Board approval of committee recommendations, including the following: approval of summary minutes of meeting on July 21, 2016; report on SB 32 (Pavley), the California Global Warming Solutions Act of 2006: Emission Limit; and AB 197 (Garcia), State Air Resources Board: Greenhouse Gases: Regulations; report on State Ballot Propositions, including support for Proposition 54, Public Display of Legislative Bills Prior to Vote; report on legislation for 2016 Legislative Session; and consideration of a special Executive Board meeting in October.

President Pierce recognized a motion by Haggerty, which was seconded by Karen Mitchoff, Supervisor, County of Contra Costa, to approve the committee report.

There was no discussion.

There was no public comment.

The aye votes were: Andersen, Connolly, Cortese, Davis, Eklund, Guillen, Gupta, Haggerty, Halliday, Harrison, Hudson, Luce, Mackenzie, Mar, Mitchoff, Nihart, Peralez, Pierce, Pine, Rabbitt, Scharff, Vazquez

The nay votes were: None.

Abstentions were: None.

Absent were: Batchelor, Campbell Washington, Chavez, Elliot, Garcia, Jones, Kim, Kissinger, Lee, McElhaney, Miley, Slocum

The motion passed unanimously.

8. FINANCE AND PERSONNEL COMMITTEE REPORT

Committee Chair Bill Harrison, Mayor, City of Fremont, reported on committee activities and requested Executive Board approval of committee recommendations, including the following: approval of summary minutes of meeting on July 21, 2016 and July 29, 2016; report on financial report for June 2016; report on revision to ABAG investment policy; report on payment of membership dues for Fiscal Year 2016-2017; report on Joint Powers Agreement to provide staffing for the San Francisco Bay Restoration Authority. The committee met in closed session regarding the following: a conference with labor negotiators; public employee performance evaluation, Title: Executive Director; and public employee performance evaluation, Title: Legal Counsel.

President Pierce recognized a motion by Harrison, which was seconded by Greg Scharff, Vice Mayor, City of Palo Alto, to approve the committee report.

There was no discussion.

There was no public comment.

The aye votes were: Andersen, Connolly, Cortese, Davis, Eklund, Guillen, Gupta, Haggerty, Halliday, Harrison, Hudson, Luce, Mackenzie, Mar, Mitchoff, Nihart, Peralez, Pierce, Pine, Rabbitt, Scharff, Vazquez

The nay votes were: None.

Abstentions were: None.

Absent were: Batchelor, Campbell Washington, Chavez, Elliot, Garcia, Jones, Kim, Kissinger, Lee, McElhaney, Miley, Slocum

The motion passed unanimously.

A. Report on Joint Powers Agreement to Provide Staffing for the San Francisco Bay Restoration Authority

Harrison reported on the Finance and Personnel Committee recommendation to the Executive Board regarding authorizing the Executive Director, or his designee, to negotiate and execute a Joint Powers Agreement.

Moy reported on the work of the San Francisco Bay Restoration Authority.

Rapport reported that ABAG appoints the members of the Governing Board of the San Francisco Bay Restoration Authority. He reported on ABAG's work on sea level rise.

Dave Pine, Supervisor, County of San Mateo, and Governing Board Chair, San Francisco Bay Restoration Authority, reported on the San Francisco Bay Restoration Authority, staffing efforts and expertise, and tidal wetlands restoration.

President Pierce recognized a motion by Pine, which was seconded by Eklund, to authorize the Executive Director, or his designee, to negotiate and execute a Joint Powers Agreement to provide staffing for the San Francisco Bay Restoration Authority.

There was no discussion.

There was no public comment.

The aye votes were: Andersen, Connolly, Cortese, Davis, Eklund, Guillen, Gupta, Haggerty, Halliday, Harrison, Hudson, Luce, Mackenzie, Mar, Mitchoff, Nihart, Peralez, Pierce, Pine, Rabbitt, Scharff, Vazquez

The nay votes were: None.

Abstentions were: None.

Absent were: Batchelor, Campbell Washington, Chavez, Elliot, Garcia, Jones, Kim, Kissinger, Lee, McElhaney, Miley, Slocum

The motion passed unanimously.

[The Executive Board next took up Items 14 and 15.]

9. CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives: Marti Paschal, Interim Assistant Director of Administrative Services; Brad Paul, Deputy Executive Director; Ezra Rapport, Executive Director.

Employee organization: SEIU Local 1021

10. CLOSED SESSION

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: Executive Director

11. CLOSED SESSION

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: Legal Counsel

The Executive Board returned to Open Session at about 10:36 p.m.

President Pierce recognized a motion by John Vazquez, Supervisor, County of Solano, which was seconded by Abel Guillen, Councilmember, City of Oakland, to approve the Finance and Personnel Committee recommendation regarding employee medical benefit, i.e., that ABAG continue cost sharing and increase its Calendar Year 2016 contribution by .85 percent, rather than the 1.5 percent increase provided in the MOU.

There was no discussion.

There was no public comment.

The aye votes were: Andersen, Connolly, Cortese, Davis, Eklund, Guillen, Gupta, Haggerty, Halliday, Harrison, Hudson, Luce, Mackenzie, Mar, Mitchoff, Nihart, Peralez, Pierce, Pine, Rabbitt, Scharff, Vazquez

The nay votes were: None.

Abstentions were: None.

Absent were: Batchelor, Campbell Washington, Chavez, Elliot, Garcia, Jones, Kim, Kissinger, Lee, McElhaney, Miley, Slocum

The motion passed unanimously.

12. OPEN SESSION

ADJUSTMENT TO PUBLIC EMPLOYEE COMPENSATION: EXECUTIVE DIRECTOR

President Pierce recognized a motion by Mary Ann Nihart, Councilmember, City of Pacific, which was seconded by Scharff, to accept the resignation and retirement of Ezra Rapport, ABAG Executive Director.

There was no discussion.

There was no public comment.

The aye votes were: Andersen, Connolly, Cortese, Davis, Eklund, Guillen, Gupta, Haggerty, Halliday, Harrison, Hudson, Luce, Mackenzie, Mar, Mitchoff, Nihart, Peralez, Pierce, Pine, Rabbitt, Scharff, Vazquez

The nay votes were: None.

Abstentions were: None.

Absent were: Batchelor, Campbell Washington, Chavez, Elliot, Garcia, Jones, Kim, Kissinger, Lee, McElhaney, Miley, Slocum

The motion passed unanimously.

13. OPEN SESSION

ADJUSTMENT TO PUBLIC EMPLOYEE COMPENSATION: LEGAL COUNSEL

President Pierce recognized a motion by Mitchoff, which was seconded by Jake Mackenzie, Councilmember, City of Rohnert Park, to approve a net increase of six percent in the salary of Kenneth Moy, ABAG Legal Counsel, effective July 1, 2016.

There was no discussion.

There was no public comment.

The aye votes were: Andersen, Connolly, Cortese, Davis, Eklund, Guillen, Gupta, Haggerty, Halliday, Harrison, Hudson, Luce, Mackenzie, Mar, Mitchoff, Nihart, Peralez, Pierce, Pine, Rabbitt, Scharff, Vazquez

The nay votes were: None.

Abstentions were: None.

Absent were: Batchelor, Campbell Washington, Chavez, Elliot, Garcia, Jones, Kim, Kissinger, Lee, McElhaney, Miley, Slocum

The motion passed unanimously.

Moy thanked the Executive Board.

Rapport read his letter of resignation/retirement.

Board members expressed their gratitude for the work and commitment of Ezra Rapport. A reception will be planned on September 30.

[The Executive Board next took up Item 16.]

14. REPORT ON LOCAL COLLABORATION PROGRAMS—ENTERPRISES AND SERVICE PROGRAMS INFORMATION

Rapport introduced the report on local collaboration programs—enterprises and service programs. Staff will present an overview of ABAG's local collaboration programs. The presentation of ABAG's enterprises and service programs is intended to extend over the next three Executive Board meetings. Staff will present the highlights of the local collaboration programs.

A. Presentation on San Francisco Bay Area Regional Energy Network (BayREN)

Jenny Berg, ABAG Bay Regional Energy Network, presented the BayREN Program

Carolyn Glanton, RCPA, and Wendy Sommer, StopWaste, commented on the BayREN Program.

Members discussed the Home Upgrade program and incentives.

B. Presentation on Resilience Program

Arietta Chakos, ABAG Resilience Program Consultant, presented the Resilience Program.

Kelly McAdoo, City Manager, City of Hayward; Josh Boatwright, USGS; and Laurel Jones, City of Hayward, commented on the Resilience Program.

Members discussed national recognition of the Resilience Program; local hazard mitigation plans; soft-story retrofits; local disasters; building codes; water aqueduct retrofit.

15. REPORT ON PLAN BAY AREA 2040 DRAFT PREFERRED SCENARIO

A. Plan Bay Area 2040 Draft Preferred Scenario—Growth Distribution

B. Plan Bay Area 2040 Draft Transportation Investment Strategy

C. Plan Bay Area 2040 Draft Preferred Scenario—Preliminary Results for Performance Targets and Equity Measures

D. Plan Bay Area 2040 Draft Implementation Actions

Miriam Chion, ABAG Planning and Research Director, joined by Ken Kirkey, MTC Planning Director, reported on the draft preferred scenario, land use growth allocations, transportation investment strategy, performance targets, and implementation action.

The following individual gave public comment: Pedro Galvao, Nonprofit Housing Association of Northern California.

Members discussed different ways of looking at the scenario based on market analysis; market rate housing, economic factors, and development impact fees; inclusionary housing; a special meeting on Plan Bay Area in October; job-housing ratios; workforce housing; transit hubs and housing near transit; connecting jobs and housing and transportation corridors; sprawl and Priority Conservation Areas and open space; economic reality check; parking and congestion; assumptions; briefing on Urban Sims; household and job projections; compiling questions and answers; cost to cities to absorb housing; draft performance targets; job projection and planning; affordable housing; need for additional meetings; equity analysis; economic displacement; aspirational planning; upcoming meeting schedule; county meetings.

[The Executive Board next took up Items 9, 10, 11, 12, and 13.]

The Executive Board entered Closed Session at about 10:12 p.m.

16. ADJOURNMENT

President Pierce adjourned the meeting of the Executive Board at about 10:43 p.m. in memory of Patricia M. Jones, former ABAG Assistant Executive Director.

The next regular meeting of the Executive Board will be on November 17, 2016.

Submitted:

/s/ Ezra Rapport, Secretary-Treasurer

Date Submitted: November 7, 2016

Approved:

For information or to review audio recordings of ABAG Executive Board meetings, contact Fred Castro, Clerk of the Board, at (415) 820 7913 or FredC@abag.ca.gov.

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SUMMARY NOTES (DRAFT)

ABAG Executive Board
Thursday, October 20, 2016
Bay Area Metro Center
375 Beale Street, Board Room
San Francisco, California

1. PLEDGE OF ALLEGIANCE

President Julie Pierce, Councilmember, City of Clayton, noted that there was not a quorum of the Executive Board of the Association of Bay Area Governments present at about 7:04 p.m. The President asked that the ABAG staff proceed with their presentation without a quorum present.

President Pierce led the Executive Board and the public in the Pledge of Allegiance.

The following members of the Executive Board were present for part, or all, of the time noted.

Representatives and Alternates Present

Supervisor Candace Andersen
Supervisor Damon Connolly
Councilmember Jim Davis
Mayor Pat Eklund
Vice Mayor Pradeep Gupta
Councilmember Dave Hudson
Mayor Wayne Lee
Supervisor Mark Luce
Vice Mayor Jake Mackenzie
Supervisor Eric Mar
Supervisor Karen Mitchoff
Councilmember Raul Peralez
Councilmember Julie Pierce
Supervisor David Rabbitt
Vice Mayor Greg Scharff
Mayor Trish Spencer

Jurisdiction

County of Contra Costa
County of Marin
City of Sunnyvale
City of Novato
City of South San Francisco
City of San Ramon
City of Milbrae
County of Napa
City of Rohnert Park
County of San Francisco
County of Contra Costa
City of San Jose
City of Clayton
County of Sonoma
City of Palo Alto
City of Alameda

Representatives Absent

Mayor Jack Batchelor
Councilmember Annie Campbell Washington
Supervisor Cindy Chavez
Supervisor David Cortese
Dir Nicole Elliott, Leg and Gov Affairs
Mayor Leon Garcia
Councilmember Abel Guillen
Supervisor Scott Haggerty
Mayor Bill Harrison
Councilmember Charles "Chappie" Jones
Supervisor Jane Kim
Director William Kissinger *

Jurisdiction

City of Dixon
City of Oakland
County of Santa Clara
County of Santa Clara
City of San Francisco
City of American Canyon
City of Oakland
County of Alameda
City of Fremont
City of San Jose
County of San Francisco
RWQCB

Mayor Edwin Lee	City of San Francisco
Councilmember Lynette Gibson McElhaney	City of Oakland
Supervisor Nathan Miley	County of Alameda
Supervisor Dave Pine	County of San Mateo
Supervisor Linda Seifert	County of Solano
Supervisor Warren Slocum	County of San Mateo

[* Non-voting Advisory Member]

2. PUBLIC COMMENT

There was no public comment.

3. ANNOUNCEMENTS

Karen Mitchoff, Supervisor, County of Contra Costa, and Chair, Resiliency Subcommittee, announced the Bay Area Confluence Conference on November 10, 2016.

4. PRESIDENT'S REPORT

President Pierce announced a special General Assembly on Thursday, January 19, 2017. The agenda will include a report on the ABAG MTC Option 7 Implementation Plan and a report on the Plan Bay Area 2040 Preferred Scenario. The regular General Assembly will be in April 2017.

5. EXECUTIVE DIRECTOR'S REPORT

A. Update on the ABAG/MTC Option 7 Implementation Action Plan

Brad Paul, ABAG Deputy Executive Director, reported on the ABAG/MTC Option 7 Implementation Action Plan, including work involving Public Finance Management, Inc. on the financial due diligence, and Orrick, Herrington & Sutcliffe, LLP, on the legal due diligence; the contract for services and memorandum of understanding; employee relations committee; Koff and Associates on the staff consolidation; and organizational development and staff integration.

Members discussed consultant costs and reviewing the draft contract for services and draft memorandum of understanding.

[The ABAG staff presented Item 8 next.]

6. CONSENT CALENDAR

There was no presentation of, or action taken on, the Consent Calendar.

A. Authorize Conveyance of Interest in Real Property to the City of San Ramon

7. REPORT ON ABAG/STARS 457 DEFERRED COMPENSATION PROGRAM

There was no presentation of, or action taken on, the ABAG/STARS 457 Deferred Compensation Program.

8. REPORT ON LOCAL COLLABORATION PROGRAMS—ENTERPRISES AND SERVICE PROGRAMS

Staff presented an overview and highlights of ABAG's local collaboration programs. The presentation of ABAG's enterprises and service programs is intended to extend over the next Executive Board meetings.

A. Presentation on San Francisco Estuary Partnership

Caitlin Sweeney, Director, San Francisco Estuary Partnership, presented the San Francisco Estuary Partnership, including the National Estuary Program under the Clean Water Act; coalition of resource agencies, non-profit organizations, and scientists; operating budget and project and program funding; facilitate partnerships; collaborate on health of the Estuary and land use, resilience, and regional planning; 2016 Estuary Blueprint; and importance of the Estuary.

Nancy Woo, Water Division, U.S. Environmental Protection Agency, Region IX, and Andrew Gunther, Executive Coordinator, Bay Area Ecosystems Climate Change Consortium.

Members discussed preserving the Bay; the San Francisco Bay watershed; active projects in San Francisco and East and West peninsula; San Francisco Regional Water Quality Control Board; the North Bay Climate Adaptation Initiative; the North Bay Watershed Group; green streets; Comprehensive Conservation and Management Plan; storm water treatment; Delta Counties Coalition; storm water management; sea level rise.

9. REPORT ON PLAN BAY AREA 2040—DRAFT PREFERRED SCENARIO COMMENTS

Miriam Chion, ABAG Planning and Research Director, reported on the Plan Bay Area 2040 Preferred Scenario, including preferred scenario adoption; implementation action guidance, and approach to the next Plan Bay Area. She reported on Priority Development Areas; transportation investments; performance targets; draft implementation actions on economic development, housing, resilience, and Priority Development Areas.

The following individuals gave public comment: Matt Vander Sluis, Greenbelt Alliance; Peter Galvao, Nonprofit Housing Association of Northern California.

Members discussed economic sustainability.

Ken Kirkey, MTC Planning Director, reported on the use of Urban Sims and regional land use planning.

Chion announced an Urban Sims informational workshop on November 3, 2016.

Members discussed an economic reality test of goals and projection; developing policy and implementation actions; an economic development strategy; considering individuals and stakeholders; means comparison; water availability; fiscal sustainability; Environmental Impact Review alternatives; greenhouse gas reductions and jobs close to housing; consequences of not approving the Preferred Scenario.

Kirkey reported on the Regional Transportation Plan, transportation and housing, and policy discussions.

Members discussed SB 375; the next Plan Bay Area and Regional Housing Needs Assessment; General Plan policies, Urban Sims, and limited focused update; local land use control and long term growth; Priority Conservation Areas and Priority Development Areas; open space and agricultural lands; preserving urban growth boundaries; technology and transportation; future mobility research; Priority Production Areas; work force zoning and work force priority housing; jobs and housing balance; Sustainable Communities Strategy scoping plan and AB 32.

10. ADJOURNMENT

The ABAG staff presentation concluded at about 9:56 p.m.

The next regular meeting of the Executive Board will be on November 17, 2016.

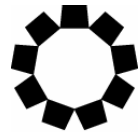
Submitted:

/s/ Ezra Rapport, Secretary-Treasurer

Date Submitted: November 8, 2016

Approved:

For information or to review audio recordings of ABAG Executive Board meetings, contact Fred Castro, Clerk of the Board, at (415) 820 7913 or FredC@abag.ca.gov.



MEETING SCHEDULE 2017

Approved by the Executive Board: Text

For meeting date and time and location, see meeting notice, agenda and attachments available at <http://www.abag.ca.gov/>

For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913.

General Assembly and Business Meeting

Date: Thursday, May 11

Time: 10:00 a.m. to 3:00 p.m.

Location: Bay Area Metro Center, 375 Beale Street, Yerba Buena Conference Room,
San Francisco

Executive Board

Dates: Thursday, January 20
Thursday, March 16
Thursday, May 18
Thursday, July 21
Thursday, September 21
Thursday, November 16

Time: 7:00 p.m. to 10:00 p.m.

Location: Bay Area Metro Center, 375 Beale Street, Board Room, San Francisco

Legislation and Governmental Organization Committee

Dates: *See Executive Board Schedule*

Time: 3:30 p.m. to 5:00 p.m.

Location: Bay Area Metro Center, 375 Beale Street, Board Room, San Francisco

Finance and Personnel Committee

Dates: *See Executive Board Schedule*

Time: 5:00 p.m. to 6:00 p.m.

Location: Bay Area Metro Center, 375 Beale Street, Board Room, San Francisco

Administrative Committee

Dates: *Special meetings scheduled as needed.*

Regional Planning Committee

Dates: Wednesday, February 1
Wednesday, April 5
Wednesday, June 7
Wednesday, August 2
Wednesday, October 4
Wednesday, December 6

Time: 12:00 p.m. to 3:00 p.m.

Location: Bay Area Metro Center, 375 Beale Street, Yerba Buena Conference Room,
San Francisco

Contact: Wally Charles, Administrative Secretary, Planning, (415) 820 7993,
wallyc@abag.ca.gov

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



Date: November 9, 2016

To: ABAG Executive Board

From: Duane Bay
Assistant Planning Director

Subject: **Request Approving the Accepting Grant Funds from FEMA**

Executive Summary

The Federal Emergency Management Agency (FEMA) has a history of coordinating with local communities and encourages strong Federal, State, Tribal, regional and local partnerships to increase involvement in National Flood Insurance Program (NFIP). The Cooperative Technical Partnership (CTP) Program exists to strengthen and increase the effectiveness of the National Flood NFIP.

The CTP Program primarily supports the mission and objectives of FEMA's Risk Mapping, Assessment, and Planning (MAP) program, an initiative of the NFIP's Flood Hazard Mapping Program begun in 2009. Generally, CTP Program priorities promote the advancement of the regional and national program measures associated with achieving the goals and objectives of Risk MAP which support the NFIP. Funding priorities for CTP cooperative agreements in support of Risk MAP Measures include Community Engagement and Risk Communication.

FEMA awarded ABAG \$530,000 in financial assistance under the fiscal year 2016 CTP to conduct a Risk MAP Measure: Community Engagement and Risk Communication. Specifically this grant (EMF-2016-CA00010-S01) will enable ABAG to advance regional resilience through regional assessments, statewide resilience coordination, and the provision of technical assistance. The period of performance is September 19, 2016 through September 18, 2018. There are no required matching funds.

Recommended Action

The ABAG Executive Board is requested to adopt Resolution No. 14-16 authorizing acceptance of FEMA financial assistance for fiscal year 2016 CTP to conduct Community Engagement and Risk Communication related work.

Attachment

Resolution 14-16

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**ASSOCIATION OF BAY AREA GOVERNMENTS
EXECUTIVE BOARD**

RESOLUTION NO. 14-16

**AUTHORIZING ACCEPTANCE OF FEMA COOPERATING TECHNICAL PARTNERS
GRANT EMF-2016-CA00010-S01**

WHEREAS, the Cooperative Technical Partners (CTP) Program of the Federal Emergency Management Agency (FEMA) exists to strengthen and increase the effectiveness of the National Flood Insurance Program (NFIP); and

WHEREAS, CTP Program priorities promote the advancement of the regional and national program measures associated with achieving the goals and objectives of Risk MAP which support the NFIP; and

WHEREAS, ABAG was awarded a federal fiscal year 2016 Community Engagement and Risk Communication grant in the amount of \$530,000 (EMF-2016-CA00010-S01); and

WHEREAS, the FEMA Community Engagement and Risk Communication grant will enable ABAG to significantly advance regional resilience through regional assessments, statewide resilience coordination, and the provision of technical assistance.

**ASSOCIATION OF BAY AREA GOVERNMENTS
RESOLUTION NO. 14-16**

NOW, THEREFORE, BE IT RESOLVED, the Executive Board of the Association of Bay Area Governments hereby authorizes the Executive Director, or his designee, to execute all documents and take actions necessary to accept the FEMA CTP Community Engagement and Risk Communication grant funds.

The foregoing was adopted by the Executive Board this 17th day of November, 2016.

Julie Pierce
President

Certification of Executive Board Approval

I, the undersigned, the appointed and qualified Secretary-Treasurer of the Association of Bay Area Governments (Association), do hereby certify that the foregoing resolution was adopted by the Executive Board of the Association at a duly called meeting held on the 17th day of November, 2016.

Ezra Rapport
Secretary-Treasurer

Approved as To Legal Form

Kenneth K. Moy
Legal Counsel

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



Date: November 9, 2016

To: ABAG Executive Board

From: Duane Bay
Assistant Planning Director

Subject: **Request Approving the Accepting Grant Funds from US EPA**

Executive Summary

The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA or the Superfund law) was amended by the Small Business Liability Relief and Brownfields Revitalization Act (Brownfields Law) to include section 104(k), which provides federal financial assistance for brownfields revitalization, including grants for assessment, cleanup, and revolving loan funds.

The US EPA awarded ABAG a \$550,000 Brownfields Community Wide Coalition Assessment grant BF-99T45501-0 as the lead coalition member of the East Bay Brownfields Assessment Coalition, a sub-group of the East Bay Corridor Initiative.

The purpose of the grant is to conduct Phase I and Phase II environmental assessments of high impact priority sites along the East 14th Street/ International and Mission Boulevards to confirm the presence or absence of contamination, advancing the reuse of and infill development on these sites. ABAG as the lead coalition member will be responsible to EPA for management of the cooperative agreement and compliance with the statutes, regulations and terms and conditions of the award, and ensuring that all members of the coalition are in compliance with the terms and conditions. The period of performance is October 1, 2016 through September 30, 2019. There are no required matching funds.

Recommended Action

The ABAG Executive Board is requested to adopt Resolution No. 15-16 authorizing acceptance of an EPA Brownfields Community Wide Coalition Assessment grant to conduct Phase I and Phase II environmental assessments along East 14th Street/International and Mission Boulevards.

Attachment

Resolution 15-16

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**ASSOCIATION OF BAY AREA GOVERNMENTS
EXECUTIVE BOARD**

RESOLUTION NO. 15-16

**AUTHORIZING ACCEPTANCE OF US EPA COMMUNITY WIDE COALITION
ASSESSMENT GRANT (BF-99T45501-0)**

WHEREAS, The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA or the Superfund law) was amended to provide federal financial assistance for brownfields revitalization, including grants for assessment, cleanup, and revolving loan funds; and

WHEREAS, the US EPA awarded ABAG a \$550,000 Brownfields Community Wide Coalition Assessment grant (BF-9945501-0) as the lead coalition member of the East Bay Brownfields Assessment Coalition, a sub-group of the East Bay Corridor Initiative; and

WHEREAS, the funds awarded will be used to conduct Phase I and Phase II environmental assessments of high impact priority sites along the East 14th Street/ International and Mission Boulevards to confirm the presence or absence of contamination for the purpose of advancing the reuse of and infill development on these sites;

**ASSOCIATION OF BAY AREA GOVERNMENTS
RESOLUTION NO. 15-16**

NOW, THEREFORE, BE IT RESOLVED, the Executive Board of the Association of Bay Area Governments hereby authorizes the executive director, or his designee, to execute all documents and take actions necessary to accept the US EPA Community Wide Coalition Assessment grant funds.

The foregoing was adopted by the Executive Board this 17th day of November, 2016.

Julie Pierce
President

Certification of Executive Board Approval

I, the undersigned, the appointed and qualified Secretary-Treasurer of the Association of Bay Area Governments (Association), do hereby certify that the foregoing resolution was adopted by the Executive Board of the Association at a duly called meeting held on the 17th day of November, 2016.

Ezra Rapport
Secretary-Treasurer

Approved as To Legal Form

Kenneth K. Moy
Legal Counsel

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



Date: November 9, 2016

To: ABAG Executive Board

From: Duane Bay
Assistant Planning Director

Subject: **Request Approving the Accepting Grant Funds from USGS**

Executive Summary

The United States Geological Services (USGS) Earthquake Hazards Program (EHP) issues annual assistance to support research in earthquake hazards, the physics of earthquakes, earthquake occurrence, and earthquake safety policy. This activity is authorized by the Earthquake Hazards Reduction Act of 1977 (Public Law 95-124, 42 U.S.C. 7701 et. seq.), as amended by Public Laws 101-614, 105-47, 106-503, and 108-360.

The USGS awarded ABAG an EHP grant (G16AP00172) in the amount of \$45,353 to revise the "Bay Area Vulnerable Housing Field Guide", which was written in May 2015. The guide will consolidate existing housing vulnerability assessments resources and advice to make them more accessible and informative to both residents and community leaders in the Bay Area. The work builds significantly upon a number of previous USGS EHP grants to ABAG. The proposed work will generate products that are of immediate use to city and county staff, and are very visible and tangible representations of the technical assistance and policy development work done by ABAG that is otherwise relatively invisible. The products include innovative web and social media for information dissemination.

The period of performance is September 1, 2016 through August 31, 2017. There are no required matching funds.

Recommended Action

The ABAG Executive Board is requested to adopt Resolution No. 16-16 authorizing acceptance of a grant from USGS Earthquake Hazards Program to produce a new "Vulnerable Housing Field Guide" for the Bay Area.

Attachment

Resolution 16-16

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**ASSOCIATION OF BAY AREA GOVERNMENTS
EXECUTIVE BOARD**

RESOLUTION NO. 16-16

**AUTHORIZING ACCEPTANCE OF USGS EARTHQUAKE HAZARDS PROGRAM
GRANT (G16AP00172)**

WHEREAS, the USGS Earthquake Hazards Program (EHP) issues annual assistance to support research in earthquake hazards, the physics of earthquakes, earthquake occurrence, and earthquake safety policy; and

WHEREAS, The USGS awarded ABAG an EHP grant (G16AP00172) in the amount of \$45,353 to revise the “Bay Area Vulnerable Housing Field Guide”; and

WHEREAS, the guide will consolidate existing housing vulnerability assessments resources and advice to make them more accessible and informative to both residents and community leaders in the Bay Area.

**ASSOCIATION OF BAY AREA GOVERNMENTS
RESOLUTION NO. 16-16**

NOW, THEREFORE, BE IT RESOLVED, the Executive Board of the Association of Bay Area Governments hereby authorizes the Executive Director, or his designee, to execute all documents and take actions necessary to accept the USGS Earthquake Hazards grant funds.

The foregoing was adopted by the Executive Board this 17th day of November, 2016.

Julie Pierce
President

Certification of Executive Board Approval

I, the undersigned, the appointed and qualified Secretary-Treasurer of the Association of Bay Area Governments (Association), do hereby certify that the foregoing resolution was adopted by the Executive Board of the Association at a duly called meeting held on the 17th day of November, 2016.

Ezra Rapport
Secretary-Treasurer

Approved as To Legal Form

Kenneth K. Moy
Legal Counsel

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



Date: November 10, 2016

To: ABAG Executive Board

From: Kenneth Moy
Legal Counsel

Subject: **Exchange of Real Estate Interests—101 8th Street and 375 Beale Street**

Summary and Requested Action: For the reasons set forth below, I am requesting that the Executive Board explicitly grant to the Administrative Committee the authority to authorize the Executive Director, or his designee, to execute all documents reasonably necessary to complete the real estate exchange described below, subject to approval by Legal Counsel.

A. Background:

In 2012, policymakers from ABAG and BAHA negotiated the terms of a Memorandum of Understanding dated February 13, 2013 (MOU) (Attachment A) under which ABAG would relocate its headquarters to 375 Beale Street, San Francisco (375 Beale) and join the Metropolitan Transportation Commission (MTC) and the Bay Area Air Quality Management District (AD) which would also be headquartered at 375 Beale.

The relocation would be accomplished through a real estate exchange of ABAG's condominium interest at 101 8th Street for a condominium interest to be created at 375 Beale (ABAG Unit). With respect to the physical aspects of the ABAG Unit:

- (1) BAHA delivers the ABAG Unit in "turnkey" condition and designed to the same standards as the space to be occupied by MTC.
- (2) Space plans for the ABAG Unit and related common use areas provides for basic functionalities such as storage space, conference rooms, IT facilities, pantries, etc.

Additional economic terms are:

- (a) ABAG provides \$4.2 million for capital tenant improvements from funds provided by MTC to ABAG per the funding framework approved by MTC in February 2013¹.
- (b) BAHA pays for moving costs.
- (c) ABAG's share of the annual Common Expenses² at 375 Beale plus ABAG's annual costs for utilities and janitorial services for ABAG Unit shall not exceed \$314,000 adjusted annually

¹ The obligation to pay is strictly limited to funds provided by MTC under the Funding Framework. MTC removed this funding from the Funding Framework in 2016.

Exchange of Real Estate Interests—101 8th Street and 375 Beale Street

November 10, 2016

2

for inflation as measured by the CPI for San Francisco – Oakland – All Urban Consumers, commencing on the date ABAG moves into the ABAG unit.

Additional terms regarding amenities are:

- (i) Subject to adequate demand, shuttle service from the Embarcadero BART station to 375 Beale will be provided for all public agency board and committee meetings, and
- (ii) BAHA provides an on-site food market/deli and coffee shop on the ground floor space of 375 Beale.

Finally, preliminary draft versions of the Declaration of Covenants, Conditions and Restrictions (CC&Rs) for 375 Beale and the Purchase and Sale Agreement and Joint Escrow Instructions (PSA) are attached to the MOU.

BAHA completed the physical renovation of 375 Beale in Spring 2016. However, the real estate exchange could not be consummated because the legal process to create the condominiums, including the ABAG Unit, had not been completed. On May 23, 2016, ABAG moved to 375 Beale and took occupancy under a Lease between BAHA and ABAG (Lease) (Attachment B). As required by the MOU, BAHA paid for moving expenses. The Lease provides that ABAG will pay its share of the Common Expenses but capped at \$314,000. Thus, ABAG has been occupying the ABAG Unit under the same economic terms that would have applied had the real estate exchange been consummated.

B. Timing of the Real Estate Exchange

BAHA anticipates consummation of the real estate exchange in 2017. Some of the documents are not yet available in sufficiently final form for presentation and approval. The Executive Board may hold a special meeting on December 15 which would be timely. If the Executive Board does not hold a special meeting, the Administrative Committee should be explicitly granted the authority to authorize the Executive Director, or his designee, to execute all documents reasonably necessary to complete the real estate exchange, subject to approval by Legal Counsel.

Attachments:

- A. Memorandum of Understanding
- B. Lease

² Common Expenses are the costs of operating and maintaining 375 Beale. ABAG's share is determined by a formula based on the amount of space in the ABAG Unit.

MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING, dated as of February 13, 2013 by and between the BAY AREA HEADQUARTERS AUTHORITY ("BAHA"), a joint powers authority established by the Metropolitan Transportation Commission ("MTC") and the Bay Area Toll Authority ("BATA") pursuant to the California Joint Exercise of Powers Act, consisting of California Government Code Sections 6500 through 6599.3 ("Act"), and the ASSOCIATION OF BAY AREA GOVERNMENTS ("ABAG"), a joint powers authority established by the San Francisco Bay Area's cities, towns and counties pursuant to the Act:

WHEREAS, BAHA is the owner of certain real property (the "Property") located at 390 Main Street in the City and County of San Francisco, State of California; and

WHEREAS, the Property consists of a building (the "Facility") comprised of 518,000 gross square feet over eight floors, each of which are identical 64,350-square-foot rectangular plates, measuring 234 by 275 feet, and the ground level which contains approximately 100 parking spaces; and

WHEREAS, BAHA will divide the Facility into two separate components, with approximately 260,000 square feet allocated to the development of separate condominium units to be acquired or leased by governmental agencies, who will also share certain jointly used and common areas (the "Agency Space") and the balance of the Facility to be owned and retained by BAHA for future expansion of the Agency Space and leased by BAHA to public and commercial sector tenants until expansion occurs; and

WHEREAS, BAHA has entered into an architectural and engineering contract to design and plan the retrofit and remodel the Facility, including the creation of individual tenant or condominium units, and concurrently therewith or subsequent thereto will enter into a construction contract or contracts to execute the retrofit and remodel, at BAHA's sole cost; and

WHEREAS, ABAG and MTC each hold condominium interests in the MetroCenter, located at 101 Eighth Street, Oakland, California 94607 (the "MetroCenter"); and

WHEREAS, it is the desire and intention of BAHA to subdivide the Agency Space at the Facility into three (3) separate condominium units, which will be owned by BAHA and leased or sold to other government agencies, including the Bay Area Air Quality Management District and ABAG, and to impose thereon mutually beneficial restrictions under a general plan or scheme of improvement for the benefit of all of said condominiums and the owners thereof;

WHEREAS, such mutually beneficial restrictions are to be memorialized in a Bay Area Facility Declaration of Covenants ("CCRs"), a form of which is attached hereto as Appendix 1, and which shall be recorded by BAHA at or about the time of occupation of the Facility; and

WHEREAS, ABAG and BAHA intend to enter into a Purchase and Sale Agreement and Joint Escrow Instructions, a form of which is attached hereto as Appendix 2 ("ABAG Purchase

Agreement”) for the purchase by ABAG from BAHA of condominium space within the Agency Space in exchange for ABAG’s condominium interests in the MetroCenter; and

WHEREAS, ABAG and BAHA wish to memorialize certain ancillary terms related to the purchase by ABAG of the Agency Space, and which are not otherwise covered by the ABAG Purchase Agreement or the CCRs;

NOW, THEREFORE, BAHA and ABAG, for valuable consideration, agree to the following additional terms as follows:

1. BAHA shall deliver the ABAG’s portion of the Agency Space to ABAG in “turnkey” condition, designed to the same standards as the space to be occupied by MTC and the Bay Area Toll Authority (“BATA”).

2. BAHA shall pay for ABAG’s moving costs, which shall be provided by the same vendor moving MTC and BATA, and which move shall be coordinated with MTC and BATA to provide efficiencies of cost and scale. BAHA shall direct the move and have control over decisions related to the logistics thereto.

3. ABAG shall provide \$4.2 million for capital tenant improvements to the Agency Space from funds provided by MTC to ABAG per the funding framework approved by MTC in February.

4. BAHA will execute space plans providing for the functionalities described in Appendix 3, and assigned conference rooms within ABAG space, separate filing area to accommodate 2,000 linear feet of active files and intern workstations.

5. ABAG shall pay in full its share of the MetroCenter’s Seismic Retrofit Local Match (\$90,920) from its own funds.

6. ABAG’s share of the annual Common Expenses at the Facility plus ABAG’s annual costs for utilities and janitorial services for the unit ABAG occupies in the Facility that are not included in that year’s Common Assessment shall not exceed \$314,000 adjusted annually for inflation as measured by the CPI for San Francisco – Oakland – All Urban Consumers, commencing July 1, 2014, or the date ABAG occupies its unit at the Facility, whichever occurs later. ABAG and BAHA shall agree on a methodology to implement this provision. All capitalized terms not defined herein shall have the meanings ascribed to them in the CCRs.

7. Subject to adequate demand, shuttle service from the Embarcadero BART station to the Facility will be provided for all public agency board and committee meetings. BAHA shall determine, in consultation with ABAG, what constitutes “adequate demand.”


8. BAHA will provide an on-site food market/deli and coffee shop on the ground floor space of the Facility adjacent to the Board Room and will include alternate seating accommodations for staff and elected officials. Further, the design and proposal process will

include an exploration of ways to create an amenity for the building and make on-site food affordable to building occupants.

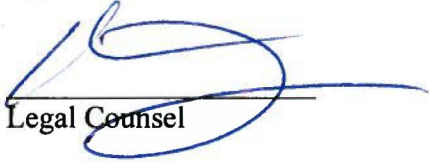
9. The ABAG Purchase Agreement and the CCRs in the forms attached hereto substantially reflect the additional terms ABAG and BAHA desire to memorialize as the transaction between the two agencies. ABAG and BAHA shall proceed to conclude negotiation of, and execute said documents in due course.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding as of the date first above written.

ASSOCIATION OF BAY AREA
GOVERNMENTS

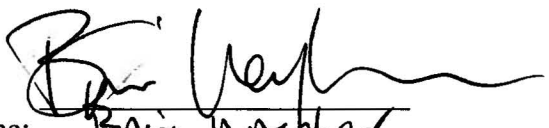
By: 
Name: Ezra Rapport
Its: Executive Director

Approved as to form:


Legal Counsel

BAY AREA HEADQUARTERS
AUTHORITY

By: 
Name: _____
Its: Executive Director

By: 
Name: Brian Macpherson
Its: Treasurer-Auditor

Approved as to form:


General Counsel

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APPENDIX 1

[FORM OF BAY AREA FACILITY DECLARATION OF COVENANTS]

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF THE

AGENCY SPACE

AT

390 MAIN STREET

SAN FRANCISCO, CALIFORNIA

BY THE

BAY AREA HEADQUARTERS AUTHORITY

DATED: _____, 201~~1~~₂

Recorded: _____

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE AGENCY SPACE

This DECLARATION, made and entered into this ____th day of _____, 2012, by the BAY AREA HEADQUARTERS AUTHORITY (herein called "BAHA" or "Declarant"), a joint powers authority established pursuant to the California Joint Exercise of Powers Act, consisting of California Government Code Sections 6500 through 6599.3; and

WHEREAS, BAHA is the owner of certain real property located at 390 Main Street in the City and County of San Francisco, State of California, described in Exhibit A-1 attached hereto (hereinafter referred to as the "Property"); and

WHEREAS, the Property consists of a building (the "Facility") comprised of 518,000 gross square feet over eight floors, each of which are identical 64,350-square-foot rectangular plates, measuring 234 by 275 feet, and the ground level which contains ____ parking spaces; and

WHEREAS, BAHA will divide the Facility into two separate components, with approximately _____ square feet allocated to the development of separate condominium units to be acquired or leased by governmental agencies, who will also share certain jointly used and common areas (the "Agency Space") and the balance of the Facility to be owned and leased by BAHA to commercial office users (the "Commercial Space") as shown on Exhibit A-2 attached hereto; and

WHEREAS, BAHA will enter into an architectural and engineering contract to design and plan the retrofit and remodel the Facility, including the creation of individual tenant or condominium units, and concurrently therewith or subsequent thereto will enter into a construction contract or contracts to execute the retrofit and remodel, at BAHA's sole cost; and

WHEREAS, the BAY AREA AIR QUALITY MANAGEMENT DISTRICT, a regional air pollution control agency created by the California State Legislature in 1955 pursuant to California Health & Safety Code Sections 40200, et seq. ("BAAQMD") has entered into a lease with BAHA for a portion of the Agency Space (the "BAAQMD Lease"), which lease contains an option to purchase the space leased by it on the terms set forth in the Sale and Purchase Agreement appended as an exhibit to the BAAQMD Lease, and

WHEREAS, the ASSOCIATION OF BAY AREA GOVERNMENTS, a joint powers authority created in 1961 by the San Francisco Bay Area's cities, towns and counties ("ABAG"), has entered into a Purchase and Sale Agreement and Joint Escrow Instructions with BAHA, dated _____, 2013 ("ABAG Purchase Agreement") for the purchase of space within the Agency Space; and

WHEREAS, it is the desire and intention of BAHA to subdivide the Agency Space into _____three (3) separate condominium units, which will be owned by BAHA and leased or sold to other government agencies, including BAAQMD, and to impose thereon mutually beneficial restrictions under a general plan or scheme of improvement for the benefit of all of said condominiums and the owners thereof;

NOW, THEREFORE, BAHA, as the owner of the Agency Space and for the purposes set forth above, hereby declares, covenants and agrees as follows:

ARTICLE I

DECLARATION, DESIGNATION OF UNITS AND COMMON AREA

Section 1.01. Declaration. BAHA hereby declares that the Agency Space and every part thereof is held and shall henceforth be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the following limitations, covenants, conditions and restrictions, all of which are declared and agreed to be in furtherance of a plan for the subdivision and ownership of condominium units within the Agency Space (each a "Condominium" and as further defined in Section 2.01), and are established and agreed upon for the purposes of enhancing and perfecting the value and attractiveness of the Agency Space and every part thereof. All of the limitations, covenants, conditions and restrictions set forth herein shall run with the land and each Condominium therein and shall be binding on all parties having or acquiring any right, title or interest in the Agency Space, or any part thereof, and shall be for the benefit of each owner of any portion of the Agency Space or any interest therein, and shall inure to the benefit of and be binding upon each successor in interest of the owners thereof. This Declaration is made by BAHA pursuant to Civil Code Section 1350, et seq. Each and all of said limitations, easements, and restrictions shall be deemed to be, and shall be construed as equitable servitudes upon such real property enforceable by each owner ("Unit Owner" and as further defined in Section 2.01) of any portion of the Agency Space or any interest therein.

Section 1.02. Designation of Units and Common Areas. Ownership of each Condominium within the Agency Space shall include (i) fee title to an individually owned unit ("Unit", and as further defined in Section 2.01(w)), (ii) an undivided interest in the common area as defined below and as shown on the condominium plan attached hereto as Exhibit B ("Common Area" and as further defined in Section 1.02(b)), which undivided interest cannot be altered or changed as long as the prohibition against severability of component interests in a Condominium remains in effect as provided in this Declaration, (iii) a right to use in common with other occupants of the Facility, as and to the extent provided herein and in any rules and regulations promulgated by the Board from time to time, the library, cafeteria, meeting rooms, server rooms, parking areas and other shared spaces owned by BAHA (the "Jointly Shared Spaces" and as further defined in Section 1.02(c)), (iv) a membership in the Corporation and representation on the Board (both as defined in Section 2.01 below), and (v) any exclusive or nonexclusive easement or easements appurtenant to such Condominium as described in this Declaration, the condominium plan attached hereto as Exhibit B ("Condominium Plan" and as further defined in Section 2.01(l)) and the deed to the Condominium.

(a) Each Unit consists of the space bounded by and contained within:

(1) the interior unfinished surfaces (exclusive of paint, tile, carpet, wax, wallpaper, or other finishes) of the perimeter walls, floors, ceilings, windows, and doors thereof;

(2) the network closet or closets serving the Unit, whether or not located within the Unit, and all related cabling from the network closet(s) to individual offices and cubicles within the Unit and

(3) if applicable, the parking spaces in the Facility which are appurtenant to the Unit.

The following are not part of a "Unit": bearing walls, columns, floors except surface finishes thereof, roofs, skylights, windows, foundation, elevator equipment and shafts, central heating, central refrigeration and central air-conditioning equipment, reservoirs, tanks, electrical security and fire alarm system pumps, telephone and data transmission lines, servers and other central services, pipes, ducts, flues, chutes, conduits, wiring and other utility installations, including electrical and fire sprinklers outlets and lights, wherever located, except plumbing outlets and telephone and data transmission lines located within a Unit solely for the benefit of such Unit and not part of a distribution system serving multiple Units and except BAHA's emergency power supply system located within the BAHA Unit which will be maintained by BAHA for the benefit of the entire Facility as a Common Expense (as defined in Section 2.01(j)).

(b) "Common Area" consists of the entire Agency Space except all Units and the Jointly Shared Space, as defined and designated in this Declaration and as shown on the Condominium Plan and shall include any portions of the Commercial Space housing building systems serving both the Commercial Space and the Agency Space.

(c) "Jointly Shared Space" consists of the publicly accessible library, the cafeteria, the meeting rooms, copier and mail services, record and equipment storage, parking areas, server rooms and those other spaces which are so designated on the Condominium Plan. The Jointly Shared Spaces shall be owned by BAHA and available for use by Unit Owners and other occupants of the Agency Space in common with all other occupants or on an advance reservation basis pursuant to rules established by the Board and administered by the Facility Operator.

ARTICLE II

DEFINITIONS

Section 2.01. Defined Terms. Unless otherwise provided or unless the context requires otherwise, the following terms shall be defined as provided in this Section:

(a) Agency Space: That portion of the Facility containing individual office condominium units for lease to or ownership by governmental entities, the Jointly Shared Spaces and the Common Area.

(b) Approved by the Board or Approval by the Board (including all actions required by the Board in this Declaration, the Articles or the Bylaws): Approved by a majority of the members of the Board ~~holding a majority of the Percentage Ownership Interests~~, except as otherwise expressly provided in this Declaration, in the Bylaws and Articles or in any other agreement to which all of the Unit Owners are parties.

(c) Articles: The Articles of Incorporation of the Corporation, as amended from time to time.

(d) Assessments: There are three types of Assessments:

(1) Common Assessments: As defined in Section 7.02.

(2) Extra Common Assessments: As defined in Section 7.03.

(3) Special Assessments: As defined in Section 7.04.

(e) Board: The Board of Directors of the Corporation.

(f) Bylaws: The duly adopted Bylaws of the Corporation, as amended from time to time.

(g) Capital Improvements: Any improvements or alterations which increase the size, value or life of the Facility.

(h) Commercial Space: That portion of the Facility which is owned by BAHA and leased or available for lease to commercial office users.

(i) Common Area: As defined in Section 1.02(b).

(j) Common Expenses:

(1) Definition: "Common Expenses" means the expenses payable by the Corporation for costs of: maintenance, management, administration, operation and ordinary repairs to the Agency Space, including the Common Areas and the Jointly Shared Spaces, but excluding any such expenses which are the responsibility of a Unit Owner or tenant with respect to its Unit. Common Expenses shall include each of the expense categories described in (2) below and reasonable reserves and contingencies for such purposes, compensation paid by BAHA to the Facility Operator for management of the Agency Space, fees paid to accountants, attorneys or other employees and agents for services rendered to the Corporation for the benefit of the Unit Owners collectively in connection with the Agency Space, and all other costs specifically designated to be Common Expenses by or in accordance with the provisions of this Declaration but expressly excluding Capital Improvements made by BAHA to the Facility or the Agency Space, which costs shall be borne solely by BAHA.

(2) Included Expenses: Except as otherwise Approved by the Board, "Common Expenses" shall include the costs of or charges for the following, by way of illustration but not limitation: water and sewer; insurance premiums. licenses, permits and inspections; heat, light, power and steam; internet services; telephone access; janitorial services; maintenance and service agreements on equipment servicing the Agency Space as a whole; window cleaning; garbage services; costs of air conditioning; costs of supplies, materials, equipment and tools; and the cost of contesting by appropriate proceedings the applicability to the Agency Space or the validity of any statute, ordinance, rule or regulation affecting the Agency Space which might increase Common Expenses. All replacements, improvements and

repairs which cost in excess of \$250,000 or add five (5) years or more to the useful life of the building system or component being replaced, improved or repaired, but which do not constitute Capital Improvements, shall be amortized over the useful life of the improvement, replacement or repair and the annual amortized portion included in Common Expenses until fully amortized. To the extent any Common Expenses are incurred for the benefit of both the Agency Space and the Commercial Space, the portion of such cost allocated to the Agency Space shall not be greater than the percentage which the square footage of the Agency Space bears to the square footage of the Facility as a whole.

(3) Exclusions from "Common Expenses": "Common Expenses" shall not include depreciation, costs incurred or sums expended contrary to the provisions of this Declaration, advertising costs, leasing expenses, leasing commissions and related property management or lease enforcement costs relating to the rental of any Unit, or portion thereof, by any Unit Owner, real property taxes of any type assessed against the Facility or separately incurred, levied or assessed against a Unit Owner or against a Unit Owner's Condominium, indebtedness secured by a Unit Owner's Condominium and/or Unit or by the Facility as a whole, and other costs that are the responsibility of each Unit Owner individually, including those pursuant to Sections 5.03 and 11.02; provided that nothing contained herein shall preclude the Corporation from collecting monies and paying such expense on behalf of individual Unit Owners where such action is permitted pursuant to the terms of this Declaration.

(k) Condominium: "Condominium" means an estate in real property, as defined in California Civil Code Section 783, consisting of an undivided interest in common in the Common Area, together with a separate fee interest in a Unit and any other separate interests in the real property as are described in this Declaration, in the Condominium Plan, or in the deed conveying the Condominium.

(l) Condominium Plan: "Condominium Plan" means a condominium plan, as defined in California Civil Code Section 1351, respecting the Agency Space, and any amendments to the plan. A copy of the Condominium Plan is attached as Exhibit B.

(m) Corporation: One Bay Area Facility Corporation, a non-profit mutual benefit corporation incorporated in the State of California, which is responsible for oversight of, and policy regarding the Common Area and the Jointly Shared Spaces, and for such aspects of the management and operation of the individual Units as may, from time to time, be requested or be delegated by the respective Unit Owner and Approved by the Board; it being understood that the management and operation of the Common Area and the Jointly Shared Spaces shall be coordinated by BAHA in connection with its contract with the Facility Operator pursuant to the policies established by and the budget Approved by the Board.

(n) Declaration: This Declaration as may be amended from time to time.

(o) Facility: As defined in the Recitals above.

(p) Facility Operator: The entity retained or employed by BAHA and charged with the day to day operation, management, maintenance and upkeep of the Agency Space.

(q) Governing Instruments: The Declaration and the Articles of Incorporation and Bylaws of the Corporation, as they may be amended from time to time.

(r) Member: "Member" means each Unit Owner in its role as a member of the Corporation or any permitted delegate of such Unit Owner.

(s) Mortgage-Mortgagee-Mortgagor; Foreclosure: "Mortgage" means a mortgage or deed of trust encumbering a Condominium or other portion of the Facility. A "Mortgagee" shall include any beneficiary or co-beneficiary under a deed of trust. A "Mortgagor" shall include any trustor under such a deed of trust. "Foreclosure" shall include judicial and nonjudicial foreclosure. A "first" Mortgage or "first" Mortgagee is one having priority as to all other Mortgages or holders of Mortgages encumbering the same Condominium.

(t) Percentage Ownership Interest or Ownership Interest. The percentage ownership interest held by each Unit Owner, which shall be the percentage which the square footage of such Unit Owner's Unit bears to the total square footage of all Units.

(u) Property: As defined in the Recitals above.

(v) Rules: The written rules promulgated by the Board providing for the operation of the Agency Space, including the Common Areas and the Jointly Shared Spaces. Such rules shall be consistent with the terms and conditions of this Declaration, and in the event of any conflict this Declaration shall prevail. The rules in force at the time this Declaration is executed are attached as Exhibit "C."

(w) Unit: "Unit" is defined in Section 1.02(a). "Unit" does not include other interests in real property that are less than estates in real property, such as exclusive or nonexclusive easements. In interpreting deeds and plans, the existing physical boundaries of a Unit or of a Unit reconstructed in substantial accordance with the original plan shall be conclusively presumed to be its boundaries, rather than the description expressed in the deed or Condominium Plan, regardless of minor variance between boundaries shown on the Condominium Plan or in the deed and those of the building and regardless of settling or lateral movement of the building. Whenever reference to a Unit is made in this Declaration, in the Condominium Plan, in any deed, or elsewhere, it shall be assumed that such reference is made to the Unit as a whole, including each of its component space, described in Section 1.02(a).

(x) Unit Mortgagee: "Unit Mortgagee" is any holder or co-holder of an indebtedness secured by a recorded Mortgage upon a Condominium.

(y) Unit Owner: "Unit Owner" means each person or entity holding a record ownership interest in a Condominium, including Declarant. "Unit Owner" shall also mean a lessee of an entire Condominium under a long-term lease from the issuer of a Certificate of Participation; provided that such lease assigns all rights as a "Unit Owner" to the lessee; and provided further that in no event shall both the Unit Owner and its lessee under this Section 2.01(y) have simultaneous membership in the Corporation. Subject to the preceding, "Ownership" shall include membership in the Corporation. "Owner" shall not include persons or entities who hold an interest in a Condominium merely as security for the performance of an obligation.

ARTICLE III

RELATIONSHIP OF UNIT OWNERS

Section 3.01. **Relationship of Parties.** This Declaration shall not constitute any Unit Owners as partners or joint venturers with each other nor constitute any Unit Owner the agent of any other, nor in any manner limit the Unit Owners in occupying or leasing to others their respective Units or in carrying on their respective separate businesses or activities, nor impose upon any Unit Owner any fiduciary duty by reason of its carrying on its separate business or activity, nor impose upon any Unit Owner any liability or obligation not set forth herein, provided that all of the foregoing is conducted in accordance with the limitations and restrictions expressly set forth herein.

Section 3.02. **Membership.** Declarant and each additional Unit Owner, upon becoming the record owner of a Condominium, shall automatically become a Member of the Corporation and shall remain a Member thereof until it no longer owns any Condominium, at which time its membership in the Corporation shall automatically cease. Ownership of a Condominium shall be the sole qualification for membership in the Corporation. All memberships shall be appurtenant to the Condominium conveyed. A membership held by any Unit Owner shall not be transferred or alienated in any way, except as provided in Section 9.07. Each Member shall appoint one director of the Board, provided that for each of BAHA and BAAQMD, so long as each owns an interest in the Agency Space, its appointee shall be, respectively, the Executive Director and the Executive Officer/APCO of same or the person appointed by the Executive Director or Executive Officer/APCO as his or her representative. Each director shall serve at the pleasure of the appointing Member. The provisions of this Section 3.02 shall not be amended except with the unanimous approval of the Board and each holder of a First Mortgage then encumbering any Condominium.

ARTICLE IV

MANAGEMENT

Section 4.01. **Management of Agency Space.**

(a) **Creation of Corporation; Appointment of Facility Operator.** The Corporation has been created to provide for oversight of and the establishment of policy regarding the Common Area and the Jointly Shared Spaces and for such aspects of the management and operation of the individual Units as may, from time to time, be requested or be delegated by the Unit Owners and Approved by the Board. The Facility Operator shall be responsible for implementing the directions of BAHA and the Board and for conducting the ordinary and usual business and affairs with respect to the Agency Space.

(b) **Overall Management and Control.** The overall management and control of the Agency Space shall be vested in BAHA subject to the general policies established by the Board

from time to time and, with respect to Common Expenses, the budgets Approved by the Board. The Board shall have the responsibility to oversee and provide input regarding the management of all of the Common Area in a first class condition and in a good state of repair. Upon request of the applicable Unit Owners(s) and as Approved by the Board, the Corporation, acting by and through the Facility Operator, shall also have the responsibility to manage certain aspects of one or more individual Units. BAHA shall be responsible for making, shall pay from its own funds and shall make all decisions concerning Capital Improvements to the Agency Space, including individual Units, and to the remainder of the Facility, except for improvements to individual Units which the Unit Owners are permitted to make hereunder or which a Unit Owner asks BAHA to make at the cost of the applicable Unit Owner. Except as otherwise expressly provided in the Governing Instruments or any other agreement to which all Unit Owners are party, all decisions of the BAHA respecting the management and control of the Facility and the Agency Space which are consistent with the policies and budget Approved by the Board shall be binding on all the Unit Owners. The Unit Owners covenant and agree that the management and control of the Agency Space shall be in accordance with the Governing Instruments.

(c) Compensation. Except as may be expressly provided for herein or hereafter Approved by the Board and except for payments made to the Facility Operator, no payment will be made to any Board Member, Unit Owner or any member, stockholder, director or employee of a Unit Owner for services rendered in connection with the business or affairs of the Corporation or pertaining to the Agency Space.

Section 4.02. **Authority of the Board.** The Board shall treat all Unit Owners fairly and equitably and, for the benefit of the Agency Space as a whole, the Board shall have the following nondelegable powers and duties:

(a) To review and approve the policies for operation of the Agency Space, including without limitation the allocation of parking spaces, provided however that the Metropolitan Transportation Commission, the Bay Area Toll Authority and BAAQMD shall at all times each have parking within the Facility for the members of their respective Board of Directors in connection with all public meetings attended by such Board members.

(b) To adopt, review and amend two-year budgets for Common Expenses and those Special Assessments payable by all Unit Owners submitted to it by the Facility Manager pursuant to Section 4.04(b) hereof. Each two-year budget shall be adopted or, as appropriate, amended on or before January 1 of each calendar year for the succeeding fiscal year commencing July 1.

(c) To review monthly operating statements of the Corporation, with comparisons to the approved budget, submitted to it by the Facility Operator.

(d) To provide and pay for legal and accounting services pertaining to the operation of the Common Areas and the Jointly Shared Spaces.

(e) To cause appropriate tax returns for the Corporation to be prepared and filed.

(f) To cause to be prepared and distributed to all Unit Owners within one-hundred twenty (120) days after the end of the fiscal year a balance sheet as of the last day of the Corporation's fiscal year and an operating statement for such fiscal year prepared by a Certified Public Accountant reflecting receipts and expenditures of the Corporation.

(g) to review the performance of the Facility Operator, and to delegate authority to and review the performance of employees and independent contractors hired by the Corporation.

(h) To hire and terminate employees and independent contractors.

(i) To assess and cause the Facility Operator to collect from the Unit Owners all applicable Common Assessments, Extra Common Assessments and Special Assessments.

(j) To adopt and amend reasonable written rules governing the Common Area and Jointly Shared Spaces, provided that such rules shall require that, in the event of a scheduling conflict for use of any of the Jointly Shared Spaces, Unit Owners shall have priority over tenants.

(k) Whenever partition may be had pursuant to Civil Code Section 1359(b) or this Declaration, said power of sale is to be exercised pursuant to Code of Civil Procedure Section 872.010 et seq.

(l) To exercise other powers reasonable and necessary to fulfill the Corporation's purposes.

Section 4.03. Intentionally Omitted.

Section 4.04. Authority of the Facility Operator. The Facility Operator may possess all BAHA delegated powers, duties and responsibilities for the day to day operation, management and maintenance of the Agency Space, subject to any limitations that may be imposed by BAHA and the policies established by and the budget Approved by the Board. Without limiting the generality of the foregoing, the Facility Operator may be delegated the following powers and duties:

(a) Rule Making. For the mutual benefit of all Unit Owners and occupants, the Facility Operator may recommend and the Board may adopt or amend reasonable written rules. Such rules shall relate to the operation and use of the Common Area, the Jointly Shared Spaces, the conduct of Unit Owners and occupants, their employees, agents, contractors or invitees, the hours that services such as heating, air conditioning and cleaning will be operative, [restrictions and requirements for the use and maintenance of Units], and the successful operation of the Agency Space for the benefit of all Unit Owners and their employees and tenants. A copy of such rules and all amendments thereto shall be mailed to each Unit Owner and a copy shall be available for inspection. The rules in force at the time this Declaration is executed are attached as Exhibit "C". Said rules and any reasonable amendments, changes or additions thereto which the Board may hereafter make are hereby incorporated in this Declaration and shall be binding upon the Unit Owners and occupants; provided that, it shall not be necessary to re-record this Declaration when the rules are amended.

(b) Budget. Not later than each January 1, prior to the beginning of each fiscal year (July 1 to June 30), the Facility Operator shall prepare or cause to be prepared, and shall submit to the Board for its consideration, a two-year budget or an update of the existing two-year budget for the next fiscal year, setting forth the estimated expenses of operation of the Common Area, the Jointly Shared Spaces and, if applicable, estimated expenses for those management, operation or maintenance functions for any of the Units which may have been delegated to the Corporation pursuant to Section 4.01 (b) and including a reasonable allowance for contingencies and reserves. When adopted by the Board, the budget shall be the basis for the establishment of Common Assessments and Special Assessments pursuant to Article VII of this Declaration. When Approved by the Board, the Facility Operator shall implement the budget, and the expenditures and obligations provided for in the Budget may be made and incurred without further approval by the Board, subject to such limitations as the Board may impose.

Notwithstanding anything to the contrary in this Declaration, any management, operational or maintenance expenses attributable to any of the individual Units shall be allocated to the Unit Owner(s) of such Unit as a Special Assessment so that no other Unit Owner shall be required to bear the expense of managing, maintaining or operating another Unit Owner's Unit. Management, operational and maintenance costs of the Common Area and the Jointly Shared Spaces shall be allocated in accordance with Percentage Ownership Interests; provided, however, that costs attributable to those Jointly Shared Spaces, such as meeting rooms, which are used on a reservation basis, rather than in common by all Unit Owners, shall be allocated, on an estimated basis, in accordance with Percentage Ownership Interest, with a year-end true-up based on percentage of actual use by each Unit Owner and/or its tenants. Actual use shall include the booking of a conference or meeting room, whether or not actually used, and as otherwise determined by the Board from time to time.

(c) Books and Records. The Facility Operator shall maintain copies of the budget approved by the Board, together with any Approved amendments thereto. The Facility Operator shall keep full, complete and correct books of account of the operation of the Common Area and the Jointly Shared Spaces and any other Common Expenses, including vouchers supporting expenditures, and the same shall be open during all reasonable hours for inspection by any Unit Owner. Any Unit Owner may at any time and at its own expense cause an audit or inspection to be made of the books and records of the Facility Operator related to its Unit, the Common Area or the Jointly Shared Spaces, provided that any such audit shall be conducted not later than twenty-four (24) months following the end of the fiscal year for which the records are being audited. In the event an error in the amount of any assessments paid by one or more Unit Owners is discovered, the Facility Operator shall adjust the next assessments due from each Unit Owner to correct the error. Any dispute with respect to amounts owed by any Unit Owner shall be resolved in accordance with the provisions of Section 12.14.

(d) Assessments. The Facility Operator shall collect and deposit assessments and enforce collection of assessments as provided in Article VII of this Declaration.

(e) Services and Utilities. The Facility Operator shall provide and pay, as a Common Expense, for hot and cold running water, sewer, garbage, electrical, heating and air conditioning, telephone, data transmission, lighting and gas and other necessary utility service for the Common Area, Jointly Shared Spaces and, if not separately metered or charged, for the Units. The Facility

Operator shall also provide and pay, as a Common Expense, for repair, gardening, janitorial and security for the Common Area and Jointly Shared Spaces and necessary elevator service for the Agency Space, and shall cause any and all other acts to be done or take place having to do with the operation and maintenance of the Common Area and the Jointly Shared Spaces in first class condition and repair, as and to the extent provided for in the budget Approved by the Board.

(f) Maintenance, Repair, Replacement; Action Where Owner Fails to Act. The Facility Operator shall provide or cause to be provided all necessary maintenance, repairs, replacement, and restoration of the Common Areas and Jointly Shared Spaces, including without limitation all furnishings, equipment and other improvements necessary or appropriate to operate the Common Areas and the Jointly Shared Space, but excluding Capital Improvements.

(1) All costs of ordinary maintenance, repair, replacement and improvements other than Capital Improvements shall be borne by all of the Unit Owners as a Common Expense. All Capital Improvements and restoration (to the extent not covered by insurance carried by the Corporation) and all costs of the initial furnishing of the Common Areas and Jointly Shared Spaces shall be borne by BAHA.

(2) The Facility Operator shall also provide such services for any Unit, if and to the extent necessary to protect or preserve the Common Area, the Jointly Shared Spaces or any other portion of the Facility, including a Unit, and either (A) the Board determines that the Unit Owner has failed or refused to perform said maintenance, repair, replacement, or restoration within a reasonable time (in no event more than thirty (30) days to complete or, if the work cannot reasonably be completed within the 30-day period, to commence within such period and pursue diligently to completion) after written notice of the necessity thereof delivered by the Facility Operator to said Unit Owner or (B) such maintenance, repair, replacement or restoration, in the discretion of the Facility Operator, should be done immediately to prevent damage to any other portion of the Facility or injury to persons, in which event no notice is required. The Board shall levy a Special Assessment against such Unit Owner for the cost of any maintenance, repair, replacement or restoration under this subparagraph (2).

(g) Authority to Contract. In addition to the authority granted pursuant to the foregoing subparagraphs (a) through (f), the Facility Operator shall have the authority, but only to the extent such expenditures are provided for in the budget Approved by the Board or otherwise authorized by the Board or, if the cost is to be paid by BAHA, approved by BAHA.

(1) To contract for the labor or services of such personnel, including employees and independent contractors, as the Facility Operator determines shall be necessary or proper for the operation, maintenance and repair of the Common Area and the Jointly Shared Spaces.

(2) To purchase or contract for materials, supplies, furniture, or structural alterations as are necessary and proper for the operation of the Common Area and the Jointly Shared Spaces.

(h) Payment of Amounts which would Constitute liens. The Facility Operator shall have authority to pay premiums and other assessments which, in the Facility Operator's

commercially reasonable opinion, would be a lien upon the Agency Space or any portion thereof (other than an individual Unit) and to discharge any lien or encumbrance levied against the Agency Space or any portion thereof (other than an individual Unit), to pay taxes or liens levied against any Unit which, in the commercially reasonable opinion of the Facility Operator, may constitute a lien against the Common Area (unless such lien is being contested by the Unit Owner and the Unit Owner provides to the Board security reasonably acceptable to the Board for payment of the lien if the Unit Owner loses the challenge); provided, however, if the Facility Operator pays any lien or encumbrance levied against an individual Unit, the Board shall levy and the Facility Operator shall collect a Special Assessment against such Unit for the amount thereof, to the extent such amount is separately determinable, and provided further if such lien or assessment is attributable to work performed or taxes levied against the Commercial Space or any other space leased by BAHA to non-governmental tenants or otherwise payable by BAHA, the Board shall levy and the Facility Operator shall collect the amount so paid as a Special Assessment against BAHA.

(i) Other Duties. The Facility Operator shall:

(1) Operate all equipment and facilities located within the Common Area and the Jointly Shared Spaces and oversee the operation of the public meeting spaces, other meeting rooms, cafeteria, library and other Jointly Shared Spaces to ensure fair and equitable use by all Unit Owners and their tenants.

(2) Upon Approval of the Board delegate any of its duties hereunder to independent contractors hired by the Corporation.

(3) Receive complaints concerning violations of this Declaration or any rules and regulations applicable to the Agency Space, investigate such complaints and refer them to the Board for further action.

(4) Upon Approval of the Board bring or defend any court or administrative action or proceeding on behalf of the Corporation.

(j) Insurance. The Facility Operator shall obtain and maintain, as a Common Expense, the insurance required to be carried by the Corporation pursuant to Article VIII.

(k) Certification as Facility Operator. The Facility Operator shall record with the County Recorder of the City and County of San Francisco a certificate signed and acknowledged by the Facility Operator and a majority of the Board stating the name and address of the Facility Operator, such certificate shall be *prima facie* evidence that the person named therein is the incumbent Facility Operator and shall be conclusive evidence of the exercise of any authority thereby as to any bona fide purchaser or other third person who supplies labor or materials to the Facility Operator, or to any other person who relies thereon in good faith.

(l) Leasing of Units. The duties of the Facility Operator shall not include marketing activities related to leasing vacant Units or to finding lessees for Unit Owners or tenants of Unit Owners who are vacating Units. Each Unit Owner must conduct its own leasing activity or contract on its own for such services, provided that BAHA or any other Unit Owner may retain the Facility Operator, at such Unit Owner's cost, to act as the leasing agent for its Units.

(m) Business Directory. The Facility Operator may maintain a business directory in the Common Area at a location or locations Approved by the Board. The size, size of type, color and contents of each such directory shall be Approved by the Board.

ARTICLE V

RIGHTS AND RESPONSIBILITIES OF UNIT OWNER

Section 5.01. Exclusive Ownership and Possession. Each Unit Owner shall be entitled to the exclusive ownership and possession of its Unit. Each Unit Owner shall have equal access to the Jointly Shared Spaces, subject to such reservation systems as the Facility Operator may establish from time to time for use of the meeting rooms and such allocation of parking spaces in the Facility or at satellite locations as the Board may Approve from time to time. A Unit Owner shall have the exclusive right to paint, repaint, tile, wax, wallpaper, or otherwise refinish and decorate the inner surfaces of the walls, floors, ceilings, windows and doors of its Unit; provided, however that BAHA shall consult with the Board prior to making any material alterations to the Jointly Shared Spaces.

Section 5.02. Leasing.

(a) Right to Lease. Subject to the provisions of Sections 9.04 and 9.09, a Unit Owner, in its sole discretion, may lease its Unit or a portion thereof to one or more unrelated persons or entities, provided that any use other than that set forth in Section 5.11 must be Approved by the Board prior to the signing of any lease between the Unit Owner and its lessee, which approval shall not be unreasonably withheld or delayed. The Jointly Shared Spaces may be leased for the exclusive use of any Unit Owner or a third party only with the consent of all of the Unit Owners. Any lease of a Unit which confers exclusive possession upon the lessee shall require the written concurrence of all Unit Owners of the Unit to be leased, if applicable. Each Unit Owner may conduct its own leasing activity or may contract with an agent to lease on its behalf.

(b) Lease Terms. All leases shall be in writing. A lease agreement shall provide that the terms of the lease shall be subject to any and all limitations contained in the Governing Instruments; provided that the lessor shall have the right, at its sole discretion, to determine whether a violation of such provisions shall constitute a violation of the lease and whether to waive such violations; provided further, that no lessor may thereby avoid responsibility or liability for complying with the limitations contained in the Governing Instruments. Nothing contained herein shall preclude a lessor from pursuing its remedies under its lease for any violation of the Governing Instruments by the lessee.

(c) Notification of Lease of Condominium. Prior to the effective date of the lease of any Unit or portion thereof by a Unit Owner, the Unit Owner/lessor shall notify the Board and the Facility Operator in writing of such lease. Such notification shall set forth: (a) the name of the lessor and the lessee; (b) an identification of the Unit or portion thereof which has been

leased; (c) the lessee's mailing address; and (d) the commencement and termination dates of the lease.

Section 5.03. Maintenance of Unit. Each Unit Owner shall have the exclusive right and obligation, at its sole cost and expense, to maintain, repair and refinish its Unit in accordance with the plans and specifications for the Agency Space and in a diligent, good and workmanlike manner. Such maintenance, repair and refinishing shall include all painting, repainting, tiling, waxing, wallpapering or otherwise finishing and decorating the interior surfaces of the walls, floors, ceilings, windows, and doors bounding a Unit.

Section 5.04. Alterations to Common Areas. No Unit Owner, or its agents or employees, shall make any modifications or alterations to, or encroach upon, or occupy or obstruct any part of the Common Area or Common Area improvements without Approval of the Board, which approval shall not be unreasonably withheld. All work performed by or for the Unit Owner pursuant to this Section 5.04 shall be performed in a diligent, good and workmanlike manner, with the Unit Owners collectively bearing the costs of labor and materials in accordance with their Percentage Ownership Interests unless the work is required in connection with alterations to a Unit being made by the Unit Owner, in which case the cost shall be borne by the Unit Owner for whom the work is being performed. Each Unit Owner's interest in any such modification or alterations shall be the same as its interest in the Common Area where the modifications or alterations are located.

Section 5.05. Alterations to Unit. No Unit Owner, or its agents or employees, shall make any modifications or alterations to its Unit which affect the Common Area or other Units or the easements and restrictions of record without the Approval of the Board, which approval shall not be unreasonably withheld. Nothing shall be done in any Unit which will impair, interfere with, change or damage the structural integrity, functional operation, use or enjoyment of the Agency Space or any other portion of the Facility, except as provided herein. All work to be performed by or for a Unit Owner pursuant to this Section 5.05 shall be performed in a diligent, good and workmanlike manner, with the Unit Owner performing the work bearing all costs of such alterations or modifications.

Section 5.06. Suppliers' or Contractors' Liens, Unit Owner's Liability for Liens. If a lien is filed by a supplier or contractor against any Unit for, or purporting to be for, labor or materials alleged to have been furnished or delivered for any Unit Owner at the request of a Unit Owner, said Unit Owner shall forthwith discharge such lien within two (2) weeks from the date of notice from the Board or the Facility Operator, unless the Unit Owner gives notice within such two (2) week period of its intent to contest the lien and furnishes to the Facility Operator a bond or other security satisfactory to the Board in form and amount and thereafter prosecutes such contest with diligence. If the Unit Owner fails to discharge or contest such lien within the two-week period described above and the Board reasonably determines that the lien could attach to any other portion of the Facility or otherwise adversely affect the other Unit Owners, then the Facility Operator may:

(a) discharge such lien by payment, bond or otherwise without investigation as to its validity or any offsets or defenses thereto; and

(b) specially assess such Unit Owner for the amounts so paid and all costs, and expenses paid or incurred in connection therewith, together with the interest thereon at the rate of ten percent (10%) per annum on the unpaid amount calculated from the date advanced by the Facility Operator to and including the date full payment is received by the Facility Operator.

Section 5.07. Taxes, Assessments, Utilities, etc. Each Unit Owner shall be solely responsible for the discharge of obligations which relate solely to use or ownership of its own Unit, including but not limited to taxes, assessments, and separately metered utilities, if any. Where an obligation for which one or more Unit Owners is individually responsible is discharged by the Corporation, such Unit Owners shall be jointly and severally liable to the Corporation by way of Special Assessment for the cost of discharging such obligation. Where an obligation arises because of a Unit Owner's interest in the Common Area, and such obligation does not relate solely to an individual Unit, each Unit Owner shall be liable by way of a Common Assessment or Special Assessment only for its proportional part of the obligation as determined in accordance with its Percentage Ownership Interest.

Section 5.08. Liability for Obligations Under the Declaration. Any expenses incurred by the Corporation in fulfilling any obligation of any Unit Owner under this Declaration shall be a debt of the Unit Owner responsible for such obligation and the Corporation may specially assess said Owner for the amount thereof, together with interest in the amount of ten percent (10%) per annum on the unpaid amount calculated from the due date to and including the date full payment is received by the Facility Operator.

Section 5.09. Use Affecting Insurance Premiums. Nothing shall be done or permitted in or about the Facility, or brought or kept therein, which shall in any way increase the rate of or cause a cancellation of or otherwise affect any fire or other insurance upon the Agency Space or the Facility as a whole or any property kept within, or conflict with:

- (a) any fire laws or regulations;
- (b) any insurance policy upon the Facility or the Agency Space or any part thereof, the cost of which is a Common Expense;
- (c) any statutes, rules or regulations enacted or established by any government or governmental authority with jurisdiction; or
- (d) the requirements of any board of fire underwriters or other similar bodies now or hereafter constituted, to the extent necessary to assure full effectiveness of all insurance on the Agency Space or the Facility as a whole at all times and at rates appropriate to the size and character of the portion of the Facility insured and to supply proper and adequate security, safety, and loss prevention practices.

In the event any use or activity shall lead to an increase in fire or other insurance premiums payable on the insurance obtained by the Board pursuant to Article VIII, or insurance procured by an individual Unit Owner or occupant of the Agency Space, the party causing such increase shall be liable for payment of the same to the Corporation or such individual Unit Owner or occupant as the case may be. The party so charged with increasing premium costs shall have the right to contest the validity of such insurance premium increase.

Section 5.10. Compliance with Laws and Rules. Each Unit Owner shall comply with all of the requirements of all governmental authorities, and all laws, ordinances, and rules applicable to its Unit, including the rules and regulations adopted by the Board from time to time.

Section 5.11. General Restrictions on Use. Unless otherwise designated herein, each Unit shall be used for general office purposes and uses incidental or related thereto, and for no other use or purpose unless Approved by the Board. The Jointly Shared Spaces include, without limitation, the following uses:

(a) The space designated on Exhibit B as the cafeteria space may be used for the preparation, service and consumption of food and purposes and uses incidental thereto. No Unit Owner or the Corporation shall be liable for any debts or obligations incurred in the course of operating or by the operator of the cafeteria, except to the extent properly included in Common Expenses.

(b) The space designated on Exhibit B as the library space may be used for library purposes and uses incidental and related thereto.

(c) The space designated on Exhibit B as the public meeting space may be use for meeting room purposes and uses incidental and related thereto.

(d) The space designated on Exhibit B as the parking area may be used for parking and passageway purposes and uses incidental and related thereto.

(e) The space designated on Exhibit B as the print shop may be used for printing, copying and uses incidental and related thereto.

(f) The space designated on Exhibit B as the mail room shall serve as a central mail room for all Unit Owners and tenants within the Agency Space.

(g) The space designated on Exhibit B as the server room may be used for installation and maintenance of the servers for the telephone and data services supplied to each Unit, which servers shall be the property of the individual Unit Owners.

(h) The roof top open space may be used as outdoor passive and entertainment space by Unit Owners and their tenants.

Section 5.12. Special Equipment. Unless approved by the Board, no Unit Owner or occupant of the Agency Space shall use in general office space any apparatus or device within a Unit or the Jointly Shared Space, including without limitation, machines using current in excess of 220 volts which will in any way substantially increase the amount of electricity, water or compressed air usually furnished or supplied to such portion of the Agency Space or which connects with electric current, water or air, other than through existing electrical outlets, water pipes or air pipes, as applicable, or outlets or pipes hereafter installed in accordance with Section 5.05. The foregoing shall not prohibit, however, the installation of laboratory equipment in spaces specifically designed as a laboratory in compliance with all applicable laws and regulations.

ARTICLE VI

EASEMENTS

There are hereby specifically reserved for the benefit of the Unit Owners, in common and for each Unit Owner severally, as their respective interests shall obtain, the easements, reciprocal negative easements, secondary easements, and rights of way and access particularly identified in this Article.

Section 6.01. Utilities. There is reserved for the benefit of each Unit, as dominant tenement, an easement for utility services over, under and through the Common Area (including any common areas in the Commercial Space), and each other Unit, jointly as the servient tenement, in the locations shown on the Condominium Plan.

Section 6.02. Encroachment. There is reserved for the benefit of each Unit, as dominant tenement, an easement for encroachment, occupancy, use and maintenance of such portion of the remainder of the Facility, including other Units, as the servient tenement, as shall be encroached upon, used and occupied by the owner of the dominant tenement as a result of any vertical or lateral displacement of any of the building structures or any portion thereof, deviation in construction or reconstruction plans or any reasonably necessary encroachments of one Unit or improvement onto another which does not interfere with the use of the encroached-upon Unit by the Unit Owner or occupant thereof. The easement of encroachment here reserved shall continue notwithstanding that the encroachment may be cured by repair and restoration of the structure.

Section 6.03. Maintenance and Repair. The Corporation and each Unit Owner shall have an easement which is appurtenant to the Common Area and all Units, through each Unit and the Common Area for the maintenance and repair of the Common Area and of the easements set forth in this Article, subject in the case of access to an individual Unit to the provisions of Section 6.05 below.

Section 6.04. Nonexclusive Easements. Each Unit Owner shall have a nonexclusive easement for use and enjoyment of the Common Area and the Jointly Shared Space and for

ingress, egress and support over and through the Common Area. These easements shall be appurtenant to each Unit and shall be subordinate to any exclusive easements granted elsewhere in this Declaration, as well as to any rights reserved to the Board to regulate time and manner of use and to perform its obligations under this Declaration.

Section 6.05. Right of Access. The Board, the Facility Operator, or any person designated by either of them, shall have an irrevocable right of access to each Unit for the purpose of making inspections or for the purpose of correcting any condition originating in a Unit which threatens damage to another Unit, to the Common Area or to any other portion of the Facility, or for the purpose of performing any maintenance or repairs or making any improvements for which the Corporation or BAHA is responsible. A request for entry shall be made in advance to the Unit Owners or occupant of the Unit and such entry shall occur at a time reasonably convenient to them. The person or persons making such entry on behalf of the Board as provided herein shall be accompanied by an authorized representative of such Unit Owner or occupant. In an emergency, such right of entry shall be immediate, whether or not notice has been given or whether or not an authorized representative is present. Any entry hereunder shall be made with as little inconvenience to the Unit Owner or occupant as practicable, and any damage caused thereby shall be repaired by the Corporation and charged as a Common Expense, unless repair of the damage is the responsibility of the Facility Operator under the terms of its contract with BAHA.

Section 6.06. [Reserved].

Section 6.07. Restricted Easement. [NTD: To be discussed based on location of various Units and what emergency access is required.]

(a) Easement. In order to provide an emergency exit from the cafeteria, library, and public meeting spaces and Common Area on the first floor and for any emergency purposes, there is reserved a non-exclusive easement for emergency ingress and egress through the _____ and to the Common Area stairway at the _____ end of the _____ for the benefit of all Unit Owners (except the owner of the _____ Unit), the Board and the Facility Operator, referred to in this Section 6.07 as "grantees" and to the grantees' transferees, successors and assigns and for the benefit of their invitees and guests. Said easement is subject to the conditions set forth in SubSection (b).

(b) Conditions. This easement is a non-exclusive easement and the owner of the _____ Unit shall have the right to make use of the Unit, subject to the easement. Neither the owner of the _____ Unit nor the Grantees shall place any obstruction on the _____ which impairs the easement. This easement shall exist for as long as the _____ shall continue to exist, shall not be extinguished by non-use or abandonment.

Section 6.08. Reserved Exclusive Easement for BAHA Emergency Power System.

(a) Easement. BAHA hereby reserves for itself an exclusive appurtenant easement for installing, operating and maintaining BAHA's emergency power supply system, which is located principally in those portions of the BAHA Unit shown as Spaces ____ and ____ on the Condominium Plan. Said reservation of easement includes the following covenants and conditions, which covenants and conditions BAHA, the other Unit Owners, the Board and Facility Operator, and the successors and assigns of each of them specifically accept.

(b) Conditions.

(1) Scope. This easement shall include the right to place, remove, inspect and maintain all equipment, pipes, ducts, wires, cables and other components of BAHA's emergency power supply system within the easement area shown on the Condominium Plan (the "Emergency Power System Easement"). The easement includes the right of access by BAHA's authorized representatives to all portions of the Emergency Power System Easement at reasonable times and on reasonable notice to any affected Unit Owners or tenants for all the above purposes.

(2) Term. This easement shall exist for as long as the Facility continues to exist and shall not be extinguished by non-use or abandonment.

(3) BAHA's Use. This easement is an exclusive easement and BAHA shall have the exclusive right to make use of the portion of the Agency Space subject to the easement for the purposes stated in Section 6.08 (b) (1) above, notwithstanding the fact that the emergency power supply shall be available to power all of the Agency Space as may be required and shall benefit all of the Unit Owners and their tenants.

(4) Obstruction or Removal. No Unit Owner, nor the Board, the Facility Operator or their agents, successors or assigns shall place any obstruction in the easement area or perform any act which prevents the use of the easement for its intended purpose.

(5) Repair and Maintenance. BAHA shall be responsible, as a Common Expense, for repair and maintenance of the equipment, ducts, pipes, wires, cables and other devices associated with BAHA's emergency power supply system. Responsibility for repair and maintenance of other aspects of the easement area shall be as provided for in the Declaration.

(6) BAHA shall indemnify, defend and hold the other Unit Owners harmless from and against any and all losses, liabilities, claims and damages (including injury to persons or damage to property) attributable to or arising out of the installation, maintenance or operation of the emergency power system.

(7) Successors and Assigns. The Emergency Power System Easement and the agreements contained herein shall run with the BAHA Unit and shall inure to the benefit of and be binding upon all Unit Owners and their respective transferees, successors and assigns.

ARTICLE VII

ASSESSMENT AND COLLECTION PROCEDURES

Section 7.01. Covenant for Assessments, Creation of Lien, Personal Obligation.

Declarant, for each Unit owned by it within the Agency Space, hereby covenants and each Unit Owner, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Corporation its share of: (1) Common Assessments; (2) Extra Common Assessments; (3) Special Assessments and (4) any other costs required by this Declaration to be borne by such Owner; such assessments to be fixed, established and collected from time to time, as hereinafter provided. The Common, Extra Common and Special Assessments together with interest thereon and costs of collection, as hereinafter provided, shall be a lien upon the Condominium against which each such assessment is made, which lien shall be created and enforced in accordance with the provisions of this Article VII. Each such assessment together with late charges, interest, costs, penalties and reasonable attorney's fees, as provided for herein, shall also be the joint and several personal obligation of each person or entity which was the Unit Owner at the time the assessment fell due.

Section 7.02. Common Assessments. Upon Approval or amendment of the budget, the Board shall separately assess each Unit Owner its share of the estimated Common Expenses for such budget year, according to its Percentage Ownership Interest (unless BAHA agrees in writing to a different allocation for any Unit), which assessment shall be due and payable in accordance with the provisions of Section 7.06. Such assessment is herein referred to as a "Common Assessment."

Section 7.03. Extra Common Assessment. Upon approval of an expenditure by the Board as a Common Expense not contained in the budget Approved by the Board, the Board shall separately assess each Unit Owner its share of the Extra Common Assessment according to its Percentage Ownership Interest, which shall be due and payable as provided in Section 7.06. Such assessment is herein referred to as an "Extra Common Assessment."

Section 7.04. Special Assessments. The Board shall also separately assess each Unit Owner when and as such costs are incurred, for any costs incurred or payments made on behalf of such Unit Owner or to cure conditions for which such Unit Owner is responsible as provided in this Declaration and for any Jointly Shared Space costs allocable to such Unit Owner based on usage of Jointly Shared Space facilities. All Special Assessments shall be due and payable as provided in Section 7.06.

Section 7.05. Proration of Common Assessments.

(a) The Board shall assess each Unit Owner for Common and Extra Common Assessments according to Sections 7.02 and 7.03; provided that the cost of all Capital

Improvements to any portion of the Agency Space or the remainder of the Facility shall be borne by BAHA and shall not be included in Common or Extra Common Expenses.

(b) Declarant shall be treated as Unit Owner of all unsold Units, if any, and shall be assessed for Common, Extra Common and Special Assessments allocable to such Units, provided that nothing herein shall preclude a prospective Unit Owner from prepaying its anticipated assessments.

Section 7.06. Date of Commencement of Assessments; Due Dates; Charges for Late Payments. A single written notice (the Schedule of Assessments) shall be given annually to each Unit Owner not later than thirty (30) days prior to the commencement of each fiscal year setting forth the Common Assessment payable by such Unit Owner for the succeeding fiscal year and any Extra Common Assessments and Special Assessments known at the time of such notice. Written notice of Extra Common Assessments and Special Assessments levied after the first of the fiscal year, and any adjustments to Common Assessments Approved by the Board, shall be given to each Unit Owner by the Facility Operator at least thirty (30) days prior to their due date. The Schedule of Assessments, or any amendment thereof, shall specify the amounts and due dates for installment payments of the Assessments by each Unit Owner. Common, Special and Extra Common Assessments which appear in the annual notice shall be paid by each Unit Owner to the Facility Operator in equal monthly installments, in advance, on the first day of each month, unless some other due date is established by the Board. Extra Common and Special Assessments not contained in the annual notice shall be paid to the Facility Operator within thirty (30) days of receipt of a notice to pay same. Each installment of Common, Extra Common and Special Assessments shall become delinquent if not paid within ten (10) days after due. Interest thereon shall accrue on each delinquent installment at the rate of ten percent (10%) per annum on the unpaid amount calculated from the date delinquent to and including the date full payment is received by the Facility Operator.

Section 7.07. Assessments Deposited in Maintenance Fund Bank Account; Disposition of Unexpended Funds.

(a) Condominium Maintenance Fund Account. Upon Approval by the Board, all assessments levied and collected in accordance with this Declaration, with the exception of those assessments set forth in SubSection (b) hereof, shall be deposited in an account(s) clearly designed as the Condominium Maintenance Fund Account(s). The Facility Operator shall have the control of said account and shall be responsible to the Board for the maintenance of accurate records thereof at all times. The Facility Operator shall act as a fiduciary for the Unit Owners collectively in handling of all accounts. The Facility Operator shall retain all unexpended or excess funds in trust to be applied to the expenses of operation for the next succeeding year, which funds shall be considered by the Facility Operator in calculating the estimated Common and Special Expenses and Assessments for the next succeeding year or refund the same to the Unit Owners entitled thereto.

(b) Condominium Reserve Fund Account. Upon Approval by the Board, there shall be established an account clearly designated as the Condominium Reserve Fund Account. Such

account will be established for the purpose of establishing reserves for, without limitation, repairs, replacements, improvements which are not Capital Improvements and uninsured damage to the Common Area, including the easement areas, and the Jointly Shared Space. Reserve amounts shall be included as separate line items in the annual budget, included in and collected as part of the Common Assessment and shall be deposited in the Condominium Reserve Fund Account and accounted for separately.

(c) Investment. Unexpended and excess reserve funds may be invested in the name of the Corporation in one or more interest-bearing accounts or short-term instruments as Approved by the Board.

(d) Commingling. All sums collected by the Corporation from any Common, Extra Common or Special Assessments, with the exception of funds assessed and collected for the Condominium Reserve Fund Account, may be commingled in a single account. The Facility Operator shall provide to the Board on a monthly basis or as otherwise requested an accounting, on a line item basis of all expenditures from the Condominium Maintenance Fund Account and the Condominium Reserve Fund Account, with a reconciliation against the budgeted amount for each line item on a year-to-date basis.

(e) Account Disbursements. Disbursements from accounts established under this Section shall be governed by rules and procedures Approved by the Board.

Section 7.08. Effect of Nonpayment of Assessment; Delinquency; Notice of Assessment.

The assessments which each Unit Owner is obligated to pay shall be a debt of such Unit Owner at the time such assessments become due and payable. In the event of default by any Unit Owner in making such payment, such amounts as may be in default, together with interest thereon at the rate of ten percent (10%) per annum from the date delinquent and all costs which may be incurred by the Board or its authorized representative in the collection of such charges, including reasonable attorney's fees, shall be and become a lien upon the Condominium of the defaulting Unit Owner(s) upon the recordation in the Office of the Recorder of the City and County of San Francisco of a Notice of Assessment; said Notice shall be filed by the Corporation as provided in California Civil Code Section 1367. The Notice of Assessment shall not be recorded unless and until the Facility Operator has delivered to the delinquent Unit Owner(s), not less than two (2) weeks before the recordation of the Notice of Assessment, a written notice of default and demand for payment and unless such delinquency has not been cured within two (2) weeks after delivery of such notice of default.

(a) Subordination to Mortgages. Any lien created or claimed under the provisions of this Declaration is expressly made subject and subordinate to the rights of the Mortgagee under any First Mortgage made in good faith and for value, and no such lien shall, in any way, defeat, invalidate or impair the obligation or the priority of such Mortgage, unless the Mortgagee shall expressly subordinate its interest in writing to such lien.

(b) Priority Over Other Liens. Any assessment or other lien created pursuant to this Declaration shall be superior in lien priority to all other liens which are recorded subsequent to

the recordation of said Notice of Assessment but shall be junior in priority to the lien of those Mortgages described in (a) above.

Section 7.09. Acceleration. Upon a Unit Owner becoming three (3) months delinquent, the Board may declare the entire balance of all assessments then due, or to become due in the then current fiscal year, from such defaulting Unit Owner due and payable, which total sum may then be included in any suit, action or proceeding brought to collect said sum. If any action is filed by the Board to enforce the provisions of this Article, any judgment rendered against the defaulting Unit Owner shall include all costs and expenses and reasonable attorney's fees necessarily incurred in prosecuting such action. Notwithstanding acceleration under this section, only the amounts which would have come due under the monthly assessment payment schedule prior to the date the lien is recorded pursuant to Section 7.08 may be secured by said lien.

Section 7.10. Notice of Default; Foreclosure Sale. After recording of said Notice of Assessment, the Board or its authorized representative shall record a Notice of Default and thereafter shall cause the Condominium of said defaulting Unit Owner to be sold in the same manner as a sale as provided in the Civil Code Sections 2924, 2924(b) and 2924(c), or through judicial foreclosure. The Board or an authorized representative, acting on behalf of the Corporation, shall have the power to bid at the foreclosure sale and to acquire, hold, lease, mortgage and convey the Condominium which is subject to said default.

Section 7.11. Curing of Default. Upon the timely payment or other satisfaction of all delinquent assessments of a Unit Owner set forth in the Notice of Assessment filed and recorded in accordance with this Article and all other assessments which have become due and payable with respect to the Condominium as to which such Notice of Assessment was filed and recorded following the date of such recordation, together with all costs and interest at the rate of ten percent (10%) per annum which accrued thereon and reasonable attorney's fees, the Board shall cause to be recorded in the Office of the City and County of San Francisco Recorder a further notice, stating the satisfaction and release of the lien created by the Notice of Assessment. A fee in the amount of Twenty-five dollars (\$25) covering the cost of preparation and recordation of the Notice of Release and Satisfaction shall be paid to the Corporation prior to the execution, filing and recordation of such Notice of Release and Satisfaction. Such Notice of Release and Satisfaction of lien may be executed by a designee of the Board. For the purposes of this Section 7.11, the term "costs" shall include costs and expenses actually incurred or expended by the Corporation in connection with the preparation and recordation of the Notice of Assessment and in efforts to collect the delinquent assessments secured by the lien created by the Notice of Assessment.

Section 7.12. Rights of Board; Waiver of Owners. Each Unit Owner hereby vests in and delegates to the Board, or authorized representative(s) of the Board, the right and power to bring all actions at law or in equity or lien foreclosures, whether judicially or by power of sale, against, any Unit Owner(s) for the collection of delinquent assessments in accordance herewith, and the authority and power to sell the Condominium of such defaulting Unit Owner(s), subject to a First

Mortgage or any other superior lien, and hereby expressly waives any objection to the enforcement of the obligation to pay assessments in accordance with this Declaration.

Section 7.13. Remedies Cumulative. Any lien created or claimed under this Article and the right to foreclose the same shall be additional to and not in substitution for all other rights and remedies which the Unit Owner(s) and the Board may have to enforce the provisions of the Governing Instruments, and each and all legal or equitable remedies provided for in this Declaration shall be deemed to be cumulative, whether so expressly provided or not.

Section 7.14. Failure to Fix Assessments. The omission by the Board, before the expiration of any fiscal year, to fix the assessments hereunder for that fiscal year shall not be deemed a waiver or modification in any respect of the provisions of this Declaration or a release of any Unit Owner or lessee from the obligation to pay the assessments, or any installment thereof, for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is fixed.

Section 7.15. Liability for Assessments. A Unit Owner's liability may not be avoided by a waiver of the use or enjoyment of the Common Area, the Jointly Shared Space or any portion of either or by abandonment of the Condominium against which such assessments are made.

Section 7.16. Contributions.

(a) If all or a portion of the Agency Space is damaged, destroyed, or taken under the power of eminent domain and the Board elects or is required to repair or restore the Agency Space as provided in Section 8.06, and the condemnation or insurance proceeds are less than the actual cost of repair or restoration, then each Unit Owner shall contribute a *pro rata* share of the extra costs of restoring its own Unit, and BAHA shall pay all extra costs of repairing the Common Area and the Jointly Shared Space.

(b) Proration shall be determined by allocating insurance or condemnation proceeds among the affected Common Area, Jointly Shared Space and Units based on the percentage of the estimated cost to repair each Unit, the Common Area and the Jointly Shared Space bears to the estimated cost to repair the entire Agency Space.

ARTICLE VIII

INSURANCE; DAMAGE AND DESTRUCTION; EMINENT DOMAIN

Section 8.01. Authority to Purchase.

(a) Common Expenses. All insurance pertaining to the Agency Space or operations of the Corporation (except as hereinafter permitted in Section 8.04) which is acquired and maintained by the Corporation pursuant to this Article shall be a Common Expense.

(b) Independent Advice. To assist in the purchase and administration of its insurance, the Corporation may employ the services of independent appraisers and insurance analysts, consultants or brokers, the expense of which shall be a Common Expense.

Section 8.02. Manner of Purchase. Except as provided in Section 8.04, all insurance shall be purchased from insurance companies and in forms and amounts Approved by the Board and approved by each Mortgagee and shall include but not be limited to the coverages required by this Article. The cost of any insurance coverage which may be required by a Unit Mortgagee in excess of that which may otherwise be required by this Article or Approved by the Board, and which cannot be placed separately by the Unit Owner, shall be paid by the Unit Owner of the Condominium subject to such indebtedness as a Special Assessment.

Section 8.03. Insurance Specifications.

(a) All Risk Physical Loss Coverage. The Agency Space, the Unit Owners' interests in all improvements made by the Unit Owners and their lessees (unless, in the case of lessees, the lessee is required to carry separate insurance covering its improvements), and the Unit Owners' interests in all other insurable improvements within the Agency Space, including personal property used in the operation of the Common Areas and Jointly Shared Spaces or in the maintenance of the Agency Space, shall be insured for the mutual benefit of the Unit Owners under a blanket policy(ies) against loss from all risk of direct physical loss or damage, subject to the standard exclusions, for 100% of the full replacement cost thereof without deduction for physical depreciation and against such perils and in such manner as presently or at any time in the future may commonly be insured against by informed, prudent management of property of like size and character in the San Francisco area and as may from time to time be required by any Unit Mortgagee. The cost of any such insurance policy covering the entire Facility shall be allocated between the Agency Space and the Commercial Space based on the percentage of the total square footage of the Facility attributable to each Space.

(1) Full Replacement Cost.

(A) Definition. For purposes of this Article, "full replacement cost" shall mean the actual cost, without deduction for depreciation, of reconstructing the Agency Space, the Unit Owners' interests in all insurable improvements and betterments effected by the Unit Owners and their lessees, if any, whether part of individual Units, Common Area or Jointly

Shared Spaces and the Unit Owners' and the Corporation's interest in all furnishings, equipment and personal property used in operation and management of the Common Area and the Jointly Shared Spaces including architects' and engineers' supervisory fees.

(B) Determination. "Full replacement cost" shall be determined by a recognized appraisal firm every three (3) years beginning with completion of construction of the Project and installation of all improvements and betterments of the Unit Owners and their lessees, if any. Between each three (3) year appraisal, the replacement costs will be updated annually, using recognized inflation factors Approved by the Board. Each Unit Owner and its lessees, if any, shall promptly supply such data as may be required by the appraiser for the purposes hereof.

(b) Required Provisions. The provisions required by subparagraphs (1) through (7) below or equivalents thereof, in form Approved by the Board and approved by any Mortgagee, shall at all times be part of such blanket policy(ies) to the extent obtainable from the insurers.

(1) Cost of Replacement Endorsement. Such blanket policy(ies) shall provide for settlement of loss thereunder as to the Agency Space and all insured improvements and property in accordance with the Replacement Cost Endorsement, or its equivalent which shall be part of the policy(ies).

(2) Unit Mortgagee/Lender's Loss Payable Endorsement. Such blanket policy(ies) shall provide for insuring each Unit Mortgagee in accordance with the Lender's Loss Payable Endorsement, or equivalent, in form satisfactory to such Unit Mortgagee. The aforesaid Lender's Loss Payable Endorsement shall be modified by the following language to be added to such policy(ies) by endorsement:

"Named Mortgagee(s): Subject in all other respects to the provisions of the Mortgage Clause in this policy, or the Lender's Loss Payable Endorsement attached hereto, any loss to building(s), and all improvements thereto, including personal property used in connection therewith, covered under this policy, which normally would be payable to the named insured(s) and named Mortgagee(s) shall be payable only to the Insurance Trustee named by the insured(s) or such other payee as is elsewhere in this policy provided."

(3) Primary Insurance. Such blanket policy(ies) shall provide that coverage is primary insurance, subject to an occurrence deductible and shall not be affected or diminished by reason of any other insurance coverage maintained by any individual Unit Owner(s) or the Corporation.

(4) Waiver of Subrogation. Such blanket policy(ies) shall provide for a waiver of subrogation against individual Unit Owner(s) and the Corporation and their affiliated and subsidiary companies and all of their officers, agents and employees.

(5) Notice of Cancellation. Such blanket policy(ies) shall provide for written notice to each Unit Owner, each Unit Mortgagee, and the Corporation at least thirty (30) days prior to any effective date of cancellation or change affecting coverage whether initiated by the insurer or any insured thereunder;

(6) Conduct of Unit Owner. Such blanket policy(ies) shall provide that the conduct of any Unit Owner or the Corporation will not result in the avoidance of the insurer's liability; and

(7) Insurer's Agreement to Abide by Board Decision. Such blanket policy(ies) shall provide an agreement by the insurer to abide by a Board decision regarding restoration or a waiver of its option to restore the Agency Space, if the Board elects to dispose of the same.

(c) Comprehensive General and Automobile Liability Insurance.

(1) Required Insurance. Comprehensive General and Automobile Liability Insurance shall at all times be maintained for the mutual benefit of all Unit Owners, the Corporation and the officers, agents and employees of the Corporation as named insureds against liability for injuries to persons, including death, or damage to property of members of the public or tenants, agents, employees, licensees or invitees of the Unit Owner(s) or person(s) claiming under them, arising out of any "occurrence" incident to operation of the Agency Space or taking place in, on or about the Agency Space, individual Units, the Common Area, the Jointly Shared Space or any elevators or any escalators therein and the adjoining sidewalks, streets and passageways. Such insurance shall include but not be limited to coverage against liability: (1) under common law or applicable statute, ordinance or regulation relating to sale or distribution of alcoholic beverages within the Agency Space to the extent applicable; (2) for operations of independent contractors; (3) as may be assumed under contract, including without limitation the indemnification provisions hereof; and (4) for bodily injury, death or damage to property arising out of the use by or on behalf of any insured thereunder of owned, non-owned, hired or leased automotive equipment, if any, and not otherwise insured, in furthering the operation and maintenance of the Agency Space.

(2) Liability Limits. The amount of such insurance (including automobile bodily injury and property damage liability insurance) shall be maintained at a combined single limit of One million dollars (\$1,000,000) or at such lesser amount as when combined with the policy(ies) specified in Section 8.03(d) shall produce total liability coverage not less than a combined single limit of Ten million dollars (\$10,000,000). Said limit shall be reviewed annually by the Board and increased, if at all, in an amount Approved by the Board.

(3) Additional Policy Provisions. The insurance policies specified in Sections 8.03(c) and (d) shall contain the additional policy provisions specified in Sections 8.03(b)(3), (4), (5) and (6).

(d) Umbrella Policy. Excess (Umbrella) Liability Insurance for the mutual benefit of all Unit Owners and the Corporation and the Corporation's directors, officers, agents and employees as named insureds shall at all times be maintained under a policy(ies) (or policies issued in layers) which shall follow all terms and conditions of, and be no less comprehensive as to coverage than, the primary insurance specified in Section 8.03(c); such policy(ies) shall, when combined with the aforesaid primary policy, produce a total single limit of liability not less than Ten million dollars (\$10,000,000). The policy will schedule the primary liability policy, as well as the employer's liability section of the Workers' Compensation policy, as underlying insurance.

(e) Workers' Compensation. Workers' Compensation Insurance, including Employers Liability Insurance, shall be carried, if necessary, to provide for payment by the Unit Owner(s) or the Corporation of statutory obligations under the California Workers' Compensation Law and any other applicable laws to employees of the Corporation and employees, if any, of the Unit Owner(s) employed by the Corporation in on or about the Agency Space in the care, maintenance or operation thereof.

(f) Boiler and Machinery Insurance. Boiler and Machinery Insurance in the names of the Unit Owners and the Corporation as insureds shall be maintained in the amount of One million dollars (\$1,000,000), or such larger amount as Approved by the Board, to cover loss caused by sudden or accidental breakdown of boilers, pressure vessels, pressure piping and all major components of any central heating, air conditioning and cooling systems as may be Approved by the Board.

The interest of each Unit Mortgagee shall be protected thereunder by a loss payable clause acceptable to each Unit Mortgagee. Such insurance shall not cover liability for bodily injuries or property damage which is insured against under the policies specified in Sections 8.03(c) and (d). The policy and the loss payable clause shall, to the extent obtainable from the insurer, be subject to all additional provisions specified in Section 8.03(b).

(g) Fidelity and Crime Insurance. Crime Insurance in an amount not less than Five hundred thousand dollars (\$500,000) shall be carried for the benefit of the Unit Owners and Corporation as insureds against loss caused by criminal and dishonest acts both on and off premises and against infidelity of all officers, agents, independent contractors, and employees of the Corporation, if any. Said insurance shall be subject to change from time to time as to coverage and amounts as may be Approved by the Board.

This coverage, to the extent obtainable from the insurer, shall contain the additional provisions specified in Sections 8.03(b)(3), (4), and (5).

(h) Other Insurance. Such other insurance shall be carried for such amounts and coverage as may be Approved by the Board for preservation of the Space Agency and protection of the interests of the Unit Owners in connection therewith, or as may be required by any Unit Mortgagee (to the extent any coverage required by a Unit Mortgagee cannot be placed separately by that Unit Owner).

Section 8.04. Unit Owner Insurance. Each Unit Owner may obtain and keep in force such additional insurance as it may desire to cover its Unit and such improvements therein and thereto as it or any of its lessees may have made, and personal property, including without limitation liability coverages and such rental value or business interruption insurance as the Unit Owner may elect to carry. Such insurance shall contain the same waiver of subrogation as that referred to in Section 8.03(b)(4) and shall be carried for the sole protection and at the sole expense of such Unit Owner and shall not be contributory with any insurance maintained by the Corporation in accordance with Section 8.03.

Section 8.05. General Insurance Conditions.

(a) Copies of Policies. Each Unit Owner, each Unit Mortgagee, if any, and the Facility Operator shall be supplied with certified copies of all insurance policies maintained in accordance with Section 8.03.

(b) Loss Adjustment Provisions.

(1) Adjustment of Casualty losses. Subject to the rights of a Unit Mortgagee to require adjustment by and payment to an independent third party adjuster pursuant to Section 8.09, insurance policies specified in Section 8.03(a) and (f), and if applicable Section 8.03(h), shall name the Corporation as Insurance Trustee. All losses covered by such policies shall be adjusted with the insurers by the Corporation. All proceeds shall be paid to the Corporation to be held in trust for the named insureds and disbursed as provided in Section 8.06 and 8.07.

(2) Adjustment of Fidelity and Crime Insurance. The insurance policy specified in Section 8.03(g) shall name the Corporation as the Insurance Trustee. All losses covered by such policy shall be adjusted with the insurer by the Corporation. All proceeds shall be paid to the Corporation to be held in trust for the named insured and shall be applied by the Corporation to the account, or accounts, affected by the loss.

Section 8.06. Decision to Repair or Restore.

(a) Partial or Complete Destruction.

(1) Board Decision. In the event of any damage or destruction to any portion of the Agency Space by fire or other casualty, the cost of repair or restoration of which:

(A) is equal to two-thirds (2/3) or more of the then full replacement cost of the Agency Space, during the first thirty (30) years following the date of this Declaration;

(B) is equal to one-half (1/2) or more of the then full replacement cost of the Agency Space, during the thirty-first (31st) through fiftieth (50th) year following the date of this Declaration;

(C) is equal to one-third (1/3) or more of the then full replacement cost of the Agency Space if the damage or destruction occurs more than fifty (50) years following the date of this Declaration; and/or

(D) exceeds the applicable insurance proceeds by more than Two hundred thousand dollars (\$200,000), regardless of when the damage or destruction occurs; the Board shall decide by unanimous vote, and within ninety (90) days after the occurrence of such damage or destruction, whether or not the Agency Space shall be repaired or restored; provided that the Agency Space may be repaired or restored only if BAHA also elects to repair or restore the remainder of the Facility.

(2) No Board Decision. If the extent of damage or destruction is less than set forth in Section 8.06(a)(1) above, or the Board fails to make a decision within the 90-day period as provided for in said section, the Corporation shall forthwith cause the Agency Space to be repaired or restored unless BAHA has given notice of its election not to restore or repair the remainder of the Facility.

(b) Insurance Proceeds. If the Agency Space is to be repaired or restored in accordance with Sections 8.06(a) and, as appropriate, (j), the proceeds of insurance carried pursuant to Section 8.03 received as a result of such damage or destruction shall be used to pay the cost of such repair or restoration and shall be disbursed as provided in Section 8.07(b).

(c) Costs Exceeding Insurance Proceeds. If the Corporation repairs or restores the Agency Space and the cost thereof is more than the amount of such proceeds, the deficiency between such proceeds and such cost shall be paid by BAHA or the Unit Owners collectively as a Special Assessment as provided in Sections 7.16(a) and (b).

(d) Distribution of Excess Insurance Proceeds. If the Corporation repairs or restores the Agency Space and the cost thereof is less than the amount of such insurance proceeds, the balance of such proceeds remaining after payment of the costs of restoration and repair shall be distributed prorata to the Unit Owners in accordance with the formula set forth in Section 7.16(b), except that excess proceeds attributable to coverage(s) which exceed the coverage requirements established by the Board and which are paid for by one Unit Owner shall be paid to such Owner.

(e) Notice of Election Not to Repair; Recordation. If a decision of the Board not to repair or restore the Agency Space is made pursuant to Section 8.06(a), the Corporation shall cause to be recorded a Notice setting forth such decision.

(f) Tenants In Common. Upon the recording of such notice, the Unit Owners shall be deemed to be tenants in common in the Agency Space and the Board shall cause an appraisal to be made by a disinterested appraiser of recognized competence in the valuation of property of the nature and in the locality in which the Facility is situated, which appraisal shall set forth an opinion as to the value of the Agency Space as it then exists, together with an opinion of any incremental value, if any, which would accrue if the Agency Space were razed.

(g) Sale of Project. As soon as is reasonably possible after completion of said appraisal, the Unit Owners shall, in concert with BAHA, as the owner of the Commercial Space, sell the Agency Space as part of the overall Facility. If necessary to such sale, the Unit Owners may, but shall not be required to, cause any construction then standing to be razed; provided the costs thereof shall be paid out of any insurance or sales proceeds. The Unit Owners and BAHA shall prepare and file a corrected subdivision map, if required, converting the Facility into single unimproved parcel of land. Such sale shall be free from the effect of this Declaration, with the exception that any provisions hereof relating to distribution of sale and insurance proceeds to the Unit Owners and Unit Mortgagees, and liabilities of the Unit Owners *inter se* shall continue to have full force and effect until such distribution is completed. The Unit Owners are authorized to sell the Agency Space, but if the price is, or the terms of such sale have the effect of reducing such price by, more than fifteen percent (15%) below the appraised value previously obtained, the Unit Owners may not sell the Agency Space without the consent of each Unit Mortgagee.

(h) Proceeds of Sale. The net proceeds of such sale, together with any proceeds of insurance received as a result of such damage or destruction, shall be shared among the Unit Owners in accordance with their respective Percentage Ownership Interests; provided that, if there is an amount secured by a Unit Mortgage or a lien created in good faith and for value or created pursuant to the provisions of Article VII on any Unit, the amount payable to the Owner of the encumbered Unit shall first be paid to the First Mortgagee, then any balance shall be paid to the holder or holders of any other liens on such Unit, in their order of priority, before any distribution of proceeds to the Unit Owner whose Unit is so encumbered. If within one (1) year after the date of the recording of a notice pursuant to Section 8.06(e) setting forth the Board's and BAHA's joint decision not to repair or restore the Facility, the Facility has not been sold as provided in Section 8.06(g), then an action may be brought by any Unit Owner(s) for partition of the Agency Space by sale as provided in Civil Code Section 1359. Expiration of the one-year period constitutes compliance with Civil Code Section 1359(b)(4).

(i) Recordation of Notice of Damage. Within ninety (90) days after any such damage or destruction occurs, any Unit Owner, any insurer, or the Corporation, may record a notice stating that such damage or destruction has occurred, describing it, identifying the part of the Agency Space suffering such damage or destruction, the name of any insurer against whom claim is made, reciting that such notice is recorded pursuant to this Section 8.06(i) and that a copy of such notice has been served on the Corporation and all Unit Owners and Unit Mortgagees.

(j) Restoration of Individual Unit. Repair and restoration of damage to the interior of any Unit shall be made by and at the expense, including any insurance proceeds distributed to such Owner, of the Unit Owner(s) whose Unit is damaged as provided for in Section 7.16(b).

Section 8.07. Proceeds of Property Insurance - How Settled and Paid.

(a) Responsibility for Negotiations. Except as otherwise provided in Section 8.05(b), in the event of any insured casualty, the Corporation is charged with the duty and responsibility of negotiating settlement of property losses with insurance carrier(s). However, if the cost to repair or restore exceeds the best obtainable settlement by Two hundred thousand dollars (\$200,000), and if the Board determines in conjunction with BAHA not to repair or restore the Facility as hereinbefore provided, the Board shall, prior to the acceptance of any such award, obtain in writing the approval of all Unit Mortgagees as to any amount which may be accepted on account of the damage to or destruction of the Agency Space. If the Board and any Unit Mortgagees cannot reach an agreement within sixty (60) days following a request for such approval, the question of the amount of the settlement award shall be submitted to arbitration in accordance with the arbitration provisions of the policies involved.

(b) Distribution of Proceeds. The proceeds of any insurance carried pursuant to Sections 8.03(a) and (f) and, where applicable, Section 8.03(i), shall be disbursed in accordance with sound construction loan procedures and controls, which shall be unanimously Approved by the Board, for the purpose of repairing or restoring the Agency Space, or, if a decision of the Board not to repair or restore the Agency Space is made pursuant to Section 8.06, the Board shall disburse such funds to the Unit Owners in accordance with Section 8.06; provided that if there is

any amount secured by a First Mortgage or any other lien created in good faith and for value or created pursuant to provisions of Article VII on any Unit, the amount otherwise payable to the Unit Owner shall first be paid to the First Mortgagee, then to the holder or holders of such other lien(s) on such Unit before any distribution of any proceeds to the Unit Owner whose Unit is so encumbered.

Section 8.08. Eminent Domain.

(a) Definition; Notice; Representation; Participation in Proceedings.

(1) "Taking"; "Award". The term "taking" shall mean condemnation by eminent domain or sale under threat of condemnation. The term "award" shall include a settlement made in lieu of award.

(2) Notice. In the event of a threatened taking of all or a portion of the Agency Space, the Facility Operator shall immediately notify all Mortgagees and Unit Owners.

(3) Representation. The Board, or its designee, shall represent the Unit Owners in connection with a taking.

(4) Participation in Proceedings. Each Unit Mortgagee and each Unit Owner may, at its option, if permitted by the court, participate in the proceedings incident to a taking, but in any proceeding, the damages shall be determined for such taking as a whole and not for each Unit Owner's interest therein.

(b) Taking of the Entire Project. If the entire Agency Space is taken, any award shall be payable to and collected by the Corporation. Subject to Section 8.08(d), the net proceeds of award shall be divided among the Unit Owners in accordance with their Percentage Ownership Interests.

(c) Partial Taking. If any portion of the Agency Space is taken, the Board shall unanimously decide, in conjunction with BAHAs as the owner of the Commercial Space if the remainder of the Facility is impacted, whether (i) to restore the remainder of the Agency Space or (ii) to bring or permit an action for partition or to sell the remaining portion of the Agency Space in the manner provided in Sections 8.06(e), (f) and (g).

(1) No Board Decision; Partition. If the Board does not reach a unanimous decision pursuant to Section 8.08(c) within ninety (90) days after such taking becomes final, then the Board shall be deemed to permit an action for partition under the conditions of Civil Code Section 1359(b)(4), which conditions shall be deemed to have been met. At any time following the fifteenth (15th) day after said ninety (90) days, a Unit Owner may record a Notice of Decision. Upon the recording of such notice, the Unit Owners shall be deemed to be tenants in common in the Agency Space and an action for partition by sale may be brought by any Unit Owner(s) as provided in Civil Code Section 1359.

(2) Restoration. If the Board unanimously decides to restore the remainder of the Agency Space as provided in Section 8.08(c), then the proceeds of award shall be payable to

and collected by the Corporation and shall be disbursed first to compensate any Unit Owner whose Unit has been taken and then applied in accordance with sound construction loan procedures and controls approved by the Board and all Unit Mortgagees as reasonably necessary for the purpose of restoring the remainder of the Agency Space. Any deficiency between the award and costs of restoration shall be treated as a Capital Improvement payable by BAHA.

(3) Balance of Award; Sale Proceeds. If the proceeds of award exceed the compensation payable to any Unit Owner whose Unit is taken plus cost of restoration of the remaining Agency Space, the award, or the balance thereof remaining after deducting such costs, shall be divided among the Unit Owner(s) according to their Percentage Ownership Interests in the portions of the Agency Space taken, subject to the provisions of Section 8.08(d). Upon sale by partition or if sale is authorized under Sections 8.06(e),(f) and (g) by decision of the Board as provided in this Section 8.08(c), the net proceeds of sale shall be divided in accordance with each Unit Owner's Percentage Ownership Interest; provided that such distribution is subject to the provisions of Section 8.08(d).

(d) Lien. The Board shall disburse any such funds to the Unit Owners as determined under Section 8.08(c)(3) set forth above; provided that if there is any amount secured by a First Mortgage or any other lien created in good faith and for value or created pursuant to the provisions of Article VII on any Unit remaining, such amount shall first be paid to the First Mortgagee and then to the holder or holders of such other lien(s) on that Unit, in the order of their priority, before any distribution of any proceeds to the Unit Owner whose Unit is so encumbered.

(e) Waiver of Power of Eminent Domain. Declarant by execution hereof and each Unit Owner, upon acceptance of the conveyance of its Condominium and/or interest therein, agrees that, as to each or any of them which now or in the future possesses the power of eminent domain, the exercise of such power is hereby waived and shall not be exercised against or applied to any Condominium or interest in a Condominium within the Agency Space.

Section 8.09. Unit Mortgagee's Right to Require Independent Trustee. Notwithstanding any provision in this Article VIII to the contrary, any Unit Mortgagee, upon written request to the Corporation, shall have the absolute right to require that an independent insurance trustee approved by the Board and such Mortgagee be appointed forthwith to replace the Corporation to administer insurance proceeds. The replacement insurance trustee shall be a commercial bank or other financial institution with trust powers with a place of business in the City and County of San Francisco, California, which trustee agrees in writing to accept the trust. The costs of such trustee's service shall be paid by the Unit Owner whose Unit is encumbered and whose Unit Mortgagee makes the request.

ARTICLE IX

RESTRICTIONS ON TRANSFER; ACTIONS FOR PARTITION

Section 9.01. Unity of Interests. The Common Area shall remain undivided as set forth herein, and no Unit Owner shall be entitled to sever its interest in a Unit from the appurtenant undivided interest in the Common Area. No Unit may be dealt with, sold, conveyed, hypothecated or encumbered separately from its appurtenant interest in the Common Area. Any effort to do so shall be null and void. It is intended hereby to restrict severability in the manner provided in Civil Code Section 1359(a), or as subsequently amended; provided, however, that no restrictions upon severability contained herein shall extend beyond the period in which the right to partition is suspended under Civil Code Section 1359(b).

Section 9.02. Right to Partition. No Unit Owner shall have the right to bring any action for partition of the Agency Space, except as permitted by the provisions of this Declaration, the provisions of Civil Code Section 1359(b), or as may be unanimously approved by the Board and all Unit Mortgages.

Section 9.03. Proceeds of Sale Incident to Partition. In the event the Agency Space is sold incident to a partition thereof, the proceeds of such sale shall be shared among the Unit Owners in accordance with their Percentage Ownership Interests; provided that, if there is any amount secured by a First Mortgage or by any other lien on any Unit created in good faith and for value or created pursuant to the provisions of Article VII, such amount shall first be paid to the First Mortgagee, then any balance remaining which is otherwise payable to the Unit Owner of the encumbered Unit shall be paid first to the holder or holders of such other lien(s) on that Unit, in the order of their priority, before any distribution of any proceeds to the Unit Owner whose Unit is so encumbered.

Section 9.04. Priority on Leases, Sales and Transfers.

(a) The right of a Unit Owner to sell, lease, assign or otherwise transfer any interest in and to its Unit to any person or entity which is not then a Unit Owner shall be subject to the requirement that such Unit Owner make reasonable attempts to transfer or lease to transferees or lessees in the following order of priority:

- (1) other governmental institutions or entities;
- (2) nonprofit entities; or
- (3) such other lessees or transferees as shall have been first Approved by the Board, which approval shall not be unreasonably withheld.

(b) The requirements of Section 9.04(a) apply only to voluntary leases and transfers. The following list of transactions is specifically exempted from said requirements:

(1) the leasing by BAHA of any space as is necessary to achieve full occupancy of the Agency Space at rates comparable to the rental rates being paid by other governmental tenants, provided that any proposed non-governmental tenant shall be subject to Approval by the Board;

(2) transfer of title pursuant to a deed given in lieu of foreclosure or pursuant to judicial or nonjudicial foreclosure proceedings instituted against a Condominium and any subsequent sale or lease of such interest by the Mortgagee, the Mortgagee's assignee or the Mortgagee's successor in interest or their successors in interest.

Section 9.05. Interest in Maintenance and Reserve Fund. Upon sale or transfer of any interest in a Unit by any Unit Owner, said Unit Owner's interests in the Condominium Maintenance Fund Account and in the Condominium Reserve Fund Account shall thereupon automatically be transferred to said Unit Owner's successor or transferee.

Section 9.06. Conveyance of Condominiums. No Unit Owner may convey its undivided interest as a tenant in common in the Common Area, except as specifically permitted herein or as part of a conveyance of all its interest in its Unit.

Section 9.07. Transfer of Membership.

(a) The membership of each Unit Owner in the Corporation and its right to appoint a Director to the Board shall be as defined in this Declaration, the Articles and Bylaws and shall be appurtenant to the Condominium giving rise to such membership. Such membership shall not be assigned, transferred, pledged, conveyed or alienated in any way, except:

- (1) the giving of a proxy by a Unit Owner to a Unit Mortgagee;
- (2) assignment of membership by a Unit Owner to a Unit Mortgagee during foreclosure proceedings;
- (3) assignment of membership by a Unit Owner to a lessee who qualifies as a "Unit Owner" pursuant to Section 2.01(w); and
- (4) upon the transfer of title to said Condominium and then only to the transferee.

(b) Any attempt to make a prohibited transfer shall be void. Subject to Sections 2.01(w), 3.02 and 9.07(a) above, transfer of a Unit Owner's entire interest in a Condominium shall operate automatically to transfer the appurtenant membership in the Corporation to the new Owner thereof.

(c) If a Unit Owner's entire interest in the Agency Space is acquired by another Unit Owner(s), then the transferring Unit Owner's membership in the Corporation shall be merged for all purposes, including but not limited to voting rights, into the membership(s) of the acquiring

Unit Owner(s) for so long as such acquiring Unit Owner(s) hold such Condominium interest(s). For example, if one Unit Owner sells its entire interest in the Agency Space to another Unit Owner, the remaining Unit Owner would have the percentage vote attributable to the two Units it owns. If the acquiring Unit Owner later sold such interest to a third party, its percentage vote on the Board would be reduced to the percentage vote it held originally.

Section 9.08. Rights of First Refusal – Sale. The Declarant hereby reserves for itself and grants to any acquiring Unit Owner (hereinafter be referred to as an "offeree Unit Owner") non-assignable rights of first refusal, as set forth in this Section 9.08, upon the proposed sale of any Unit Owner's (hereinafter "selling Unit Owner") interest in the Agency Space.

(a) Covered Transactions. The offeree Unit Owner's rights of first refusal shall apply to the assignment, sale or exchange of all ownership interests in the Agency Space of the transferring Unit Owner (the "Offered Interest"). Upon the valid and timely exercise of its right of first refusal under this section, the offeree Unit Owner shall purchase the entire Offered Interest or none of it. The following transactions are exempted from this right of first refusal:

- (1) the placing of any encumbrance or security interest on a Condominium interest, including a Mortgage;
- (2) advances made on account of any obligation secured by an encumbrance upon a Unit Owner's Condominium interest;
- (3) transfer of title pursuant to deed given in lieu of foreclosure or pursuant to judicial or nonjudicial foreclosure proceedings instituted against a Condominium interest; or any subsequent sale of such interest by the Mortgagee, the Mortgagee's assignee or the Mortgagee's successor in interest or their successors in interest.
- (4) except as provided in Section 9.08(f), any transfer or sale of any kind of any portion, or all, of a Unit Owner's condominium interest which was previously subject to a right of first refusal which was not exercised;
- (5) any transfer to a replacement entity (of any type) which among other things performs substantially the same or similar public functions as the transferring Unit Owner.

(b) Purchase Price. The offeree Unit Owner shall pay the purchase price set forth in the bona fide offer from a third party described in Section 9.07(1) below, unless the offeree Unit Owner and the selling Unit Owner agree to a lesser purchase price (the "Purchase Price").

(c) Procedure. If the offeree Unit Owner exercises the right of first refusal, it shall do so in the following manner:

(1) Notice of Intention to Sell. If a Unit Owner desires to sell or transfer the Offered Interest in a transaction not exempted pursuant to Section 9.08(a) above, then such selling Unit Owner shall, upon receipt of a bona fide written offer from a third party to purchase the Offered Interest, which offer the selling Unit Owner desires to accept (hereinafter "bona fide offer"), deliver notice ("Notice") to the offeree Unit Owner by registered or certified mail, return

receipt requested, or better service with evidence of delivery, of its intention to sell or otherwise transfer such Offered Interest. The Notice shall set forth the legal description of the Offered Interest, the terms and conditions of sale or transfer, and the amount secured by each and every Mortgage or lien on part or all of the Offered Interest (if the proposed purchase is to be subject to such existing Mortgage or lien); provided that, the bona fide offer may be inspected and/or copied by the offeree Unit Owners upon a reasonable advance request to the selling Unit Owner. Where the bona fide offer includes an exchange for some other property interest, the fair market value of such property interest shall be determined by an independent, professional real estate appraiser who shall be acceptable to the selling Unit Owner and the offeree Unit Owner; provided that the parties shall cooperate in good faith in the expeditious selection of such appraiser. If the parties are unable to agree on an appraiser, a list of names shall be agreed to by the parties. The parties, in an order determined by lot, shall alternately strike one (1) name from the list until the name of one (1) appraiser remains who shall serve as the appraiser for purposes of this paragraph. The cost of appraisal shall be divided equally among the participating Unit Owners.

(2) Response; Forty-Five (45) Day Time Limit. If the offeree Unit Owner desires to purchase the Offered Interest of the selling Unit Owner, then it shall deliver notice ("Purchase Notice") to the selling Unit Owner by registered or certified mail, return receipt requested, or better service with evidence of delivery, to its address set forth in Section 12.06. A Purchase Notice shall cover the entire Offered Interest or shall be deemed invalid.

To be valid, each such Purchase Notice must be executed by the offeree Unit Owner and shall contain or enclose the following:

(A) Certified copies of resolutions or motions duly adopted by the governing body of the offeree Unit Owner authorizing unconditional exercise of the right of first refusal and consummation of the purchase of the Offered Interest in accordance with the terms and conditions of this Section 9.08:

(B) A statement of the Purchase Price;

(C) The legal description of the Offered Interest;

(D) The agreement that the offeree Unit Owner shall accept title to the Offered Interest, with only those representations and warranties as are customary for an "AS IS/WHERE IS" sale of real estate. The sale may be conditioned upon a nationally recognized title insurance company being prepared to issue title insurance to the offeree Unit Owner upon recordation of the deed, subject only to such liens, encumbrances and other exceptions to title as shall be reasonably acceptable to the offeree Unit Owner. To validly exercise the right of first refusal granted in this section, the offeree Unit Owner must cause its Purchase Notice to be received by the selling Unit Owner not later than forty-five (45) calendar days after the date of receipt by the offeree Unit Owner of the Notice.

If the offeree Unit Owner fails to cause the selling Unit Owner to receive a timely, valid Purchase Notice, the offeree Unit Owner shall be deemed to have automatically waived its rights of first refusal in respect to such sale of the Offered Interest. If no valid Purchase Notice is

timely received by the selling Unit Owner, the selling Unit Owner shall have the absolute right to sell the Offered Interest as provided in Section 9.08(e). Upon request of the selling Unit Owner, the waiving offeree Unit Owner shall promptly furnish, without charge, to the selling Unit Owner an irrevocable written waiver of its right of first refusal with respect to such purchase of the Offered Interest. Such waiver shall be in form acceptable to the selling Unit Owner's title insurer.

(3) Time to Consummate Right of First Refusal Transaction. If a timely Purchase Notice is received by the selling Unit Owner, the offeree Unit Owner shall have sixty (60) calendar days from the date of receipt by the selling Unit Owner of such Purchase Notice within which to close escrow on the Offered Interest and to complete the purchase transaction. Said purchase shall be made on the same terms and conditions as the bona fide offer except that:

(A) Irrevocable escrow instructions, duly executed by the offeree Unit Owner, shall be submitted to the escrow agent (selected by the offeree Unit Owner) on such agent's standard form and setting forth instructions consistent with the provisions hereof and specifically instructing said agent to disburse the full Purchase Price first to the Mortgagee holding the first lien priority Mortgage against the Offered Interest to the extent of the obligation secured by such Mortgage (unless the offeree Unit Owner has agreed to take title subject to or to assume the First Mortgage), then to any other holders of liens against the Offered Interest, in their order of priority and any balance to the selling Unit Owner;

(B) The time for consummation of said transaction and consequences of failing to timely consummate said transaction shall be as set forth in this section.

(d) Withdrawal. After a selling Unit Owner has delivered a Notice as provided in Section 9.08(c)(1), it may not thereafter extinguish the rights herein granted or withdraw the Offered Interest from sale pursuant to the terms and conditions of the right of first refusal set forth herein, except with the express written consent of the offeree Unit Owner.

(e) Failure to Exercise Right of First Refusal. If the offeree Unit Owner fails to cause the selling Unit Owner to receive a timely Purchase Notice pursuant to Section 9.08(c)(2) of if the selling Unit Owner receives notice from the offeree Unit Owner waiving its rights of first refusal, then the selling Unit Owner shall have a period of two hundred seventy (270) days from the date of Notice under Section 9.08(c)(1) within which to consummate a sale or transfer of the Offered Interest to third parties; provided that such sale or transfer shall be on the same terms and conditions as contained in the bona fide offer; provided further that, any approvals required from the Board shall not be unreasonably withheld.

(f) Sale after Two Hundred Seventy (270) Day Period. If the sale described in the bona fide offer referred to in Section 9.08(e) is not consummated within such two hundred seventy (270) day period or if the terms of such proposed sale are modified in any material respect, the Offered Interest shall be subject once again to the offeree Unit Owner's right of first refusal upon delivery of a new Notice pursuant to Section 9.08(c)(1).

(g) Holding Period. The first refusal rights set forth in this Section 9.08 are intended to allow the remaining Unit Owners to acquire the selling Unit Owner's Offered Interest for their

use and not for speculation and resale at a profit. Therefore, in the event that any Offered Interest is acquired by a Unit Owner as provided in this Section 9.08, such Unit Owner shall not transfer fee title to such Offered Interest for a period of two (2) years from the date transfer of title is made. The holding period set forth in this paragraph shall not apply to the initial sale by BAHA of any of the Units in the Agency Space or to judicial and nonjudicial foreclosures or deeds given in lieu of foreclosure.

(h) Termination of Right of First Refusal. Upon transfer of any Unit Owner's interest in its Unit to a third party, other than a governmental entity, the right of first refusal appurtenant to the transferred Unit shall terminate.

Section 9.09. Right of First Refusal - Lease. BAHA hereby reserves for itself a nonassignable right of first refusal set forth in this Section 9.09 to lease all or any portion of any other Unit Owner's Unit which such Unit Owner elects, in its sole discretion, to offer for lease to third parties, subject to the limitations set forth in Section 9.09(a) below.

(a) Covered Transactions. BAHA's right of first refusal shall apply to the leasing by the initial purchaser from BAHA (the "Initial Purchaser") of any interest in the Initial Purchaser's Unit to a non-Unit Owner and to any assignment of or sublease under any such lease to a non-Unit Owner. The following transactions are exempted from this right of first refusal:

(1) leases by any successor owner of a Unit), whether its interest is acquired by purchase or by a deed given in lieu of foreclosure or pursuant to judicial or nonjudicial foreclosure proceedings.

(2) any lease to a replacement or companion entity (of any type) which among other things performs substantially the same or similar public functions as the Initial Purchaser.

(b) Procedure. If BAHA exercises the right of first refusal, it shall do so in the following manner:

(1) Notice of Intention to Lease; Bona Fide Offer. Upon receipt of a bona fide written offer to lease or sublease all or a portion of the Initial Purchaser's Unit, which the Initial Purchaser is prepared to accept (hereinafter "bona fide offer"), the Initial Purchaser shall give Notice to BAHA of its intention to lease such Condominium interest on the terms and conditions contained in the bona fide offer. The Notice shall identify the interest to be leased (hereinafter "Offered Interest") and the terms and condition of lease. The third party bona fide offer to lease may be inspected and copied by BAHA upon reasonable notice to the Initial Purchaser.

(2) BAHA shall lease the Offered Interest in its "as is" condition or as otherwise provided in the bona fide offer, and the lease shall be subject to Mortgages and other liens of record;

(c) Agreement to Lease. BAHA shall have forty (40) days from the date of the Notice under Section 9.09(b)(1) within which to give Initial Purchaser a written Notice of Intention to lease the entire Offered Interest and fifty (50) days from the date of the Notice under

Section 9.09(b)(1) within which to execute a lease for the entire Offered Interest on the same terms and conditions as contained in the bona fide offer.

(d) Lease to Third Party. If a lease is not timely executed as provided herein by BAHA, then the Initial Purchaser may lease the offered space to third parties at the same or higher rates as those contained in the bona fide offer and otherwise on substantially the same terms and conditions contained in such offer, provided that, such lease shall be executed within one hundred eighty (180) days of the notice set forth in Section 9.09(b)(1). If such lease is not executed within such one hundred eighty (180) day period, BAHA's right of first refusal shall be reinstated as to any leases occurring after such time period.

Section 9.10. [Reserved]

Section 9.11. [Reserved]

Section 9.12. [Reserved]

Section 9.13. **Rights in the Event of Foreclosure.** Declarant hereby reserves for itself and grants to each Unit Owner the nonassignable rights in event of foreclosure described in this Section 9.13.

(a) Foreclosure. Each Unit Owner shall be deemed to have, and shall have, an interest entitling them to redeem any other Unit from the lien of any mortgage under Civil Code Section 2903 and that, upon redemption of the mortgaged property, such other Unit Owners shall have the rights against the mortgagor Unit Owner which are set forth in Civil Code Section 2903.

(b) Deed in Lieu of Foreclosure.

(1) Notice. If, in lieu of foreclosure, a mortgagor Unit Owner proposes to give a deed to the mortgaged property to a Mortgagee, the Unit Owner and Mortgagee shall reduce their agreement to writing and the mortgagor Unit Owner shall give notice in writing to the other Unit Owners advising them of the terms and conditions of the proposed transaction, providing each with copies of such written agreement.

(2) Right of Other Unit Owners. Upon receipt of a Notice under Section 9.13(b)(1) above, the other Unit Owners, acting in concert or otherwise, shall have the right to acquire the mortgaged property by making the following payments in cash within ninety (90) days of the Notice under Section 9.13(b)(1).

(A) To the Mortgagee: the full amount of the indebtedness secured by such mortgage, together with the Mortgagee's cost and expenses allowable under Civil Code Section 2924(d).

(B) To the mortgagor Unit Owner: the consideration, if any, that was agreed by the Mortgagee to be paid to such mortgagor Unit Owner in consideration of its giving such deed in lieu of foreclosure.

If the other Unit Owners oversubscribe the mortgaged interest and cannot reach timely agreement to divide such interest among themselves, then the Unit Owner which shall acquire the mortgaged interest shall be chosen by the mortgagor Unit Owner by lot.

(3) Waiver. If the other Unit Owner(s) fail to make timely payment for such mortgaged interest as required herein, then the right to purchase under Section 9.13(b) shall be waived and the mortgagor Unit Owner may give such deed in lieu of foreclosure to the Mortgagee pursuant to the terms of their agreement.

Section 9.14. Recomputation of Interest. Upon acquisition by an existing Unit Owner of any interest of another Unit Owner through outright purchase, purchase at foreclosure or otherwise, the acquiring Unit Owner's Percentage Ownership Interest shall be recomputed, as necessary, to reflect the acquiring Unit Owner's new holdings.

Section 9.15. Other Encumbrances. So long as BAHA or BAAQMD owns an interest in the Agency Space, neither of them shall voluntarily encumber its interests in the Agency Space, or any portion thereof, without the prior written consent of the other, which consent shall not be unreasonably withheld. At such time as BAHA no longer owns any interest in the Project, the provisions of this Section 9.15 shall no longer apply to the interest initially owned by BAHA. At such time as BAAQMD no longer owns any interest in the Project, the provisions of this Section 9.15 shall no longer apply to the interest initially owned by BAAQMD.

ARTICLE X

MORTGAGE PROTECTION

Section 10.01. Warranty. Declarant and each Unit Owner, by accepting a deed subject to this Declaration, each covenants and warrants that any Unit Mortgagees shall be entitled to the rights and guarantees set forth in this Article X.

Section 10.02. No Impairment. The following rights of a Unit Mortgagee shall not be impaired:

(a) Subject to compliance with Section 9.13(a), to foreclose or take title to a Unit pursuant to the remedies provided in the Mortgage; or

(b) Subject to compliance with Section 9.13(b), to accept a deed (or assignment) in lieu of foreclosure in the event of default by a mortgagor; or

- (c) To sell or lease a Unit so acquired by the Unit Mortgagee without interference.

Section 10.03. Reserve Fund. The Corporation's assessments shall provide an adequate reserve fund for maintenance, repairs and replacement of those common elements that must be replaced on a periodic basis. The Condominium Reserve Fund Account shall be funded through Common Assessments.

Section 10.04. Subordination. Any lien created or claimed in the provisions of this Declaration is expressly made subject and subordinate to the rights of any First Mortgage which encumbers all or any interest in a Condominium, made in good faith and for value; and no such lien shall in any way defeat, invalidate, or impair the obligation or priority of such Mortgage unless the Mortgagee expressly subordinates its interest, in writing, to such lien. If any Condominium and/or interest therein is encumbered by a First Mortgage made in good faith and for value, the foreclosure of any lien created by any provision set forth in this Declaration for assessments, or installments of assessments, shall not operate to affect or impair the lien of the Mortgage. On foreclosure of the Mortgage, the lien for assessments or the installments that have accrued up to the time of foreclosure shall be subordinate to the lien of the Mortgage, with the foreclosure-purchaser taking title to the Condominium or interest therein free of the lien for assessments or installments that have accrued up to the time of the foreclosure sale. On taking title to the Condominium and/or interest therein, the foreclosure purchaser shall be obligated to pay only assessments or other charges levied or assessed by the Corporation that become due or payable on or after the foreclosure purchaser acquired title to the Condominium and/or interest therein. The subsequently levied assessment or other charges may include previously unpaid assessments, provided all Unit Owners, including the foreclosure-purchaser and its successors and assigns, are required to pay their proportionate share of such assessment as provided in Section 7.05 relating to Common and Extra Common Assessments. As used herein, the term "foreclosure" shall include both judicial and nonjudicial (i.e., trustee's sales), and a deed (or assignment) in lieu of foreclosure.

Section 10.05. Amendment of Declaration. No amendment to this Declaration shall affect the rights of the holder of any First Mortgage recorded prior to recordation of such amendment who does not join in the execution thereof.

Section 10.06. Additional Subordination Agreements. By subordination agreement Approved by the Board, the benefits of Sections 10.04 and 10.05 may be extended to Mortgagees not otherwise entitled thereto; provided, however, that nothing contained herein shall give the Board the power to affect the rights of the holders of a recorded Mortgage.

Section 10.07. Prior Written Approval of Mortgagees. The prior written approval of each Unit Mortgagee shall be required for the following:

- (a) The abandonment or termination of the Common Area or Jointly Shared Space, except for abandonment or termination in the case of substantial destruction by fire or other

casualty under Section 8.06, or in the case of a taking by condemnation or eminent domain under Section 8.08, unless the taking by condemnation violates the provisions of Section 8.08(e) regarding waiver of the power of eminent domain.

(b) Any change in the method of determining the obligations, assessments, dues or other charges that may be levied against a Unit Owner, or to change the pro rata interest or obligations of any Condominium for purposes of levying assessments or charges or allocating distributions of insurance proceeds or condemnation awards for determining the pro rata share of ownership of each Unit Owner in the Common Area.

(c) Any action or omission to act by the Corporation seeking to abandon, partition, subdivide, encumber, sell or transfer the Common Areas. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area for the benefit of the Unit Owners collectively shall not be deemed a transfer within the meaning of this Section 10.07(c).

(d) The use of hazard insurance proceeds from losses to any Unit or portion of Common Area for other than the repair, replacement or a restoration of the improvements thereon, except as provided in Section 6.06.

(e) The failure to maintain fire and extended coverage insurance on insurable Corporation property and on the Common Area and Units on a current replacement cost basis in an amount not less than required under Section 8.03(a).

Section 10.08. Written Notification Obligation. The Facility Operator shall notify in writing all Mortgagees holding a Mortgage on a particular Unit of any default by the Owner of such Unit in the performance of its obligations under the Governing Instruments and any other related documents, if such default is not cured within thirty (30) days. It shall be the responsibility of each Unit Owner to notify the Facility Operator within thirty (30) days after the Mortgage is given of the name and address of the holder of any Mortgage on its Unit.

Section 10.09. Right to Inspect. Upon reasonable request, a Unit Mortgagee shall be entitled to:

(a) Inspect the books and records kept by the Facility Operator during normal business hours.

(b) Receive an annual financial statement, preparation of which is required under Section 4.02(f).

Section 10.10. Notice of Damage. In the event of substantial damage to or destruction of any Unit or any part of the Common Area, a Unit Mortgagee shall be entitled to timely notice of any such damage or destruction and no provisions of the Governing Instruments shall entitle the Unit Owner of the Unit subject to the mortgage to have priority over the Unit Mortgagee holding

the mortgage on such Unit with respect to the distribution to such Unit Owner of any insurance proceeds.

Section 10.11. Notice of Condemnation Proceeding. In the event of a threatened taking of all or a portion of the Agency Space, the Facility Operator shall give notice to Mortgagees as provided in Section 8.08(a)(2). No provision of the Governing Instruments shall entitle the Owner of a Unit subject to a Mortgage to priority over a Mortgagee holding the Mortgage on such Unit with respect to the distribution to such Unit Owner of the proceeds of any award or settlement.

Section 10.12. Authority of Unit Owners to Cure Default. Nothing herein contained shall be deemed to limit or restrict the right of the Corporation or any Unit Owner(s), pursuant to Civil Code Section 2924(c), to cure any defaults under Mortgages. Upon Approval by the Board, the Corporation is expressly authorized, but not required to, cure any and all such defaults by payment to the Mortgagee(s) of the defaulting Unit Owner(s). Without limitation on any remedy of the Unit Owners provided in Section 9.13, such payments shall be a debt of the defaulting Unit Owners and be made a Special Assessment against the defaulting Unit Owner(s) and, if so assessed, shall be secured by the lien created under Section 7.08, which lien shall be subject to this Article X. In no event shall any amounts advanced by the Corporation to cure defaults under a Mortgage secured by an individual Unit Owner's Unit become the responsibility of or be assessed against the other Unit Owners.

Section 10.13. Mortgagee Protection Clause. No breach of any of the covenants, conditions and restrictions in this Declaration, nor the enforcement of any of the lien provisions herein, shall defeat or render invalid the rights under any Mortgage on any Unit made in good faith and for value, but all of the covenants, conditions and restrictions shall be binding upon and effective against any Unit Owner whose title is derived through foreclosure or otherwise. Any Mortgagee who acquires title to a Condominium and/or interest therein by foreclosure or by deed (or assignment) in lieu of foreclosure shall not be obligated to cure any breach of this Declaration occurring prior to its acquisition of title to the Condominium.

Section 10.14. Status of Loan to Facilitate Resale. Any Mortgage given to secure a loan to facilitate the resale of a Condominium or interest therein after acquisition by foreclosure or by deed (or assignment) in lieu of foreclosure shall be deemed to be a loan made in good faith and for a value and entitled to all the rights and protections of Mortgages under this Declaration.

Section 10.15. Right of First Refusal Inapplicable to Mortgagee. Except for the right of first refusal described in Section 9.08 as originally recorded, no right of first refusal or similar restriction on the right of a Unit Owner to sell, lease, transfer, or otherwise convey such Unit Owner's Condominium and/or interest therein shall be granted to the Corporation or other Unit Owners or persons without the written consent of each Mortgagee of the affected Condominium or interest therein. Any right of first refusal or option to purchase a Condominium or interest therein that may hereafter be granted to the Corporation (or other person, firm or entity,

including Unit Owners) shall not impair the rights of a First Mortgagee (i) to foreclose or take title to the Condominium or interest therein pursuant to the remedies provided in the Mortgage; or (ii) to accept a deed (or assignment) in lieu of foreclosure in the event of default under the Mortgage; or (iii) to sell or lease a Condominium acquired by the Mortgagee.

Section 10.16. Conflict with Other Provisions. In the event of any conflict between any of the provisions of this Article X and any other provisions of this Declaration or the Articles, or the Bylaws, the provisions of this Article X shall control.

ARTICLE XI

COMPLIANCE, LIABILITY, BREACH AND DEFAULT

Section 11.01. Compliance and Breach. Each Unit Owner shall comply with all provisions of the Governing Instruments.

Section 11.02. Liability. Each Unit Owner shall be liable for the expense of any maintenance, repair, restoration or replacement rendered necessary by, or any loss, cost, expense, damage or other liability, including attorney fees, caused or occasioned by, its negligence or misconduct or that of its tenants, agents, employees, licensees or invitees, or its failure to comply with the provisions of this Declaration, but only to the extent that such expense, loss, cost, damage or other liability is not covered by the proceeds of insurance carried by the Corporation.

Section 11.03. Right of Entry. Violation of any of the provisions, covenants, conditions, restrictions, easements or reservations herein contained shall give the Board, or the Facility Operator, with the Approval of the Board, the right to enter the property upon or as to which such violation exists and to summarily abate and remove at the expense of the Unit Owner thereof, any erection, thing or condition that exists thereon contrary to the intent and meaning of the provisions of this Declaration. The Facility Operator and the Board shall not thereby be deemed guilty of any manner of trespass by such entry, abatement or removal.

Section 11.04. Nuisance. The result of every act or omission, whereby any provision, condition, restriction, covenant, easement or reservation herein contained is violated, in whole or in part, is hereby declared to be and constitute a nuisance and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result and may be exercised by any Unit Owner or the Corporation. Such remedies shall be deemed cumulative and not exclusive.

Section 11.05. Breach of Duty to Maintain. In addition to the other rights hereunder, if any Unit Owner fails to maintain its Unit or make repairs thereto, in such manner as may be necessary to preserve and protect the attractive appearance and value of the Agency Space, the

Corporation shall cause to be performed the necessary work in accordance with Section 4.04(f)(3).

Section 11.06. Enforcement. The Unit Owners and/or the Board may bring a legal action for damages against any Unit Owner which defaults in the performance of any of the provisions, conditions, restrictions, easements, covenants or reservations of the Governing Instruments including, but not limited to, the covenant to pay assessments. Further, they shall be entitled to enjoin any violation of the Governing Instruments and shall further be entitled to prosecute any other legal or equitable action that may be necessary to protect the Agency Space. If they shall deem it necessary to initiate any legal or equitable action for the protection of the Agency Space against any Unit Owner, the prevailing party in such litigation shall be entitled to receive its reasonable attorney's fees and costs. Failure to enforce any provision of the Governing Instruments shall in no event be deemed a waiver of the right to do so thereafter.

Section 11.07. Remedy at Law Inadequate. The respective rights and obligations of the Unit Owners shall be enforceable in equity as well as at law or otherwise. Each Unit Owner confirms that damages at law may be an inadequate remedy for a breach or threatened breach of this Declaration. Each Unit Owner agrees that, in the event of a breach or threatened breach of any provision hereof, the respective rights and obligations hereunder shall be enforceable by specific performance, injunction or other equitable remedy. Nothing herein contained is intended to, nor shall limit or affect any rights at law or by statute or otherwise of any Unit Owner aggrieved as against another for a breach or threatened breach of any provision hereof.

ARTICLE XII

GENERAL PROVISIONS

Section 12.01. Severability. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity or enforceability of any one provision shall not affect the validity or enforceability of any other provisions of this Declaration.

Section 12.02. Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of the Agency Space.

Section 12.03. Waiver. No consent or waiver, express or implied, by any party hereto of any breach or default by any other party in the performance by the other of its obligations hereunder shall be deemed or construed to be a consent to or waiver of any other breach or default in the performance by such other party of the same or any other obligations of such party under this Declaration. Failure on the part of any party to complain of any act or failure to act of any other party or to declare any of the other parties in default, regardless of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.

Section 12.04. Number and Gender. All personal pronouns used in this Declaration, whether used in the masculine, feminine, or neuter gender, shall include all other genders. The singular shall include the plural, and vice versa.

Section 12.05. Headings; References. Titles of Articles and Sections are for convenience only and neither limit nor amplify the provisions of this Declaration, and all references herein to Articles, Sections or subdivision thereof shall refer to the corresponding Article, Section or subdivision thereof of this Declaration, unless specific reference is made to the Articles, Sections or subdivisions of another document or instrument.

Section 12.06. Notices. All notices, demands or requests provided for or permitted to be given pursuant to this Declaration shall be in writing and shall be sent to the parties at the address of each such Unit Owner's Unit or at such other address as the Unit Owner may specify in writing to the Facility Operator from time to time and addressed to the chief executive officer or equivalent of such Unit Owner. Unless otherwise provided herein, all notices shall be given by personal delivery, by overnight courier or by U.S. mail, certified with return receipt requested. All notices shall be deemed received upon the earlier of actual receipt, one business day after deposit with a nationally or regionally recognized overnight courier or three (3) business days after deposit in the U.S. mail.

Section 12.07. Covenants Running with the Land. All provisions of this Declaration shall be construed to be covenants running with the land and with every part thereof and interest therein, including but not limited to every Unit and the appurtenances thereto.

Section 12.08. Amendment of Declaration. Unless a greater vote is expressly required herein to amend any particular provision of this Declaration, and subject to the rights of Mortgagees described in Article X of this Declaration, the Board may amend this Declaration by a vote of a majority of its members or, if there are only two members, by unanimous vote. A copy of each amendment shall be certified by each Unit Owner as having been duly adopted and shall be effective when recorded in the Official Records of the Recorder of the City and County of San Francisco; provided that an amendment to the rules adopted by the Board pursuant to Section 4.02(j) need not be recorded.

Section 12.09. Term of Covenants, Conditions and Restrictions. Subject to the provisions of Article X relating to the rights of Mortgagees, these Covenants, Conditions and Restrictions shall continue and be effective until a majority of the Unit Owners or, if there are only two Unit Owners, both Unit Owners, deem that they shall terminate, in the event of which determination the Board shall place on record with the City and County of San Francisco Recorder a duly executed notice of such termination.

Section 12.10. Successors and Assigns. This Declaration shall be for the benefit of and be binding upon all Unit Owners, their respective heirs, personal representatives, successors,

purchasers, lessees, sublessees, encumbrancers, donees, grantees, mortgagees, lienors and assigns.

Section 12.11. Joint and Several Liability. In the case of joint ownership of a Condominium, if any, the liability of each of the Owners thereof in connection with the liabilities and obligations of Owners set forth in or imposed by this Declaration shall be joint and several.

Section 12.12. Priority of Governing Instruments. In the event that there are any conflicts or inconsistencies in or between the Governing Instruments, such conflict or inconsistency shall be resolved by giving precedence to the Governing Instruments in the following order: this Declaration, the Articles and the Bylaws.

Section 12.13. Arbitration of Dispute. Any controversy arising among Unit Owners or between a Unit Owner and the Board concerning the rights and obligations of any party under the terms of this Declaration shall be determined by binding arbitration by and under the commercial rules of the American Arbitration Association ("Commercial Rules"). Arbitration hearings shall be held in the City and County of San Francisco. Any such controversy shall be arbitrated by a single arbitrator, who shall be an impartial real estate professional or lawyer having not less than ten years experience developing, managing or representing owners of commercial office properties in the San Francisco area. The arbitrator shall be appointed under the Commercial Rules and shall determine the controversy in accordance with applicable law, the intention of the parties as expressed in the Declaration and any amendments thereto and the evidence produced at the arbitration hearing. Pre-arbitration discovery shall be permitted in accordance with the Commercial Rules or California law applicable to arbitration proceedings. The arbitrator's determination shall be rendered within thirty days after the conclusion of the hearing and may include an award of attorneys' fees and costs to the prevailing party. By accepting title to a Unit, each Unit Owner agrees to be bound by the provisions of this Section 12.13.

[Signatures continued on next page.]

WHEREFORE, this Declaration has been executed in San Francisco, California as of the date first written above.

BAY AREA HEADQUARTERS AUTHORITY

By: _____
Executive Director

By: _____
Treasurer-Auditor

Approved as to form:

General Counsel

APPENDIX 2

[FORM OF PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS]

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this "Agreement") is made and entered into as of the ____ day of _____, 2013 by and between BAY AREA HEADQUARTERS AUTHORITY, a joint powers authority established pursuant to the California Joint Exercise of Powers Act ("BAHA"), and ASSOCIATION OF BAY AREA GOVERNMENTS, a joint powers authority established pursuant to the California Joint Exercise of Powers Act ("ABAG").

IN CONSIDERATION of the respective agreements hereinafter set forth, BAHA and ABAG hereby agree as follows:

1. Property. BAHA hereby agrees to sell and convey to ABAG, and ABAG hereby agrees to purchase from BAHA, subject to the terms and conditions set forth herein, the following (collectively, the "Property"):

1. that certain office condominium unit identified as [Unit/Suite] ____ located at 390 Main Street, San Francisco, California 94105, as more particularly described in Exhibit A attached hereto (the "Unit"), together with all rights, privileges, easements and appurtenances to or affecting the Unit, including without limitation membership in the Corporation, the right to use the Common Area and the Jointly Shared Spaces and the _____ (__) parking spaces appurtenant to the Unit, as more fully set forth in that certain Declaration of Covenants, Conditions and Restrictions (the "CC&R's") recorded in the Official Records of the City and County of San Francisco as Document No. _____ on _____ 20__ the (collectively, the "Real Property");

2. all of BAHA's right, title and interest in and to the work stations, office furniture, fixtures, telephone and computer systems and other equipment installed by BAHA in the Unit (the ("Personal Property"); and

3. all "as-built" plans and specifications and governmental permits and approvals relating to the use and occupancy of the Unit (the ("Intangible Property").

All capitalized terms not otherwise defined herein shall have the meanings set forth in the CC&R's.

2. Purchase Price; Independent Consideration.

Purchase Price and Manner of Payment. The purchase price (the "Purchase Price") to be paid by ABAG to BAHA for the Property at closing shall be ABAG's condominium ownership interest in its condominium unit ("ABAG Unit") located in the MetroCenter, located at 101 Eighth Street, Oakland, California 94607 ("MetroCenter") together with all rights, privileges, easements and appurtenances to or affecting the ABAG Unit, together with (1) all of ABAG's right, title and interest in and to the work stations, office furniture, fixtures, telephone and computer cabling and other equipment installed by ABAG ("ABAG Personal Property") and (2) all "as-built" plans and specifications and governmental permits and approvals relating to the use and occupancy of the ABAG Unit ("ABAG Intangible Property").

The Purchase Price shall be paid through recordation of deed and execution of other necessary documents through the escrow established pursuant to Section 7 below.

(b) Independent Consideration. Upon mutual execution of this Agreement, ABAG shall deliver to BAHA in cash the sum of ONE HUNDRED AND NO/100 DOLLARS (\$100.00) (the "Independent Contract Consideration") which amount has been bargained for and agreed to as consideration for ABAG's exclusive option to purchase the Property provided hereunder and for BAHA's execution and delivery of this Agreement. The Independent Contract Consideration is in addition to and independent of all other consideration provided in this Agreement, and is nonrefundable in all events.

3. BAHA's Deliveries. Within a reasonable period of time following the mutual execution of this Agreement, BAHA shall, to the extent BAHA has not already done so, deliver or cause to be delivered to ABAG the following, to the extent in BAHA's actual possession (collectively, the "Due Diligence Materials") at BAHA's sole cost and expense: (a) a current preliminary title report prepared by Title Company with respect to the Real Property, together with legible copies of all underlying documents referenced therein (collectively, the "Preliminary Report"), (b) copies of any environmental reports, studies, surveys and other documentation with respect to the environmental condition of the Unit or the real property on which it is located (the "Environmental Documents"), (c) copies of all other existing reports, plans, surveys, drawings and specifications relating to the Property, (d) copies of all documents regarding litigation, liens or threatened claims with respect to the Property (if any), (e) copies of all contracts and agreements with respect to management and maintenance of the Property which BAHA desires ABAG to assume; and (f) copies of all building occupancy permits, including certificates of occupancy, for the Unit. The Due Diligence Materials are for ABAG's use in connection with ABAG's investigation of the Property. ABAG acknowledges that, except as otherwise provided in Section 9 below, BAHA is not making any representation or warranty of any kind with respect to the Due Diligence Materials, including their accuracy, completeness or suitability for reliance thereon by ABAG.

4. ABAG's Deliveries. Within a reasonable period of time following the mutual execution of this Agreement, ABAG shall, to the extent ABAG has not already done so, deliver or cause to be delivered to BAHA the following, to the extent in ABAG's actual possession (collectively, the "ABAG Due Diligence Materials"): (a) a current preliminary title report prepared by Title Company with respect to the Real Property, together with legible copies of all underlying documents referenced therein (collectively, the "ABAG Preliminary Report"), (b) copies of any environmental reports, studies, surveys and other documentation with respect to the environmental condition of the Unit or the real property on which it is located (the "ABAG Environmental Documents"), (c) copies of all other existing reports, plans, surveys, drawings and specifications relating to the ABAG Unit and the MetroCenter, (d) copies of all documents regarding litigation, liens or threatened claims with respect to the ABAG Unit and the MetroCenter (if any), (e) copies of all contracts and agreements with respect to management and maintenance of the ABAG Unit and the MetroCenter which ABAG desires BAHA to assume; and (f) copies of all building occupancy permits, including certificates of occupancy, for the ABAG Unit and the MetroCenter. The ABAG Due Diligence Materials are for BAHA's use in connection with BAHA's investigation of the ABAG Unit and the MetroCenter. BAHA acknowledges that, except as otherwise provided in Section __ below, ABAG is not making any

representation or warranty of any kind with respect to the ABAG Due Diligence Materials, including their accuracy, completeness or suitability for reliance thereon by BAHA.

5. ABAG's Review and BAHA's Disclaimer.

1. Inspection Period. As used herein, the term "Inspection Period" shall refer to a period of time to expire at 5:00 p.m., Pacific Time, on the date that is ten (10) days following the later of (i) full execution of this Agreement by ABAG and BAHA or (ii) the date on which BAHA has delivered the Due Diligence Materials to ABAG.

2. Physical Inspection. ABAG hereby covenants that it will observe and inspect the physical condition of the Unit, the building of which it is a part, including without limitation the Common Area and the Jointly Shared Spaces. Further, the ABAG agrees to the selection and the installation of the Personal Property in the Unit.

3. Title. ABAG shall complete its review of the Preliminary Report and all documents and information pertaining to any exceptions to title listed therein prior to the expiration of the Inspection Period. Any such exceptions not expressly disapproved by ABAG in writing within the applicable review period shall be deemed approved and shall be referred to as "Permitted Exceptions." In the event that ABAG notifies BAHA in writing of its disapproval of any exceptions to title listed in the Preliminary Report on or before the expiration of the applicable review period ("Objections"), BAHA shall have the right, but not the obligation, to cure any of the Objections by removing or causing the Title Company to insure over such Objections within thirty (30) days after receipt of the Objections, during which period the Closing will be postponed if necessary. If BAHA is unable to cure any Objections within said thirty (30) day period, or if BAHA gives ABAG written notice at anytime during said thirty (30) day period stating that BAHA declines to attempt to cure any of the Objections, then ABAG will have the option, within five (5) business days after the end of said thirty (30) day period or receipt of said written notice from BAHA, as its sole right and remedy, to either (i) terminate this Agreement in which event neither party shall have any further obligations to the other hereunder except under provisions of this Agreement which specifically state that they survive termination or (ii) waive the Objections (and the ABAG's Condition Precedent described in Section 5.2 of this Agreement) and proceed to Closing. Notwithstanding anything to the contrary contained herein, BAHA shall be obligated to remove from title on or before Closing any monetary liens affecting the Property (other than monetary liens resulting from ABAG's acts).

4. As-Is Sale. Except as otherwise expressly set forth in Section 9 and Section 15 of this Agreement and any of the documents delivered by BAHA at Closing, neither BAHA nor its directors, officers, employees, agents, representatives or attorneys (collectively, the "BAHA Parties") or contractors have made any representations, guaranties, promises, statements, assurances or warranties, express or implied, to ABAG including, without limitation, any pertaining to the suitability, habitability or merchantability or fitness of the Property for ABAG's intended use or for any use whatsoever, the physical or environmental condition thereof, the expenses of operating the Unit, the condition of title thereto, the truth, accuracy or completeness of the Due Diligence Materials, or as to any other past, present or future matter whatsoever. ABAG acknowledges and agrees that it has satisfied itself regarding the condition of the Property and the foregoing matters, and, except as otherwise provided in this Section 4.4,

that the Property will be purchased in its "AS IS" condition and "WITH ALL FAULTS" on the Closing Date and that ABAG assumes the risk that adverse physical, environmental, economic or legal conditions may not have been revealed by its investigation.

5. ABAG's Release. Except with respect to any claims arising out of any breach of covenants, representations or warranties set forth in this Agreement or in the documents delivered by BAHA at Closing, ABAG, for itself and its agents, affiliates, successors and assigns, hereby releases and forever discharges BAHA, its agents, affiliates, successors and assigns from any and all rights, claims and demands at law or in equity, whether known or unknown at the time of this agreement, which ABAG has or may have in the future, arising out of the physical, environmental, economic or legal condition of the Property. ABAG hereby specifically waives the provisions of section 1542 of the California Civil Code ("Section 1542") and any similar law of any other state, territory or jurisdiction. Section 1542 provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

ABAG hereby specifically acknowledges that ABAG has carefully reviewed this subsection and discussed its import with legal counsel and that the provisions of this subsection are a material part of this Agreement.

ABAG Initials

6. BAHA's Review and ABAG's Disclaimer.

1. Inspection Period. As used herein, the term "Inspection Period" shall refer to a period of time to expire at 5:00 p.m., Pacific Time, on the date that is ten (10) days following the later of (i) full execution of this Agreement by BAHA and ABAG or (ii) the date on which ABAG has delivered the Due Diligence Materials to BAHA.

2. Physical Inspection. BAHA hereby covenants that it will observe and inspect the physical condition of the ABAG Unit, the MetroCenter of which it is a part, including without limitation the Common Area, the Library Unit, the Meeting Room Unit, the Parking Unit and the Cafeteria Unit. Further, BAHA agrees to the selection and the installation of the ABAG Personal Property in the ABAG Unit.

3. Title. BAHA shall complete its review of the Preliminary Report and all documents and information pertaining to any exceptions to title listed therein prior to the expiration of the Inspection Period. Any such exceptions not expressly disapproved by BAHA in writing within the applicable review period shall be deemed approved and shall be referred to as "ABAG Permitted Exceptions." In the event that BAHA notifies ABAG in writing of its disapproval of any exceptions to title listed in the Preliminary Report on or before the expiration of the applicable review period ("ABAG Objections"), ABAG shall have the right, but not the obligation, to cure any of the ABAG Objections by removing or causing the Title Company to insure over such ABAG Objections within thirty (30) days after receipt of the ABAG Objections,

during which period the Closing will be postponed if necessary. If ABAG is unable to cure any ABAG Objections within said thirty (30) day period, or if ABAG gives BAHA written notice at anytime during said thirty (30) day period stating that ABAG declines to attempt to cure any of the ABAG Objections, then BAHA will have the option, within five (5) business days after the end of said thirty (30) day period or receipt of said written notice from ABAG, as its sole right and remedy, to either (i) terminate this Agreement in which event neither party shall have any further obligations to the other hereunder except under provisions of this Agreement which specifically state that they survive termination or (ii) waive the ABAG Objections (and the BAHA's Condition Precedent described in Section ____ of this Agreement) and proceed to Closing. Notwithstanding anything to the contrary contained herein, ABAG shall be obligated to remove from title on or before Closing any monetary liens affecting the ABAG Unit (other than monetary liens resulting from BAHA's acts).

4. As-Is Sale. Except as otherwise expressly set forth in Section ____ and Section ____ of this Agreement and any of the documents delivered by ABAG at Closing, neither ABAG nor its members, directors, officers, employees, agents, representatives or attorneys (collectively, the "ABAG Parties") or contractors have made any representations, guaranties, promises, statements, assurances or warranties, express or implied, to BAHA including, without limitation, any pertaining to the suitability, habitability or merchantability or fitness of the ABAG Unit for BAHA's intended use or for any use whatsoever, the physical or environmental condition thereof, the expenses of operating the Unit, the condition of title thereto, the truth, accuracy or completeness of the ABAG Due Diligence Materials, or as to any other past, present or future matter whatsoever. BAHA acknowledges and agrees that it has satisfied itself regarding the condition of the ABAG Unit and the foregoing matters, and, except as otherwise provided in this Section ____, that the ABAG Unit will be purchased in its "AS IS" condition and "WITH ALL FAULTS" on the Closing Date and that BAHA assumes the risk that adverse physical, environmental, economic or legal conditions may not have been revealed by its investigation.

5. BAHA's Release. Except with respect to any claims arising out of any breach of covenants, representations or warranties set forth in this Agreement or in the documents delivered by ABAG at Closing, BAHA, for itself and its agents, affiliates, successors and assigns, hereby releases and forever discharges ABAG, its members, agents, affiliates, successors and assigns from any and all rights, claims and demands at law or in equity, whether known or unknown at the time of this agreement, which BAHA has or may have in the future, arising out of the physical, environmental, economic or legal condition of the Property. BAHA hereby specifically waives the provisions of section 1542 of the California Civil Code ("Section 1542") and any similar law of any other state, territory or jurisdiction. Section 1542 provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

BAHA hereby specifically acknowledges that BAHA has carefully reviewed this subsection and discussed its import with legal counsel and that the provisions of this subsection are a material part of this Agreement.

BAHA Initials

7. ABAG's Conditions Precedent to Closing. The following are conditions precedent to ABAG's obligation to purchase the Property (the "ABAG's Conditions Precedent"). ABAG's Conditions Precedent are intended solely for the benefit of ABAG and may be waived only by ABAG in writing. In the event any ABAG's Condition Precedent is not satisfied, ABAG may, in its sole and absolute discretion and without limiting any of its other rights and remedies under this Agreement, at law or in equity, terminate this Agreement.

1. Property Condition. ABAG's inspection, review and approval, prior to expiration of the Inspection Period, of the Due Diligence Materials, including, without limitation, the Preliminary Report and the Environmental Documents, which approval shall be deemed given unless ABAG shall give written notice of disapproval prior to the expiration of the Inspection Period;

2. Title Insurance. Title Company shall be irrevocably and unconditionally committed to issue to ABAG upon the Closing an ALTA owner's policy of title insurance (2006) in the amount of the Purchase Price (which shall be determined to equal the fair market value of the ABAG Unit, as reflected in an independent appraisal of a certified commercial real property appraiser jointly selected by BAHA and Purchaser), insuring fee simple title to the Property in ABAG, subject only to the Permitted Exceptions and such other exceptions as ABAG shall have approved in writing prior to Closing and containing such endorsements as are approved by the Title Company during the Inspection Period (the "Title Policy").

3. Performance by BAHA. BAHA shall have complied, in all material respects, with all of BAHA's duties and obligations contained in this Agreement and all of BAHA's representations and warranties contained in or made pursuant to this Agreement shall have been true and correct, in all material respects, when made and shall remain true and correct, in all material respects, as of the Closing Date.

8. BAHA's Conditions Precedent to Closing. The following are conditions precedent to BAHA's obligation to sell the Property (the "BAHA's Conditions Precedent"). BAHA's Conditions Precedent are intended solely for the benefit of BAHA and may be waived only by BAHA in writing. In the event any BAHA's Condition Precedent is not satisfied, BAHA may, in its sole and absolute discretion and without limiting any of its other rights and remedies under this Agreement, at law or in equity, terminate this Agreement.

1. Property Condition. BAHA's inspection, review and approval, prior to expiration of the Inspection Period, of the ABAG Due Diligence Materials, including, without limitation, the ABAG Preliminary Report and the ABAG Environmental Documents, which approval shall be deemed given unless BAHA shall give written notice of disapproval prior to the expiration of the Inspection Period;

2. Recordation of Condominium Map for 390 Main Street. A condominium map establishing the Unit as a separate legal parcel shall have been recorded.

3. Recordation of Grant Deed(s) for ABAG Unit and ABAG's Interest in the Library Unit, Meeting Room Unit, Parking Unit and Cafeteria Unit. One or more grant deeds showing the ownership of the ABAG Unit and of ABAG's Interest in the Library Unit, Meeting Room Unit, Parking Unit and Cafeteria Unit as transferred to the BAHA.

4. Title Insurance. Title Company shall be irrevocably and unconditionally committed to issue to BAHA upon the Closing an ALTA owner's policy of title insurance (2006) in the amount of the Purchase Price (which shall be determined as set forth above in paragraph 5.2.), insuring fee simple title to the ABAG Unit in BAHA, subject only to the Permitted Exceptions and such other exceptions as BAHA shall have approved in writing prior to Closing and containing such endorsements as are approved by the Title Company during the Inspection Period (the "ABAG Unit Title Policy")

5. Performance by ABAG. ABAG shall have complied, in all material respects, with all of ABAG's duties and obligations contained in this Agreement and all of ABAG's representations and warranties contained in or made pursuant to this Agreement shall have been true and correct, in all material respects, when made and shall remain true and correct, in all material respects, as of the Closing Date.

9. Escrow; Closing.

1. Escrow. Upon mutual execution of this Agreement, the parties hereto shall deposit a fully executed copy of this Agreement with First American Title Insurance Company, 1850 Mt. Diablo Blvd., Suite 300, Walnut Creek, California 94596; Escrow Officer: Kitty Schlesinger) (hereinafter "Title Company" or "Escrow Holder") and this Agreement shall serve as instructions to Escrow Holder for consummation of the purchase contemplated hereby. BAHA and ABAG shall execute such supplemental escrow instructions as may be appropriate to enable Escrow Holder to comply with the terms of this Agreement, provided such supplemental escrow instructions are not in conflict with this Agreement as it may be amended in writing from time to time. In the event of any conflict between the provisions of this Agreement and any supplementary escrow instructions signed by ABAG and/or BAHA, the terms of this Agreement shall control.

2. Closing. The parties intend for the consummation of the sale of the Property as provided hereunder (the "Closing") to take place through escrow on the date that is ten (10) business days after the expiration of the Inspection Period, or on such earlier date as may be agreed to by BAHA and ABAG (the "Closing Date").

3. BAHA's Closing Deliveries. On or before the last business day immediately preceding the Closing Date, BAHA shall deliver to Escrow Holder the following:

(i) Deed. A duly executed and acknowledged grant deed in the form attached to this Agreement as Exhibit B-1 (the "390 Main Street Deed");

(ii) Bill of Sale. Two (2) duly executed counterpart originals of two separate bills of sale with respect to the Personal Property and the ABAG Personal Property, respectively, in the form attached to this Agreement as Exhibit C (the "Bills of Sale");

(iii) Assignment and Assumption of Intangible Property. Two (2) duly executed counterpart originals of two separate assignments and assumption of intangible property in the form attached to this Agreement as Exhibit D (the "Assignments"); and

(iv) BAHA's Certificate. A duly executed Certificate confirming the continued truth and accuracy as of the Closing Date of the representations and warranties set forth in Section 9, except as otherwise may be set forth in the Certificate.

4. ABAG's Closing Deliveries. On or before the last business day immediately preceding the Closing Date, ABAG shall deliver to Escrow Holder the following:

(i) Deed. A duly executed and acknowledged grant deed in the form attached to this Agreement as Exhibit B-2 (the "MetroCenter Deed")

(ii) Bill of Sale. Two (2) duly executed counterpart originals of each of the separate Bills of Sale;

(iii) Assignment and Assumption of Intangible Property. Two (2) duly executed counterpart originals of each of the separate Assignments;

(iv) Preliminary Change of Ownership Report. A duly executed and original preliminary change of ownership report (if required); and

(v) Closing Costs. Immediately available funds in the amount of the ABAG's share of Closing Costs.

5. Additional Closing Documents. BAHA and ABAG shall each deposit such other instruments as are reasonably required by Escrow Holder or otherwise required to close the escrow and consummate the purchase of the Property in accordance with the terms hereof.

10. Closing Costs and Prorations. BAHA and ABAG agree to the following prorations and allocation of costs ("Closing Costs") regarding this Agreement:

1. Real Estate Taxes Assessments. ABAG and BAHA are each governmental entities and are not subject to real property taxes. In the event there are any assessments which attach to governmentally owned real property, such assessments shall be prorated and adjusted between BAHA and ABAG as of the Closing Date so that (1) with respect to the Unit, BAHA shall pay, or give ABAG credit for, any such assessments that accrued on or prior to the Closing Date and ABAG shall pay, or assume, any such assessments that accrue after the Closing Date, and (2) with respect to the ABAG Unit, ABAG shall pay, or give BAHA credit for, any such assessments that accrued on or prior to the Closing Date and BAHA shall pay, or assume, any such assessments that accrue after the Closing Date. The obligations of ABAG and BAHA set forth in this Section 8.1 shall survive the Closing.

2. Property Expenses. There shall be no proration at Closing of utilities and Common Area assessments for the Unit or the ABAG Unit. These expenses shall be paid by ABAG and the BAHA, respectively, after Closing.

3. Title Insurance and Escrow Fee. BAHA shall pay the premium attributable to the Title Policy and the ABAG Title Policy and any reasonable and customary escrow fee or charge imposed by Escrow Holder.

4. Recording Costs. BAHA shall pay the cost of recording the Deeds and all other documents, if any, recorded pursuant to the terms of this Agreement.

5. Transfer Taxes. No governmental documentary transfer or transaction taxes or fees shall be payable in connection with this transaction because both ABAG and BAHA are exempt governmental entities.

The provisions of this Section 8 shall survive the Closing.

11. Representations and Warranties of BAHA. BAHA hereby represents and warrants to ABAG as follows:

1. Power and Authority. BAHA has the power and authority (i) to enter into this Agreement and all of the documents to be executed and delivered by BAHA to ABAG at the Closing, (ii) to perform its obligations under this Agreement and under the documents to be executed and delivered by BAHA to ABAG at the Closing and (iii) to complete the transactions contemplated by this Agreement. BAHA has taken all governmental action necessary to authorize (A) the execution and delivery of this Agreement and all of the documents to be executed and delivered by BAHA to ABAG at the Closing, (B) the performance by BAHA of its obligations under this Agreement and under the documents to be executed and delivered by BAHA to ABAG at the Closing and (C) the completion of the transactions contemplated by this Agreement.

2. Binding and Enforceable. This Agreement and all of the documents to be executed and delivered by BAHA to ABAG at the Closing have been duly executed and delivered by BAHA and constitute valid and binding obligations of BAHA.

3. No Conflict. The execution and delivery of this Agreement and all of the documents to be executed and delivered by BAHA to ABAG at the Closing and the performance by BAHA of its obligations under this Agreement and under the documents to be executed and delivered by BAHA to ABAG at the Closing and the completion of the transactions contemplated by this Agreement will not result in (i) a breach of, or a default under, any contract, agreement, commitment or other document or instrument to which BAHA is party or by which BAHA is bound or (ii) a violation of any law, ordinance, regulation or rule of any governmental authority applicable to BAHA or any judgment, order or decree of any court or governmental authority that is binding on BAHA.

4. Ownership. BAHA has not granted any option or right of first refusal or first opportunity to any other party to acquire any interest in any of the Property.

5. Actions. To BAHA's knowledge, except for the on-going discussions with the San Francisco Planning Department concerning the current zoning of the Real Property, (i) there are no condemnation, zoning or other land-use regulation proceedings, either instituted or planned to be instituted, which would materially and adversely affect the use, operation or

value of the Property, (ii) there are no special assessment proceedings affecting the Property, (iii) there is no litigation pending or threatened in writing against BAHA arising out of the ownership or operation of the Property or that might detrimentally affect the Property or the ability of BAHA to perform its obligations under this Agreement. BAHA shall notify ABAG promptly of any such proceedings or litigation of which BAHA becomes aware, and (iv) BAHA has received no written notice from any governmental entity that the Property is in violation of any applicable laws, ordinances or regulations.

6. Contracts for Improvements and Other Encumbrances. To BAHA's knowledge, other than possible construction contract retentions for which funds have been reserved by BAHA, at the time of Closing there will be no outstanding written or oral contracts made by BAHA for any improvements to the Property which have not been fully paid for and, except as set forth in the Preliminary Report, there are no existing or proposed easements, covenants, restrictions, agreements or other documents which affect title to the Property and which were not disclosed in writing to ABAG prior to the date of this Agreement.

7. Hazardous Materials. To BAHA's knowledge and except as set forth in the Due Diligence Materials, there has been no release, storage, treatment, generation or disposal of Hazardous Materials by BAHA, or any other party during BAHA's ownership of the Property, on, under or from the Property in violation of any applicable laws, ordinances or regulations. For purposes of this Agreement, the term "Hazardous Materials" shall mean any toxic or hazardous waste, material or substance, including, without limitation, asbestos, petroleum, petroleum products, underground storage tanks now or previously containing any other Hazardous Materials, substances defined as "hazardous substances", "hazardous waste" or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sec. 9601, et seq.; Hazardous Materials Transportation Act, 49 U.S.C. Sec. 1801; and Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6901 et seq.; and other substances defined as hazardous waste and hazardous substances in applicable state or local laws and/or in any regulations and publications promulgated pursuant to said laws.

12. Representations and Warranties of ABAG. ABAG hereby represents and warrants to BAHA as follows:

1. Power and Authority. ABAG has the power and authority (i) to enter into this Agreement and all of the documents to be executed and delivered by ABAG to BAHA at the Closing, (ii) to perform its obligations under this Agreement and under the documents to be executed and delivered by ABAG to BAHA at the Closing and (iii) to complete the transaction contemplated by this Agreement. ABAG has taken all governmental action necessary to authorize (A) the execution and delivery of this Agreement and the documents to be executed and delivered by ABAG to BAHA at the Closing, (B) the performance by ABAG of its obligations under this Agreement and under the documents to be executed and delivered by ABAG to BAHA at the Closing and (C) the completion of the transaction contemplated by this Agreement.

2. Binding and Enforceable. This Agreement and all of the documents to be executed and delivered by ABAG to BAHA at the Closing have been duly executed and delivered by ABAG and constitute valid and binding obligations of ABAG.

3. No Conflict. The execution and delivery of this Agreement and all of the documents to be executed and delivered by ABAG to BAHA at the Closing and the performance by ABAG of its obligations under this Agreement and under the documents to be executed and delivered by ABAG to BAHA at the Closing and the completion of the transaction contemplated by this Agreement will not result in (i) a breach of, or a default under, any contract, agreement, commitment or other document or instrument to which ABAG is party or by which ABAG is bound or (ii) a violation of any law, ordinance, regulation or rule of any governmental authority applicable to ABAG or any judgment, order or decree of any court or governmental authority that is binding on ABAG.

4. ABAG's Investigation. ABAG has examined, inspected and conducted its own investigation of all matters with respect to the physical and environmental condition of the Property, permissible uses, zoning, covenants, conditions and restrictions and all other matters which in ABAG's judgment bear upon the value and suitability of the Property for ABAG's purposes. ABAG acknowledges that, except as otherwise provided herein, BAHA has not made any representation of any kind in connection with soils, environmental or physical conditions on, or bearing on, the use of the Property, and ABAG is relying solely on ABAG's own inspection and examination of such items and not on any representation of BAHA.

5. Ownership. ABAG has not granted any option or right of first refusal or first opportunity to any other party to acquire any interest in any of the ABAG Unit.

6. Actions. To ABAG's knowledge (i) there are no condemnation, zoning or other land-use regulation proceedings, either instituted or planned to be instituted, which would materially and adversely affect the use, operation or value of the ABAG Unit, (ii) there are no special assessment proceedings affecting the ABAG Unit, (iii) there is no litigation pending or threatened in writing against ABAG arising out of the ownership or operation of the ABAG Unit or that might detrimentally affect the ABAG Unit or the ability of ABAG to perform its obligations under this Agreement. ABAG shall notify BAHA promptly of any such proceedings or litigation of which ABAG becomes aware, and (iv) ABAG has received no written notice from any governmental entity that the Property is in violation of any applicable laws, ordinances or regulations.

7. Contracts for Improvements and Other Encumbrances. To ABAG's knowledge, at the time of Closing there will be no outstanding written or oral contracts made by ABAG for any improvements to the ABAG Unit which have not been fully paid for and, except as set forth in the preliminary title report pertaining to the ABAG Unit, there are no existing or proposed easements, covenants, restrictions, agreements or other documents which affect title to the ABAG Unit and which were not disclosed in writing to BAHA prior to the date of this Agreement.

8. Hazardous Materials. To ABAG's knowledge there has been no release, storage, treatment, generation or disposal of Hazardous Materials by ABAG, or any other party during ABAG's ownership of the ABAG Unit, on, under or from the ABAG Unit in violation of any applicable laws, ordinances or regulations.

13. Survival. All representations and warranties by the respective parties contained herein or made in writing pursuant to this Agreement are intended to and shall be deemed made as of the date of this Agreement or such writing and shall survive the execution and delivery of this Agreement, the 390 Main Street Deed, the MetroCenter Deed and the Closing, provided that the representations and warranties set forth in Sections 9.4 through 9.8 and 10.4 through 10.8 shall survive the Closing only for a period of nine (9) months following the Closing Date and, if no claim is made in writing within such period, shall expire and be of no further force and effect.

14. Casualty or Condemnation.

1. In the event any of the Property is damaged and/or destroyed by fire or other casualty prior to the Closing, and the cost to repair and/or restore such damage and/or destruction exceeds Fifty Million Dollars (\$50,000,000), then ABAG shall have the right to terminate this Agreement by written notice to BAHA within five (5) business days after ABAG has received written notice from BAHA of the occurrence of such casualty and the cost of such repair and/or restoration. In the event of any such termination, ABAG and BAHA shall each be liable for one-half of any escrow fees or charges, and neither party shall have any further liability or obligation under this Agreement.

2. In the event any of the Property is damaged and/or destroyed by fire or other casualty prior to the Closing where (i) the cost to repair and/or restore such damage and/or destruction does not exceed Fifty Million Dollars (\$50,000,000), or (ii) the cost to repair and/or restore such damage and/or destruction exceeds Fifty Million Dollars (\$50,000,000) but this Agreement is not terminated pursuant to Section 12.1 above as a result thereof, then the Closing shall occur as scheduled notwithstanding such damage; provided, however, that BAHA shall be obligated, at its cost, to restore or repair the Unit to its prior condition and shall retain its interest in all insurance proceeds payable in connection with such damage or destruction. BAHA's obligations pursuant to the immediately preceding sentence shall survive the Closing.

3. In the event a governmental entity commences eminent domain proceedings (or threatens in writing to commence such proceedings) to take any portion of the Unit, or the ABAG Unit, or any other portion of the building in which either is located which would impair ABAG's use of the Unit, or the BAHA's use of the ABAG Unit, respectively, after the date hereof and prior to the Closing, then (1) with respect to the Unit, ABAG shall have the option to terminate this Agreement by written notice to BAHA within five (5) business days after ABAG has received written notice from BAHA of the occurrence of such commencement or threatened commencement, and (2) with respect to the ABAG Unit, BAHA shall have the option to terminate this Agreement by written notice to ABAG within five (5) business days after BAHA has received written notice from ABAG of the occurrence of such commencement or threatened commencement. In the event of any such termination, ABAG and BAHA shall each be liable for one-half of any escrow fees or charges, and neither party shall have any further liability or obligation under this Agreement.

4. In the event a governmental entity commences any such eminent domain proceedings after the date hereof and prior to the Closing and this Agreement is not terminated pursuant to Section 13.3 above as a result thereof, then the Closing shall occur as scheduled notwithstanding such proceeding; provided, however, that (1) with respect to the Unit, BAHA's

interest in all awards arising out of such proceedings which are attributable to the taking of any portion of the Unit shall be assigned to ABAG as of the Closing or credited to ABAG if previously received by BAHA and (2) with respect to the ABAG Unit, ABAG's interest in all awards arising out of such proceedings which are attributable to the taking of any portion of the ABAG Unit shall be assigned to BAHA as of the Closing or credited to BAHA if previously received by ABAG. ABAG's and BAHA's obligations pursuant to the immediately preceding sentence shall survive the Closing.

15. Covenants.

(a) BAHA Covenants.

1. Continued Operation of the Property. Between BAHA's execution of this Agreement and the Closing, BAHA shall cause the Property to be operated and maintained in substantially the condition existing upon the date of this Agreement. Prior to the Closing, BAHA may not materially alter the Property in any way without ABAG's prior written authorization.

2. Condominium Map. BAHA shall, at BAHA's cost, file all applications and take all other actions necessary to obtain all required approvals of (1) with respect to the Unit, a condominium map establishing the Unit as a separate legal parcel and shall cause the condominium map to be recorded in the Official Records of the City and County of San Francisco as expeditiously as is commercial reasonable and (2) with respect to the ABAG Unit, a condominium map establishing the ABAG Unit as a legal parcel owned by BAHA and shall cause the condominium map to be recorded in the Official Records of the County of Alameda as expeditiously as is commercial reasonable.

(b) ABAG Covenant. Between ABAG's execution of this Agreement and the Closing, ABAG shall cause the ABAG Unit to be operated and maintained in substantially the condition existing upon the date of this Agreement. Prior to the Closing, ABAG may not materially alter the ABAG Unit in any way without BAHA's prior written authorization.

16. Brokers. Each party hereby agrees to indemnify, protect and defend the other (by counsel reasonably acceptable to the party seeking indemnification) against and hold the other harmless from and against any and all loss, damage, liability or expense, including costs and reasonable attorneys' fees, resulting from any claims for a real estate commission, finders fee or other real estate brokerage-type compensation by any person or entity based upon the acts of that party with respect to the transaction contemplated by this Agreement. The obligations of ABAG and BAHA under this Section 14 shall survive the Closing.

17. Hazardous Materials Indemnity.

(a) BAHA Indemnity. BAHA shall indemnify, defend and hold harmless ABAG from any Repair and Remediation Costs (as defined below) arising from the release, treatment, use, generation, storage or disposal by BAHA or any of its employees, agents or contractors of Hazardous Materials on, under or from the Unit occurring prior to the Closing. As used in this subparagraph the term "Repair and Remediation Costs" means the cost of any required or necessary remediation or removal of Hazardous Materials from the Unit, any cost of

repair of the Unit necessitated by the remediation or removal of Hazardous Materials from the Unit and the costs of any testing, sampling or other investigations or preparation of remediation or other required plans undertaken in connection with the remediation or removal of Hazardous Materials from the Unit. The indemnification obligations set forth in this Section 15 shall survive the Closing. BAHA expressly preserves its rights against other parties, and does not release or waive its rights to contribution, against any other party.

(b) ABAG Indemnity. ABAG shall indemnify, defend and hold harmless BAHA from any Repair and Remediation Costs (as defined below) arising from the release, treatment, use, generation, storage or disposal by ABAG or any of its employees, agents or contractors of Hazardous Materials on, under or from the ABAG Unit occurring prior to the Closing. As used in this subparagraph the term "Repair and Remediation Costs" means the cost of any required or necessary remediation or removal of Hazardous Materials from the ABAG Unit, any cost of repair of the ABAG Unit necessitated by the remediation or removal of Hazardous Materials from the ABAG Unit and the costs of any testing, sampling or other investigations or preparation of remediation or other required plans undertaken in connection with the remediation or removal of Hazardous Materials from the ABAG Unit. The indemnification obligations set forth in this Section 15 shall survive the Closing. ABAG expressly preserves its rights against other parties, and does not release or waive its rights to contribution, against any other party.

18. Miscellaneous.

1. Notices. Any and all notices, elections, approvals, consents, demands, requests and responses ("Notice") permitted or required to be given under this Agreement shall be given in writing, signed by or on behalf of the party giving the same, and sent by certified or registered mail, postage prepaid, return receipt requested, or by hand delivery or overnight courier service (such as Federal Express), to the party to be notified at the address of such party set forth below or at such other address within the continental United States as such other party may designate by notice specifically designated as a notice of change of address and given in accordance with this Section 16.1. Any Notice shall be effective upon receipt but if attempted delivery is refused or rejected, the date of refusal or rejection shall be deemed the date of receipt. Notices sent by telecopy shall be effective only if also sent by nationally recognized express overnight courier service for delivery within two (2) business days.

If to ABAG:

Association of Bay Area Governments
390 Main Street, Suite _____
San Francisco, CA 94105
Attn: _____
Tel: _____
Fax: _____

With a copy to:

Attn: _____
Tel: _____
Fax: _____

If to BAHA:

Bay Area Headquarters Authority
390 Main Street, Suite _____
San Francisco, CA 94105
Attn: Executive Director
Tel: _____
Fax: _____

with a copy to:

Attn: _____
Tel: _____
Fax: _____

If to Escrow Holder:

First American Title Insurance Company
1850 Mt. Diablo Blvd., Suite 300
Walnut Creek, California 94596
Attn: Kitty Schlesinger
Tel: 925-927-2154
Fax: 925-927-2180

2. Successors and Assigns. Subject to the provisions hereof, this Agreement shall be binding upon the successors and assigns of BAHA and ABAG. The parties acknowledge that the right to purchase the Property pursuant to the terms of this Agreement is personal to the Association of Bay Area Governments or any successor governmental agency performing the same functions, and neither ABAG's nor BAHA's rights hereunder may be otherwise assigned without the prior written consent of BAHA or ABAG, respectively, which may be withheld in BAHA's or ABAG's, respectively, sole discretion. Any assignment in violation of this Section 18.2 shall be void.

3. Attorneys' Fees. In the event of any litigation or other proceeding to enforce the provisions of this Agreement or to resolve any dispute arising as a result of or by reason of this Agreement, the prevailing party in any such litigation or other proceeding shall be entitled to, in addition to any other damages assessed, its or his reasonable attorneys' fees and all other costs and expenses incurred in connection with such litigation or other proceeding.

4. Amendments. This Agreement may be amended or modified only by a written instrument executed by BAHA and ABAG.

5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

6. Schedules and Exhibits. Each of the schedules and exhibits attached hereto is an integral part of this Agreement and is incorporated herein by this reference.

7. Entire Agreement. This Agreement and the exhibits hereto constitute the entire agreement between the parties and supersede all prior agreements and understandings between the parties relating to the subject matter hereof, including, without limitation, any letters of intent previously executed or submitted by either or both of the parties hereto, which shall be of no further force or effect upon execution of this Agreement.

8. Captions. The Section headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

9. Time of the Essence. Time is of the essence of this Agreement. As used in this Agreement, a "business day" shall mean a day which is not a Saturday, Sunday or recognized federal or state holiday. If the last date for performance by either party under this Agreement occurs on a day which is not a business day, then the last date for such performance shall be extended to the next occurring business day.

10. Severability. If any provision of this Agreement, or the application thereof to any person, place, or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect.

11. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but any number of which, taken together, shall be deemed to constitute one and the same instrument.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Purchase and Sale Agreement and Joint Escrow Instructions as of the date first above written.

ASSOCIATION OF BAY AREA
GOVERNMENTS

BAY AREA HEADQUARTERS
AUTHORITY

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: Executive Director

Approved as to form:

Legal Counsel

By: _____
Name: _____
Its: Treasurer-Auditor

Approved as to form:

General Counsel

EXHIBIT A

DESCRIPTION OF REAL PROPERTY

The real property referred to herein below is situated in the City and County of San Francisco, State of California, and is described as follows:

APN:

EXHIBIT B-1

FORM OF 390 MAIN STREET DEED

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Attn: _____

APN: _____

THIS SPACE ABOVE FOR RECORDER'S USE

Pursuant to Section 11922 of the Revenue and Taxation Code, no transfer tax will be due and owing.

GRANT DEED

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, BAY AREA HEADQUARTERS AUTHORITY, a joint powers authority established pursuant to the California Joint Exercise of Powers Act ("Grantor"), hereby grants, transfers and assigns to ASSOCIATION OF BAY AREA GOVERNMENTS, a regional planning agency ("Grantee"), that certain real property located in the City and County of San Francisco, State of California and which is more particularly described in Exhibit A, attached hereto and incorporated herein by this reference, together with all rights, privileges, easements and appurtenances pertaining thereto.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed, to be effective as of this ____ day of _____, 20__.

"GRANTOR"

BAY AREA HEADQUARTERS AUTHORITY, a
joint powers authority established pursuant to the
California Joint Exercise of Powers Act

By: _____

Name: _____

Its: _____

STATE OF _____)
)
COUNTY OF _____)

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

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

WITNESS my hand and official seal.

Signature _____

Exhibit A to Grant Deed

Description of Real Property

[to be attached]

Exhibit B

EXHIBIT B-2

FORM OF METROCENTER DEED

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Attn: _____

APN: _____

THIS SPACE ABOVE FOR RECORDER'S USE

Pursuant to Section 11922 of the Revenue and Taxation Code, no transfer tax will be due and owing.

GRANT DEED

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, ASSOCIATION OF BAY AREA GOVERNMENTS, a regional planning agency ("Grantor"), hereby grants, transfers and assigns to BAY AREA HEADQUARTERS AUTHORITY, a joint powers authority established pursuant to the California Joint Exercise of Powers Act ("Grantee"), that certain real property located in the City and County of Alameda, California and which is more particularly described in Exhibit A, attached hereto and incorporated herein by this reference, together with all rights, privileges, easements and appurtenances pertaining thereto.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed, to be effective as of this ____ day of _____, 20__.

"GRANTOR"

ASSOCIATION OF BAY AREA
GOVERNMENTS, a regional planning agency

By: _____
Name: _____
Its: _____

STATE OF _____)
)
COUNTY OF _____)

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

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

WITNESS my hand and official seal.

Signature _____

Exhibit A to Grant Deed

Description of Real Property

[to be attached]

Exhibit B

EXHIBIT C

FORM OF BILL OF SALE

[to be conformed to sale of each of the Unit and the ABAG Unit]

This BILL OF SALE is made and entered into to be effective as of the ____ day of _____, 20__, by and between BAY AREA HEADQUARTERS AUTHORITY ("Seller") and ASSOCIATION OF BAY AREA GOVERNMENTS ("Buyer").

WHEREAS, Seller and Buyer are parties to that certain Purchase and Sale Agreement and Joint Escrow Instructions dated _____, 20__ (the "Agreement"), pursuant to which Seller agreed to sell to Buyer and Buyer agreed to purchase from Seller an office condominium unit located at 390 Main Street, Suite ____, in the City and County of San Francisco, State of California, all as more particularly described in the Agreement.

WHEREAS, pursuant to the Agreement, Seller is to convey to Buyer certain office furnishings, equipment and other personal property (collectively, the "Personal Property").

NOW, THEREFORE, in consideration of Buyer entering into the Agreement and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller hereby sells, transfers, conveys and assigns all of Seller's right, title and interest in and to the Personal Property, to have and to hold the Personal Property unto the Buyer and its successors and assigns forever.

EXCEPT FOR ANY EXPRESS REPRESENTATIONS OR WARRANTIES SET FORTH IN THE AGREEMENT, SELLER EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, REGARDING THE ABOVE-DESCRIBED PERSONAL PROPERTY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ENVIRONMENTAL CONDITION, AND BUYER ACCEPTS THE ABOVE-DESCRIBED PROPERTY IN AN "AS IS - WHERE IS" CONDITION, WITH ALL FAULTS.

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

BUYER:

SELLER:

ASSOCIATION OF BAY AREA
GOVERNMENTS

BAY AREA HEADQUARTERS
AUTHORITY

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

EXHIBIT D

FORM OF ASSIGNMENT

ASSIGNMENT AND ASSUMPTION OF INTANGIBLE PROPERTY [AND CONTRACTS]

[to be conformed to sale of each of the Unit and the ABAG Unit]

This ASSIGNMENT AND ASSUMPTION OF INTANGIBLE PERSONAL PROPERTY [AND CONTRACTS] (this "Assignment") is made and entered into to be effective as of the ____ day of _____, 20____, by and between BAY AREA HEADQUARTERS AUTHORITY ("Assignor") and ASSOCIATION OF BAY AREA GOVERNMENTS ("Assignee").

WHEREAS, Assignor and Assignee are parties to that certain Purchase and Sale Agreement and Joint Escrow Instructions dated _____, 20____ (the "Agreement"), pursuant to which Assignor agreed to sell to Assignee and Assignee agreed to purchase from Assignor an office condominium unit located at 390 Main Street, Suite _____, in the City and County of San Francisco, State of California, all as more particularly described in the Agreement (the "Real Property"). Capitalized terms used but not defined herein shall have the meaning given such terms in the Agreement.

WHEREAS, pursuant to the Agreement, Assignor is to convey to Assignee certain Intangible Property relating to the Real Property.

[WHEREAS, pursuant to the Agreement, Assignor is to assign its interest in certain service agreements, maintenance agreements and other contracts relating to the Real Property which agreements and contracts are listed in Schedule 1 attached hereto (collectively, the "Contracts").]

NOW, THEREFORE, in consideration of Assignee entering into the Agreement and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignee and Assignor hereby agree as follows:

1. Intangible Property. Assignor hereby grants, conveys, transfers and assigns to Assignee all of Assignor's right, title and interest in and to the Intangible Property.

2. Contracts. **[TO BE DELETED IF NO CONTRACTS]**

(a) Assignor hereby grants, conveys, transfers and assigns to Assignee all of Assignor's right, title and interest in and to the Contracts. Assignor agrees to indemnify, defend, protect and hold Assignee harmless from and against any and all liability, loss, cost, damage and expense (including without limitation, attorneys' and paralegals' fees and costs) asserted against, incurred or suffered by Assignee relating to obligations with respect to the Contracts to be performed prior to the date hereof.

(b) Assignee shall perform or cause to be performed Assignors' obligations, if any, under the Contracts from and after the date of this Assignment, and agrees to indemnify, defend, protect and hold Assignor harmless from and against any and all liability, loss, cost, damage and expense (including, without limitation, attorneys' and paralegals' fees and costs) asserted against, incurred or suffered by Assignor relating to obligations with respect to the Contracts to be performed after the date hereof. Assignors agrees to indemnify, defend, protect and hold Assignee harmless from and against any and all liability, loss, cost, damage and expense (including without limitation, attorneys' and paralegals' fees and costs) asserted against, incurred or suffered by Assignee relating to obligations with respect to the Leases and Contracts to be performed before the date hereof.

3. Further Actions. Each of Assignor and Assignee hereby covenants that it will, at any time and from time to time upon written request therefor, execute and deliver to the other, its nominees, successors and/or assigns, any new or confirmatory instruments and do and perform any other acts which the other, its successors and/or assigns, may reasonably request in order to fully assign and transfer to and vest in Assignee, its nominees, successors and/or assigns, and protect its and/or their rights, title and interest in and enjoyment of, all of the assets of Assignor intended to be transferred and assigned hereby, or to enable Assignee, its successors and/or assigns, to realize upon or otherwise enjoy any such assets, or to effect the allocation of responsibility for performance under the Contracts.

4. Miscellaneous. The provisions of this Assignment shall be binding upon and inure to the benefit of Assignor, Assignee and their successors and assigns. This Assignment may be executed in any number of counterparts, each of which shall be deemed to be an original, but any number of which, taken together, shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned have executed this Assignment and Assumption of Intangible Property [and Contracts] as of the date first written above.

ASSIGNEE:

ASSIGNOR:

ASSOCIATION OF BAY AREA
GOVERNMENTS

BAY AREA HEADQUARTERS
AUTHORITY

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

Schedule 1 to Assignment

List of Contracts

[to be attached]

APPENDIX 3

Office Functionality at 390 Main List of Functional Requirements

Offices for 3 executive staff and 1 legal counsel
Offices for 5 department directors with adjacent conference room for meetings of 3-4 people)
Offices for 9 program managers/supervisors (P5-level)

Workstations for 50 staff members
Workspace for 3 office support staff
Workspace for 5 interns

General file storage for Planning, Communications, Exec, etc.
Dedicated storage for active files in Finance, POWER, FAN, and PLAN
Space for 3-4 multi-purpose copiers/scanners/printers and 1 production copier

Executive conference room
Conference room or similar area for auditors

The following shall be provided for in the joint agency shared space which is separate from the ABAG Space:

Conference Rooms and training room
Computer data center/server room
Computer storage and work area
Reception area
Mail area
Kitchen/break room

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375 BEALE STREET

OFFICE LEASE

BAY AREA HEADQUARTERS AUTHORITY

as Landlord,

and

ASSOCIATION OF BAY AREA GOVERNMENTS

as Tenant

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EXHIBITS

A	OUTLINE OF PREMISES
A-1	LEGAL DESCRIPTION OF REAL PROPERTY
B	COMMON EXPENSES DEFINITION
C	RESERVED
D	RULES AND REGULATIONS
E	FORM OF PURCHASE AND SALE AGREEMENT

SUMMARY OF BASIC LEASE INFORMATION

This Summary of Basic Lease Information ("**Summary**") is hereby incorporated into and made a part of the attached Office Lease. Each reference in the Office Lease to any term of this Summary shall have the meaning as set forth in this Summary for such term. In the event of a conflict between the terms of this Summary and the Office Lease, the terms of the Office Lease shall prevail. Any capitalized terms used herein and not otherwise defined herein shall have the meaning as set forth in the Office Lease.

TERMS OF LEASE

(References are to the Office Lease)

DESCRIPTION

- | | |
|---|---|
| 1. Effective Date: | May 19, 2016 |
| 2. Landlord: | BAY AREA HEADQUARTERS
AUTHORITY , a joint powers authority
established pursuant to the California Joint
Exercise of Powers Act |
| 3. Address of Landlord
(<u>Section 24.16</u>): | Bay Area Headquarters Authority
101 8 th Street
Oakland, CA 94607
Attn: Executive Director
(Prior to Lease Commencement Date)

and

Bay Area Headquarters Authority
375 Beale Street, Suite 800
San Francisco, California 94105
Attn: Attn: Executive Director
(After Lease Commencement Date) |
| 4. Tenant: | ASSOCIATION OF BAY AREA
GOVERNMENTS ,
a joint powers authority established pursuant
to the California Joint Exercise of Powers Act |
| 5. Address of Tenant
(<u>Section 24.16</u>): | Association of Bay Area Governments
101 8 th Street
Oakland, CA 94607
Attn: Executive Director
(Prior to Lease Commencement Date) |

TERMS OF LEASE

(References are to the Office Lease)

DESCRIPTION

and

Association of Bay Area Governments
375 Beale Street, Suite 700
San Francisco, California 94105
Attn: Executive Director
(After Lease Commencement Date)

6. Premises (Article 1):

6.1 Premises:

Approximately 14,400 rentable square feet of office space located on the seventh floor, and approximately 2,000 rentable square feet of office space located on the eighth floor, of the Building (as defined below), as shown in Exhibit A.

6.2 Building:

The Premises are located in the "Building" whose address is 375 Beale Street, San Francisco, CA 94105, which Building is divided into "Agency Space" (including the Premises) and "Commercial Space".

7. Term (Article 2).

7.1 Lease Term:

Two (2) years.

7.2 Lease Commencement Date

May 23, 2016

7.3 Lease Expiration Date:

The earliest to occur of: (a) May 31, 2018, (b) the date of Tenant's purchase of a condominium unit pursuant to Article 23, or (c) the date when Tenant has failed to consummate a condominium unit pursuant to Article 23 within ninety (90) days after all conditions precedent to such purchase that are within Landlord's control have been met or waived.

7.4 Amendment to Lease:

Landlord and Tenant may modify the Lease Commencement Date and Lease Expiration Date in an amendment to Lease.

8. Reserved

TERMS OF LEASE

(References are to the Office Lease)

DESCRIPTION

9. Tenant's Share
(Article 4):

The percentage which the usable square feet within the Premises bears to the total usable square feet within the Agency Space or, with respect to Jointly Used Space Expenses, such percentage as adjusted for usage; provided, however, that Tenant's Share of Common Area Expenses shall not exceed \$314,000 per year, adjusted annually for inflation, commencing with the Lease Commencement Date, as measured by the CPI for San Francisco – Oakland – All Urban Consumers; provided that this cap shall be applied on a prorated basis for Common Area Expenses collected for less than a one-year period. (See Article 4 of the Office Lease).

10. Parking (Article 22):

Parking for Tenant's Board members in attendance at its public meetings and the number of passenger car parking spaces for daily use determined in accordance with Article 22.

OFFICE LEASE

This Office Lease, which includes the preceding Summary and the exhibits attached hereto and incorporated herein by this reference (the Office Lease, Summary and the exhibits to be known sometimes collectively hereafter as the "Lease"), dated as of the date set forth in Section 1 of the Summary, is made by and between the BAY AREA HEADQUARTERS AUTHORITY ("Landlord"), and the ASSOCIATION OF BAY AREA GOVERNMENTS ("Tenant").

ARTICLE 1

BUILDING AND PREMISES

1.1 Building and Premises. Upon and subject to the terms, covenants and conditions hereinafter set forth in this Lease, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the premises set forth in Section 6.1 of the Summary (the "Premises"), which Premises are located within the Agency Space in the Building, each as defined in Section 6.2 of the Summary, situated on the Real Property more particularly described on Exhibit A-1 attached hereto (the "Real Property"). The outline of the floor plan of the Premises is set forth in Exhibit A attached hereto. The Premises shall be inclusive of the furnishings and telephone and computer systems installed in the Premises as of the Commencement Date and shall also include the right to use, in common with other occupants of the Agency Space, the library, meeting rooms, mail room, server rooms and other areas of the Agency Space designated as "Jointly Used Space" and the common entry, corridors, hallways, stairwells, elevators, restrooms and other areas designated as "Common Area". Use of the Jointly Used Space and the Common Area will be subject to the Rules and Regulations attached hereto as Exhibit D and such other rules and regulations as Landlord shall promulgate from time to time, which rules and regulations shall be applied equally to all occupants of the Agency Space.

1.2 Condition of Premises. Except as expressly set forth in this Lease or in the Purchase and Sale Agreement, if any, executed by Landlord and Tenant pursuant to Article 23, Landlord shall not be obligated to provide or pay for any improvement, remodeling or refurbishment work or services related to the improvement, remodeling or refurbishment of the Premises, and Tenant shall accept the Premises in its "As Is" condition on the Lease Commencement Date. Landlord agrees to cooperate with Tenant to enforce any warranties pertaining to the personal property installed in the Premises as of the Commencement Date.

1.3 Square Footage. If, upon finalization of the condominium map for the Agency Space, the rentable square footage or usable square footage, as applicable, of the condominium unit to be sold to ABAG, as shown on such condominium map, is different than the rentable square footage or usable square footage, as applicable, set forth in Section 6.1 of the Summary, rent that is based on rentable area shall be recalculated in accordance with that determination. On the recalculation of rent as provided in this Section 1.3, the parties shall execute an amendment to this Lease stating the recalculated rent. Execution of that amendment shall not be a condition precedent to the effectiveness of the recalculated rent.

ARTICLE 2

LEASE TERM

The terms and provisions of this Lease shall be effective as of the date of this Lease except for the provisions of this Lease relating to the payment of Rent. The term of this Lease (the "Lease Term") shall be as set forth in Section 7.1 of the Summary and shall be measured from the date Tenant commences operations in the Premises (the "Lease Commencement Date") as provided in Section 7.2 of the Summary, and shall terminate on the date (the "Lease Expiration Date") set forth in Section 7.4 of the Summary, unless this Lease is sooner terminated as hereinafter provided. For purposes of this Lease, the term "Lease Year" shall mean each consecutive twelve (12) month period during the Lease Term, provided that the last Lease Year shall end on the Lease Expiration Date. Tenant shall use commercially reasonable efforts to commence business operations in the Premises as soon as possible following issuance by the City & County of San Francisco of a certificate of occupancy for the Premises, subject to Tenant's moving date and completion of related activities, all as agreed upon by Tenant and Landlord. If Landlord does not deliver possession of the Premises to Tenant on or before the anticipated Lease Commencement Date (as set forth in Section 7.2 of the Summary), Landlord shall not be subject to any liability nor shall the validity of this Lease nor the obligations of Tenant hereunder be affected, except such obligations of Tenant that are pendent on its occupancy of the Premises. In the event that the Lease Commencement Date is a date which is other than the anticipated Lease Commencement Date set forth in Section 7.2 of the Summary, within a reasonable period of time after the date Tenant takes possession of the Premises Landlord shall deliver to Tenant an amendment to lease setting forth the Lease Commencement Date and the Lease Expiration Date, and Tenant shall execute and return such amendment to Landlord within five (5) days after Tenant's receipt thereof.

ARTICLE 3

NO BASE RENT

3.1 No Base Rent. No base rental shall be payable under this Lease.

ARTICLE 4

ADDITIONAL RENT

4.1 Additional Rent. From and after the Lease Commencement Date, Tenant shall pay as additional rent the "Operating Expenses" (as such term is defined below). Such additional rent, together with any and all other amounts payable by Tenant to Landlord pursuant to the terms of this Lease (including, without limitation, pursuant to Article 6), shall be hereinafter collectively referred to as the "Additional Rent." The Base Rent and Additional Rent are herein collectively referred to as the "Rent." All amounts due under this Article 4 as Additional Rent shall be payable in equal monthly installments in advance on or before the first day of each and every month during Lease Term, without any setoff or deduction whatsoever. If any rental payment date falls on a day of the month other than the first day of such month or if any rental payment is for a period which is shorter than one month, then the rental for any such fractional month shall be a proportionate amount of a full calendar month's rental based on the proportion that the number of days in such fractional month bears to the number of days in the calendar month during which such fractional month occurs. All other payments or adjustments required to be made under the terms of this Lease that require proration on a time

basis shall be prorated on the same basis. Tenant shall commence paying Additional Rent on the Lease Commencement Date. Without limitation on other obligations of Tenant which shall survive the expiration of the Lease Term, the obligations of Tenant to pay the Additional Rent provided for in this Article 4 shall survive the expiration of the Lease Term.

4.2 Definitions. As used in this Article 4, the following terms shall have the meanings hereinafter set forth:

4.2.1 "**Calendar Year**" shall mean each calendar year in which any portion of the Lease Term falls, through and including the calendar year in which the Lease Term expires.

4.2.2 "**Expense Year**" shall mean each Calendar Year, provided that Landlord, upon notice to Tenant, may change the Expense Year from time to time to any other twelve (12) consecutive-month period, and, in the event of any such change, Tenant's Share of Common Area Expenses shall be equitably adjusted for any Expense Year involved in any such change.

4.2.3 "**Operating Expenses**" shall mean Tenant's Share of all "Common Expenses" attributable to the Agency Space as defined in Exhibit B; provided, that the Operating Expenses shall not exceed \$314,000 per year, adjusted annually for inflation, commencing with the Lease Commencement Date, as measured by the CPI for San Francisco – Oakland – All Urban Consumers, provided that this cap shall be applied on a prorated basis for Common Area Expenses collected for less than a one-year period.

4.3 Calculation and Payment of Additional Rent.

4.3.1 Statement of Operating Expenses and Payment by Tenant. Landlord shall endeavor to give to Tenant on or before the first day of the fourth month following the end of each Expense Year, a statement (the "**Statement**") which shall state Tenant's Operating Expenses actually incurred or accrued for such preceding Expense Year. Upon receipt of the Statement for each Expense Year ending during the Lease Term, Tenant shall pay, with its next installment of Additional Rent due, the full amount of the Operating Expenses for such Expense Year, less the amounts paid during such Expense Year as "Tenant's Estimated Share," as that term is defined in Section 4.3.3 below. The failure of Landlord to timely furnish the Statement for any Expense Year shall not prejudice Landlord from enforcing its rights under this Article 4. Even though the Lease Term has expired, when the final determination is made of Operating Expenses for the Expense Year in which this Lease terminates, Tenant shall immediately pay to Landlord the amount of any difference between Tenant's Share and Tenant's Estimated Share. The provisions of this Section 4.3.1 shall survive the expiration or earlier termination of the Lease Term.

4.3.2 Statement of Estimated Expenses. In addition, Landlord shall give Tenant an expense estimate statement (the "**Estimate Statement**") which shall set forth Landlord's reasonable estimate (the "**Estimate**") of the total amount of Operating Expenses for the succeeding Expense Year ("**Tenant's Estimated Share**"). Tenant shall pay, as each installment of Additional Rent due for the succeeding Expense Year, one-twelfth of Tenant's Estimated Share set forth in the Estimate Statement.

4.4 Late Charges. If any installment of Rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee within ten (10) business days following the due date therefor, then Tenant shall pay to Landlord a late charge equal to five percent (5%) of the amount due. The late charge shall be deemed Additional Rent and the right to require it shall be in addition to all of Landlord's other rights and remedies hereunder, at law and/or in equity and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner. In addition to the late charge described above, any Rent or other amounts owing hereunder which are not paid within ten (10) business days following Tenant's receipt of written notice of delinquency shall thereafter bear interest until paid at a rate (the "Interest Rate") equal to the lesser of (i) the "Prime Rate" or "Reference Rate" announced from time to time by the Bank of America (or such reasonable comparable national banking institution as selected by Landlord in the event Bank of America ceases to exist or publish a Prime Rate or Reference Rate), plus two percent (2%), or (ii) the highest rate permitted by applicable law.

ARTICLE 5

USE OF PREMISES

Tenant shall use the Premises solely for general office purposes consistent with the character of the Agency Space as office space for governmental entities, and Tenant shall not use or permit the Premises to be used for any other purpose or purposes whatsoever. Tenant further covenants and agrees that it shall not use, or suffer or permit any person or persons to use, the Premises or any part thereof for any use or purpose contrary to the provisions of Exhibit D, attached hereto, or in violation of the laws of the United States of America, the state in which the Real Property is located, or the ordinances, regulations or requirements of the local municipal or county governing body or other lawful authorities having jurisdiction over the Real Property. Tenant shall not do or permit anything to be done on or about the Premises which may in any way increase the existing rate of any insurance policy covering the Building or Real Property or any of its contents or cause cancellation of any such insurance policy. Tenant shall comply with all recorded covenants, conditions, and restrictions, now or hereafter affecting the Real Property. Tenant shall not use or allow another person or entity to use any part of the Premises for the storage, use, treatment, manufacture or sale of "Hazardous Material," as that term is defined below, or for the transport of such materials through the Common Area, except in compliance with all laws or regulations applicable to the use, transport or storage of Hazardous Materials. As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the state in which the Real Property is located or the United States Government.

ARTICLE 6

SERVICES AND UTILITIES

6.1 Standard Tenant Services. Landlord shall provide the following services on all days during the Lease Term, unless otherwise stated below.

6.1.1 Subject to reasonable changes implemented by Landlord and to all governmental rules, regulations and guidelines applicable thereto, Landlord shall provide heating, ventilation and air conditioning ("HVAC") when necessary for normal comfort for normal office use in the Premises, from Monday through Friday, during the period from 7:00 a.m. to 7:00 p.m., (the "Building Hours"), except for the date of observation of New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Memorial Day, Independence

Day, Labor Day, Thanksgiving Day and the day thereafter, Christmas Day and other locally or nationally recognized holidays as designated by Landlord (collectively, the "Holidays").

6.1.2 Landlord shall provide adequate electrical wiring and facilities and power for normal general office use as determined by Landlord. Landlord shall replace lamps, starters and ballasts for Building standard lighting fixtures within the Premises. Tenant shall bear the cost of replacement of lamps, starters and ballasts for non-Building standard lighting fixtures within the Premises.

6.1.3 Landlord shall provide city water from the regular Building outlets for drinking, lavatory and toilet purposes.

6.1.4 Landlord shall provide janitorial services five (5) days per week, except the date of observation of the Holidays, in and about the Premises and window washing services in a manner consistent with other comparable buildings in the vicinity of the Building.

6.1.5 Landlord shall provide nonexclusive automatic passenger elevator service at all times.

6.1.6 Landlord shall provide nonexclusive freight elevator service subject to scheduling by Landlord.

6.1.7 Landlord shall provide telecommunications, Internet and data transmission services to all offices and work stations within the Premises.

6.1.8 Landlord shall provide, as part of the Jointly Used Spaces, server room(s), mail services, graphics and printing services and library and meeting rooms. Use of the meeting rooms shall be subject to such advance reservation and other rules as Landlord may reasonably establish from time to time with input from Tenant.

6.2 Overstandard Tenant Use. Tenant shall not, without Landlord's prior written consent, use heat-generating machines, machines other than normal fractional horsepower office machines, or equipment or lighting other than building standard lights in the office portion of the Premises, which may affect the temperature otherwise maintained by the air conditioning system or increase the need for water above that normally furnished to other offices in the Agency Space by Landlord pursuant to the terms of Section 6.1 of this Lease. If Tenant uses water or HVAC in excess of that supplied by Landlord pursuant to Section 6.1 of this Lease, or if Tenant's consumption of electricity shall exceed such levels, as determined by Landlord based on sub-metering of such usage, then Tenant shall pay to Landlord, within ten (10) days after billing and as additional rent, the cost of such excess consumption, the cost of the installation, operation, and maintenance of equipment which is installed in order to supply such excess consumption, and the cost of the increased wear and tear on existing equipment caused by such excess consumption; and Landlord may install devices (including without limitation Quadlogic revenue grade meters (or comparable devices) and related data transmission and collection systems and software) to separately meter any increased use, and in such event Tenant shall pay, as additional rent, the increased cost directly to Landlord, within ten (10) days after demand. If Tenant desires to use HVAC during hours other than the Building Hours, Tenant shall give Landlord such prior notice, as Landlord shall from time to time establish as appropriate, of Tenant's desired use.

6.3 Interruption of Use. Tenant agrees that Landlord shall not be liable for damages, by abatement of Rent or otherwise, for failure to furnish or delay in furnishing any service (including telephone and telecommunication services), or for any diminution in the quality or quantity thereof, when such failure or delay or diminution is occasioned, in whole or in part, by repairs, replacements, or improvements, by any strike, lockout or other labor trouble, by inability to secure electricity, gas, water, or other fuel at the Building or Real Property after reasonable effort to do so, by any accident or casualty whatsoever, by act or default of Tenant or other parties, or by any other cause beyond Landlord's reasonable control; and such failures or delays or diminution shall never be deemed to constitute an eviction or disturbance of Tenant's use and possession of the Premises or relieve Tenant from paying Rent or performing any of its obligations under this Lease. Furthermore, Landlord shall not be liable under any circumstances for a loss of, or injury to, property or for injury to, or interference with, Tenant's business, however occurring, through or in connection with or incidental to a failure to furnish any of the services or utilities as set forth in this Article 6.

ARTICLE 7

REPAIRS

7.1 Tenant's Repairs. Subject to Landlord's repair obligations in Sections 7.2 and 11.1 below, Tenant shall, at Tenant's own expense, keep the Premises, including all improvements, fixtures and furnishings therein, in good order, repair and condition at all times during the Lease Term, which repair obligations shall include, without limitation, the obligation to promptly and adequately repair all damage to the Premises and replace or repair all damaged or broken fixtures and appurtenances; provided however, that, at Landlord's option, or if Tenant fails to make such repairs, Landlord may, but need not, make such repairs and replacements, and Tenant shall pay Landlord the cost thereof. Tenant agrees to promptly notify Landlord or its representative of any accidents or defects in the Building of which Tenant becomes aware, including defects in pipes, electrical wiring and HVAC equipment. In addition, Tenant shall provide Landlord with prompt notification of any matter or condition which may cause injury or damage to the Building or any person or property therein.

7.2 Landlord's Repairs. Anything contained in Section 7.1 above to the contrary notwithstanding, and subject to Articles 11 and 12 of this Lease, Landlord shall repair and maintain the structural portions of the Building, including without limitation the Premises and the Common Area and the Jointly Used Spaces, including the basic plumbing, heating, ventilating, air conditioning, electrical telecommunications and data systems serving the Building or the Agency Space; provided, however, if such maintenance and repairs are caused in part or in whole by the act, neglect, fault of or omission of any duty by Tenant, its agents, servants, employees or invitees, Tenant shall pay to Landlord as Additional Rent, the reasonable cost of such maintenance and repairs. There shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements in or to any portion of the Real Property, Building or the Premises or in or to fixtures, appurtenances and equipment therein. Tenant hereby waives and releases its right to make repairs at Landlord's expense under Sections 1941 and 1942 of the California Civil Code; or under any similar law, statute, or ordinance now or hereafter in effect.

ARTICLE 8

ADDITIONS AND ALTERATIONS

8.1 Landlord's Consent to Alterations. Tenant may not make any improvements, alterations, additions or changes to the Premises (collectively, the "Alterations") without first procuring the prior written consent of Landlord to such Alterations, which consent shall be requested by Tenant not less than thirty (30) days prior to the commencement thereof, and which consent shall not be unreasonably withheld by Landlord; provided, however, Landlord may withhold its consent in its sole and absolute discretion with respect to any Alterations which may affect the structural components of the Building or the Systems and Equipment. Tenant shall pay for all costs and expenses of the Alterations. The construction of the initial improvements to the Premises shall be governed by the terms of the Memorandum of Understanding, dated as of February 13, 2013 (the "2013 MOU"), between Landlord and Tenant, and not the terms of this Article 8.

8.2 Manner of Construction. Landlord may impose, as a condition of its consent to all Alterations or repairs of the Premises or about the Premises, such requirements as Landlord in its reasonable discretion may deem desirable with respect to any work affecting the structural components of the Building or Systems and Equipment (including designating specific contractors to perform such work and requiring Tenant to comply with the terms of the Project Stabilization Agreement for the Bay Area Headquarters Project, made and entered into the 14th day of June 2012 (the "Stabilization Agreement"), between Landlord, together with any prime contractor and subcontractors at all tiers, and the San Francisco Building & Construction Trades Council and its affiliated local unions who have executed the Stabilization Agreement). Tenant shall construct such Alterations and perform such repairs in conformance with any and all applicable rules and regulations of any federal, state, county or municipal code or ordinance and pursuant to a valid building permit, issued by the city in which the Real Property is located. Landlord's approval of the plans, specifications and working drawings for Tenant's Alterations shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with all laws, rules and regulations of governmental agencies or authorities. All work with respect to any Alterations must be done in a good and workmanlike manner and diligently prosecuted to completion to the end that the Premises shall at all times be a complete unit except during the period of work. In performing the work of any such Alterations, Tenant shall have the work performed in such manner as not to obstruct access to the Building or the Common Area, and as not to obstruct the business of Landlord or other tenants of the Agency Space, or interfere with the labor force working at the Real Property. If Tenant makes any Alterations, Tenant agrees to carry "Builder's All Risk" insurance in an amount approved by Landlord covering the construction of such Alterations, and such other insurance as Landlord may reasonably require. In addition, Landlord may, in its discretion, require Tenant to obtain a lien and completion bond or some alternate form of security satisfactory to Landlord in an amount sufficient to ensure the lien-free completion of such Alterations and naming Landlord as a co-obligee. Upon completion of any Alterations, Tenant shall (i) cause a Notice of Completion to be recorded in the office of the Recorder of the county in which the Real Property is located in accordance with Section 3093 of the Civil Code of the State of California or any successor statute, (ii) deliver to Landlord or its facility operator a reproducible copy of the "as built" drawings of the Alterations, and (iii) deliver to Landlord evidence of payment, contractors' affidavits and full and final waivers of all liens for labor, services or materials.

8.3 Landlord's Property. All Alterations, improvements or fixtures which may be installed or placed in or about the Premises, from time to time, shall be and become the property of Landlord. Furthermore, Landlord may require that Tenant remove any improvement or Alteration upon the expiration or early termination of the Lease Term, and repair any damage to the Premises and Building caused by such removal. If Tenant fails to complete such removal and/or to repair any damage caused by the removal of any Alterations, Landlord may do so and may charge the cost thereof to Tenant.

ARTICLE 9

COVENANT AGAINST LIENS

Tenant has no authority or power to cause or permit any lien or encumbrance of any kind whatsoever, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon the Real Property, Building or Premises, and any and all liens and encumbrances created by Tenant shall attach to Tenant's interest only. Landlord shall have the right at all times to post and keep posted on the Premises any notice which it deems necessary for protection from such liens. Tenant covenants and agrees not to suffer or permit any lien of mechanics or materialmen or others to be placed against the Real Property, the Building or the Premises with respect to work or services claimed to have been performed for or materials claimed to have been furnished to Tenant or the Premises, and, in case of any such lien attaching or notice of any lien, Tenant covenants and agrees to cause it to be immediately released and removed of record. Notwithstanding anything to the contrary set forth in this Lease, if any such lien is not released and removed on or before the date notice of such lien is delivered by Landlord to Tenant, Landlord, at its sole option, may immediately take all action necessary to release and remove such lien, without any duty to investigate the validity thereof, and all sums, costs and expenses, including reasonable attorneys' fees and costs, incurred by Landlord in connection with such lien shall be deemed Additional Rent under this Lease and shall immediately be due and payable by Tenant.

ARTICLE 10

INDEMNIFICATION AND INSURANCE

10.1 Indemnification and Waiver. Tenant hereby assumes all risk of damage to property and injury to persons, in, on, or about the Premises from any cause whatsoever and agrees that Landlord and its officers, agents, property managers, employees, and independent contractors (collectively, "**Landlord Parties**") shall not be liable for, and are hereby released from any responsibility for, any damage to property or injury to persons or resulting from the loss of use thereof, which damage or injury is sustained by Tenant or by other persons claiming through Tenant, except to the extent caused by the negligence or willful misconduct of any Landlord Party. Tenant shall indemnify, defend, protect, and hold harmless the Landlord Parties from any and all loss, cost, damage, expense and liability (including without limitation court costs and reasonable attorneys' fees) incurred in connection with or arising from any cause in, on or about the Premises (including, without limitation, Tenant's installation, placement and removal of Alterations, improvements, fixtures and/or equipment in, on or about the Premises), and any acts, omissions or negligence of Tenant or of any person claiming by, through or under Tenant, or of the contractors, agents, servants, employees, licensees or invitees of Tenant or any such person, in, on or about the Premises, Building and Real Property; provided, however, that the terms of the foregoing indemnity shall not apply to the negligence or willful misconduct of

Landlord or any Landlord Party. The provisions of this Section 10.1 shall survive the expiration or sooner termination of this Lease.

10.2 Tenant's Compliance with Landlord's Fire and Casualty Insurance. Tenant shall, at Tenant's expense, comply as to the Premises with all insurance company requirements pertaining to the use of the Premises. If Tenant's conduct or use of the Premises causes any increase in the premium for such insurance policies, then Tenant shall reimburse Landlord for any such increase. Tenant, at Tenant's expense, shall comply with all rules, orders, regulations or requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and with any similar body.

10.3 Tenant's Insurance. Tenant shall maintain the following coverages in the following amounts, which amounts and coverages shall be subject to adjustment by Landlord from time to time upon not less than ninety (90) days prior written notice to Tenant, provided however that Landlord may not require coverages or insurance amounts in excess of insurance requirements generally being imposed upon commercial office tenants of comparable space by landlords in the City of San Francisco central business district at the time of the required change in coverage or amount.

10.3.1 Commercial General Liability Insurance covering the insured against claims of bodily injury, personal injury and property damage arising out of Tenant's operations, assumed liabilities or use of the Premises, including a Broad Form Commercial General Liability endorsement covering the insuring provisions of this Lease and the performance by Tenant of the indemnity agreements set forth in Section 10.1 of this Lease for limits of liability not less than:

Bodily Injury and Property Damage Liability	\$2,000,000 each occurrence \$2,000,000 annual aggregate
Personal Injury Liability	\$2,000,000 each occurrence \$2,000,000 annual aggregate

10.3.2 Physical Damage Insurance covering all office furniture, trade fixtures, office equipment, merchandise and all other items of personal property on the Premises installed or owned by Tenant. Such insurance shall be written on a "physical loss or damage" basis under a "special form" policy for the full replacement cost value new without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies of insurance and shall include a vandalism and malicious mischief endorsement, sprinkler leakage coverage and earthquake sprinkler leakage coverage.

10.3.3 Workers' compensation insurance as required by law.

10.3.4 Tenant shall carry comprehensive automobile liability insurance having a combined single limit of not less than Two Million Dollars (\$2,000,000.00) per occurrence and insuring Tenant against liability for claims arising out of ownership, maintenance or use of any owned, hired or non-owned automobiles.

10.3.5 The minimum limits of policies of insurance required of Tenant under this Lease shall in no event limit the liability of Tenant under this Lease. Such insurance shall: (i) name Landlord, and any other party it so specifies, as an additional

insured; (ii) specifically cover the liability assumed by Tenant under this Lease, including, but not limited to, Tenant's obligations under Section 10.1 of this Lease; (iii) be issued by an insurance company having a rating of not less than A-X in Best's Insurance Guide or which is otherwise acceptable to Landlord and licensed to do business in the state in which the Real Property is located; (iv) be primary insurance as to all claims thereunder and provide that any insurance carried by Landlord is excess and is non-contributing with any insurance requirement of Tenant; (v) provide that said insurance shall not be canceled or coverage changed unless thirty (30) days' prior written notice shall have been given to Landlord and any mortgagee of Landlord; and (vi) contain a cross-liability endorsement or severability of interest clause acceptable to Landlord. Tenant shall deliver said policy or policies or certificates thereof to Landlord on or before the Lease Commencement Date and at least thirty (30) days before the expiration dates thereof. If Tenant shall fail to procure such insurance, or to deliver such policies or certificate, within such time periods, Landlord may, at its option, in addition to all of its other rights and remedies under this Lease, and without regard to any notice and cure periods set forth in Section 19.1, procure such policies for the account of Tenant, and the cost thereof shall be paid to Landlord as Additional Rent within ten (10) days after delivery of bills therefor.

10.4 Subrogation. Landlord and Tenant agree to have their respective insurance companies issuing property damage insurance waive any rights of subrogation that such companies may have against Landlord or Tenant, as the case may be. Landlord and Tenant hereby waive any right that either may have against the other on account of any loss or damage to their respective property to the extent such loss or damage is insured under policies of insurance for fire and all risk coverage, theft, public liability, or other similar insurance.

ARTICLE 11

DAMAGE AND DESTRUCTION

11.1 Repair of Damage to Premises by Landlord. Tenant shall promptly notify Landlord of any damage to the Premises resulting from fire or any other casualty. If the Premises or any common areas of the Building or Real Property serving or providing access to the Premises shall be damaged by fire or other casualty, Landlord shall promptly and diligently, subject to reasonable delays for insurance adjustment or other matters beyond Landlord's reasonable control, and subject to all other terms of this Article 11, restore the base, shell, and core of the Premises and such common areas. Such restoration shall be to substantially the same condition of the base, shell, and core of the Premises and common areas prior to the casualty, except for modifications required by zoning and building codes and other laws or by the holder of a mortgage on the Real Property, or any other modifications to the common areas deemed desirable by Landlord, provided access to the Premises and any common restrooms serving the Premises shall not be materially impaired. Notwithstanding any other provision of this Lease, upon the occurrence of any damage to the Premises, Landlord shall also repair any injury or damage to the tenant improvements and alterations installed in the Premises and shall return such tenant improvements and alterations to their original condition. In connection with such repairs and replacements, Tenant shall, prior to the commencement of construction, submit to Landlord, for Landlord's review and approval, all plans, specifications and working drawings relating thereto, and Landlord shall select the contractors to perform such improvement work. Landlord shall not be liable for any inconvenience or annoyance to Tenant or its visitors, or injury to Tenant's business resulting in any way from such damage or the repair thereof; provided however, that if such fire or other casualty shall have damaged the Premises or common areas necessary to Tenant's occupancy, and if such damage is not the

result of the negligence or willful misconduct of Tenant or Tenant's employees, contractors, licensees, or invitees, Landlord shall allow Tenant a proportionate abatement of Operating Expenses during the time and to the extent the Premises are unfit for occupancy for the purposes permitted under this Lease, and not occupied by Tenant as a result thereof.

11.2 Landlord's Option to Repair. Notwithstanding the terms of Section 11.1 of this Lease, Landlord may elect not to rebuild and/or restore the Premises, the Building and/or any other portion of the Real Property and instead terminate this Lease by notifying Tenant in writing of such termination within sixty (60) days after the date of damage, such notice to include a termination date giving Tenant ninety (90) days to vacate the Premises, but Landlord may so elect only if the Building shall be damaged by fire or other casualty or cause, whether or not the Premises are affected, and one or more of the following conditions is present: (i) repairs cannot reasonably be completed within twelve (12) months following the issuance of building permits for each reconstruction; or (ii) the holder of any mortgage on the Real Property shall require that the insurance proceeds or any portion thereof be used to retire the mortgage debt. Additionally, Tenant shall have the right to terminate this Lease if the repairs cannot reasonably be completed, or have not been completed, within twelve (12) months following the date of the damage. Upon any such termination of this Lease pursuant to this Section 11.2, Tenant shall pay the Additional Rent, properly apportioned up to such date of termination, and both parties hereto shall thereafter be freed and discharged of all further obligations hereunder, except for any monetary obligations of Tenant which, by the terms of this Lease, survive the expiration or earlier termination of this Lease Term.

11.3 Waiver of Statutory Provisions. The provisions of this Lease, including this Article 11, constitute an express agreement between Landlord and Tenant with respect to any and all damage to, or destruction of, all or any part of the Premises, the Building or any other portion of the Real Property, and any statute or regulation of the state in which the Real Property is located, including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the parties, and any other statute or regulation, now or hereafter in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Premises, the Building or any other portion of the Real Property.

ARTICLE 12

CONDEMNATION

12.1 Permanent Taking. If the whole or any part of the Premises or the Building shall be taken by power of eminent domain or condemned by any competent authority for any public or quasi-public use or purpose (other than a taking of existing office space other than the Premises for use by a governmental entity), or if Landlord shall grant a deed or other instrument in lieu of such taking by eminent domain or condemnation, Landlord shall have the option to terminate this Lease upon ninety (90) days' notice, provided such notice is given no later than one hundred eighty (180) days after the date of such taking, condemnation, reconfiguration, vacation, deed or other instrument. If any portion of Premises is taken, or if access to the Premises is substantially impaired, Tenant shall have the option to terminate this Lease upon ninety (90) days' notice, provided such notice is given no later than one hundred eighty (180) days after the date of such taking. Landlord shall be entitled to receive the entire award or payment in connection therewith, except that Tenant shall have the right to file any separate claim available to Tenant for any taking of Tenant's personal property and fixtures belonging to Tenant and removable by Tenant upon expiration of the Lease Term pursuant to

the terms of this Lease, and for moving expenses, so long as such claim does not diminish the award available to Landlord or its mortgagee, and such claim is payable separately to Tenant. All Rent shall be apportioned as of the date of such termination, or the date of such taking, whichever shall first occur. If any part of the Premises shall be taken, and this Lease shall not be so terminated, the Rent shall be proportionately abated. Tenant hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of The California Code of Civil Procedure.

12.2 Temporary Taking. Notwithstanding anything to the contrary contained in this Article 12, in the event of a temporary taking of all or any portion of the Premises for a period of one hundred and eighty (180) days or less, then this Lease shall not terminate but the Additional Rent shall be abated for the period of such taking in proportion to the ratio that the amount of rentable square feet of the Premises taken bears to the total rentable square feet of the Premises. Landlord shall be entitled to receive the award made in connection with any such temporary taking to the extent required to compensate Landlord for any Additional Rent not payable by Tenant for such period, and any remaining award shall be payable to Tenant.

ARTICLE 13

COVENANT OF QUIET ENJOYMENT

Landlord covenants that Tenant, on paying the Rent, charges for services and other payments herein reserved and on keeping, observing and performing all the other terms, covenants, conditions, provisions and agreements herein contained on the part of Tenant to be kept, observed and performed, shall, during the Lease Term, peaceably and quietly have, hold and enjoy the Premises subject to the terms, covenants, conditions, provisions and agreements hereof without interference by any persons lawfully claiming by or through Landlord. The foregoing covenant is in lieu of any other covenant express or implied.

ARTICLE 14

NO ASSIGNMENT OR SUBLETTING

14.1 Transfers. Tenant shall not assign, mortgage, pledge, hypothecate, encumber, or permit any lien to attach to, or otherwise transfer, this Lease or any interest hereunder, permit any assignment or other such foregoing transfer of this Lease or any interest hereunder by operation of law, sublet the Premises or any part thereof, or permit the use of the Premises by any persons other than Tenant and its employees.

ARTICLE 15

SURRENDER; OWNERSHIP AND REMOVAL OF TRADE FIXTURES

15.1 Surrender of Premises. No act or thing done by Landlord or any agent or employee of Landlord during the Lease Term shall be deemed to constitute an acceptance by Landlord of a surrender of the Premises unless such intent is specifically acknowledged in a writing signed by Landlord. The delivery of keys to the Premises to Landlord or any agent or employee of Landlord shall not constitute a surrender of the Premises or effect a termination of this Lease, whether or not the keys are thereafter retained by Landlord, and notwithstanding such delivery Tenant shall be entitled to the return of such keys at any reasonable time upon request until this Lease shall have been properly terminated. The voluntary or other surrender

of this Lease by Tenant, whether accepted by Landlord or not, or a mutual termination hereof, shall not work a merger, and at the option of Landlord shall operate as an assignment to Landlord of all subleases or subtenancies affecting the Premises.

15.2 Removal of Tenant Property by Tenant. Unless this Lease terminates as a result of Tenant's purchase of the Premises pursuant to Article 23 below, upon the expiration of the Lease Term, or upon any earlier termination of this Lease, Tenant shall, subject to the provisions of this Article 15, quit and surrender possession of the Premises to Landlord in as good order and condition as when Tenant took possession and as thereafter improved by Landlord and/or Tenant, reasonable wear and tear and repairs which are specifically made the responsibility of Landlord hereunder excepted. Upon such expiration or termination, Tenant shall, without expense to Landlord, remove or cause to be removed from the Premises all debris and rubbish, and such items of furniture, equipment, free-standing cabinet work, and other articles of personal property owned by Tenant or installed or placed by Tenant at its expense in the Premises, and such similar articles of any other persons claiming under Tenant, as Landlord may, in its sole discretion, require to be removed, and Tenant shall repair at its own expense all damage to the Premises and Building resulting from such removal.

ARTICLE 16

HOLDING OVER

If Tenant holds over after the expiration of the Lease Term hereof, with or without the express or implied consent of Landlord, such tenancy shall be from month-to-month only, and shall not constitute a renewal hereof or an extension for any further term. Such month-to-month tenancy shall be subject to every other term, covenant and agreement contained herein. Landlord hereby expressly reserves the right to require Tenant to surrender possession of the Premises to Landlord as provided in this Lease upon the expiration or other termination of this Lease. The provisions of this Article 16 shall not be deemed to limit or constitute a waiver of any other rights or remedies of Landlord provided herein or at law. If Tenant fails to surrender the Premises upon the termination or expiration of this Lease, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall protect, defend, indemnify and hold Landlord harmless from all loss, costs (including reasonable attorneys' fees) and liability resulting from such failure, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant founded upon such failure to surrender, and any lost profits to Landlord resulting therefrom.

ARTICLE 17

ESTOPPEL CERTIFICATES

Within ten (10) days following a request in writing by Landlord, Tenant shall execute and deliver to Landlord an estoppel certificate, which, as submitted by Landlord, shall be in the form as may be required by any prospective mortgagee or purchaser of the Real Property (or any portion thereof), indicating therein any exceptions thereto that may exist at that time, and shall also contain any other information reasonably requested by Landlord or Landlord's mortgagee or prospective mortgagee. Tenant shall execute and deliver whatever other instruments may be reasonably required for such purposes. Failure of Tenant to timely execute and deliver such estoppel certificate or other instruments shall constitute an acceptance of the Premises and an acknowledgment by Tenant that statements included in the estoppel certificate are true and correct, without exception.

ARTICLE 18

SUBORDINATION

This Lease is subject and subordinate to all present and future ground or underlying leases of the Real Property and to the lien of any mortgages or trust deeds, now or hereafter in force against the Real Property, if any, and to all renewals, extensions, modifications, consolidations and replacements thereof, and to all advances made or hereafter to be made upon the security of such mortgages or trust deeds, unless the holders of such mortgages or trust deeds, or the lessors under such ground lease or underlying leases, require in writing that this Lease be superior thereto. Tenant covenants and agrees in the event any proceedings are brought for the foreclosure of any such mortgage, or if any ground or underlying lease is terminated, to attorn, without any deductions or set-offs whatsoever, to the purchaser upon any such foreclosure sale, or to the lessor of such ground or underlying lease, as the case may be, if so requested to do so by such purchaser or lessor and/or if required to do so pursuant to any subordination, non-disturbance and attornment agreement executed by Tenant pursuant to this Article 18, and to recognize such purchaser or lessor as the lessor under this Lease. Tenant shall, within ten (10) days of request by Landlord, execute such further instruments or assurances as Landlord may reasonably deem necessary to evidence or confirm the subordination or superiority of this Lease to any such mortgages, trust deeds, ground leases or underlying leases. Tenant hereby irrevocably authorizes Landlord to execute and deliver in the name of Tenant any such instrument or instruments if Tenant fails to do so, provided that such authorization shall in no way relieve Tenant from the obligation of executing such instruments of subordination or superiority. Tenant waives the provisions of any current or future statute, rule or law which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease and the obligations of the Tenant hereunder in the event of any foreclosure proceeding or sale.

ARTICLE 19

TENANT'S DEFAULTS; LANDLORD'S REMEDIES

19.1 Events of Default by Tenant. All covenants and agreements to be kept or performed by Tenant under this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any reduction of Rent. The occurrence of any of the following shall constitute a default of this Lease by Tenant:

19.1.1 Any failure by Tenant to pay any Rent or any other charge required to be paid under this Lease, or any part thereof, within ten (10) business days following the date due;

19.1.2 Any failure by Tenant to observe or perform any other provision, covenant or condition of this Lease to be observed or performed by Tenant where such failure continues for thirty (30) days after written notice thereof from Landlord to Tenant; provided that if the nature of such default is such that the same cannot reasonably be cured within a thirty (30)-day period, Tenant shall not be deemed to be in default if it diligently commences such cure within such period and thereafter diligently proceeds to rectify and cure said default as soon as possible; or

19.1.3 Abandonment of the Premises by Tenant; or

19.1.4 Repudiation, termination or failure by Tenant to diligently prosecute its obligations under the 2013 MOU or any Purchase and Sale Agreement executed by Landlord and Tenant pursuant to Article 23.

19.2 Landlord's Remedies Upon Default. Upon the occurrence of any such default by Tenant, Landlord shall have, in addition to any other remedies available to Landlord at law or in equity, the option to pursue any one or more of the following remedies, each and all of which shall be cumulative and nonexclusive, without any notice or demand whatsoever.

19.2.1 Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim or damages therefor; and Landlord may recover from Tenant the following:

(i) The worth at the time of award of any unpaid rent which has been earned at the time of such termination; plus

(ii) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iii) The worth at the time of award of the amount by which the unpaid rent for the balance of the Lease Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iv) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom; and

(v) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

The term "rent" as used in this Section 19.2 shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Sections 19.2.1(i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the Interest Rate set forth in Section 4.5 of this Lease. As used in Section 19.2.1(iii) above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

19.2.2 Landlord shall have the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has the right to sublet or assign, subject only to reasonable limitations). Accordingly, if Landlord does not elect to terminate this Lease on account of any default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease, including the right to recover all rent as it becomes due.

19.2.3 Landlord may, but shall not be obligated to, make any such payment or perform or otherwise cure any such obligation, provision, covenant or condition on Tenant's part to be observed or performed (and may enter the Premises for such purposes). In the event of Tenant's failure to perform any of its obligations or covenants under this Lease, and such failure to perform poses a material risk of injury or harm to persons or damage to or loss of property, then Landlord shall have the right to cure or otherwise perform such covenant or obligation at any time after such failure to perform by Tenant, whether or not any such notice or cure period set forth in Section 19.1 above has expired. Any such actions undertaken by Landlord pursuant to the foregoing provisions of this Section 19.2.3 shall not be deemed a waiver of Landlord's rights and remedies as a result of Tenant's failure to perform and shall not release Tenant from any of its obligations under this Lease.

19.3 Payment by Tenant. Tenant shall pay to Landlord, within fifteen (15) days after delivery by Landlord to Tenant of statements therefor: (i) sums equal to expenditures reasonably made and obligations incurred by Landlord in connection with Landlord's performance or cure of any of Tenant's obligations pursuant to the provisions of Section 19.2.3 above; and (ii) sums equal to all expenditures made and obligations incurred by Landlord in collecting or attempting to collect the Rent or in enforcing or attempting to enforce any rights of Landlord under this Lease or pursuant to law, including, without limitation, reasonable legal fees and other amounts so expended. Tenant's obligations under this Section 19.3 shall survive the expiration or sooner termination of the Lease Term.

19.4 Sublessees of Tenant. In the event Landlord elects to terminate this Lease on account of any default by Tenant, as set forth in this Article 19, Landlord shall have the right to terminate any and all subleases, licenses, concessions or other consensual arrangements for possession entered into by Tenant and affecting the Premises or may, in Landlord's sole discretion, succeed to Tenant's interest in such subleases, licenses, concessions or arrangements. In the event of Landlord's election to succeed to Tenant's interest in any such subleases, licenses, concessions or arrangements, Tenant shall, as of the date of notice by Landlord of such election, have no further right to or interest in the rent or other consideration receivable thereunder.

19.5 Waiver of Default. No waiver by Landlord of any violation or breach by Tenant of any of the terms, provisions and covenants herein contained shall be deemed or construed to constitute a waiver of any other or later violation or breach by Tenant of the same or any other of the terms, provisions, and covenants herein contained. Forbearance by Landlord in enforcement of one or more of the remedies herein provided upon a default by Tenant shall not be deemed or construed to constitute a waiver of such default. The acceptance of any Rent hereunder by Landlord following the occurrence of any default, whether or not known to Landlord, shall not be deemed a waiver of any such default, except only a default in the payment of the Rent so accepted.

19.6 Efforts to Relet. For the purposes of this Article 19, Tenant's right to possession shall not be deemed to have been terminated by efforts of Landlord to relet the Premises, by its acts of maintenance or preservation with respect to the Premises, or by appointment of a receiver to protect Landlord's interests hereunder. The foregoing enumeration is not exhaustive, but merely illustrative of acts which may be performed by Landlord without terminating Tenant's right to possession.

ARTICLE 20

COMPLIANCE WITH LAW

Tenant shall not do anything or suffer anything to be done in or about the Premises which will in any way conflict with any law, statute, ordinance or other governmental rule, regulation or requirement now in force or which may hereafter be enacted or promulgated. At its sole cost and expense, Tenant shall promptly comply with all such governmental measures, other than the making of structural changes or changes to the Building's life safety system (collectively the "**Excluded Changes**") except to the extent such Excluded Changes are required due to Tenant's alterations to or manner of use of the Premises. The judgment of any court of competent jurisdiction or the admission of Tenant in any judicial action, regardless of whether Landlord is a party thereto, that Tenant has violated any of said governmental measures, shall be conclusive of that fact as between Landlord and Tenant.

ARTICLE 21

ENTRY BY LANDLORD

Landlord reserves the right at all reasonable times and upon reasonable notice to Tenant to enter the Premises to: (i) inspect them; (ii) to post notices of nonresponsibility; (iii) alter, improve or repair the Premises or the Building if necessary to comply with current building codes or other applicable laws; (iv) for alterations, repairs or improvements to the Common Area or Jointly Used Space; or (v) as Landlord may otherwise reasonably desire or deem necessary. Notwithstanding anything to the contrary contained in this Article 21, Landlord may enter the Premises at any time, without notice to Tenant, in emergency situations and/or to perform janitorial or other services required of Landlord pursuant to this Lease. Any such entries shall be without the abatement of Rent and shall include the right to take such reasonable steps as required to accomplish the stated purposes. Tenant hereby waives any claims for damages or for any injuries or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby except to the extent caused by the negligence or willful misconduct of any Landlord Parties. For each of the above purposes, Landlord shall at all times have a key with which to unlock all the doors in the Premises, excluding Tenant's vaults, safes and special security areas designated in advance by Tenant. In an emergency, Landlord shall have the right to enter without notice and use any means that Landlord may deem proper to open the doors in and to the Premises. Any entry into the Premises in the manner hereinbefore described shall not be deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an actual or constructive eviction of Tenant from any portion of the Premises.

ARTICLE 22

TENANT PARKING

Landlord agrees to provide, at no additional cost, parking in the Building for Tenant's Board members in connection with all public meetings in the Building. Landlord shall provide to Tenant not less than four (4) valet-attended parking spaces in the Building. Such parking spaces shall be provided at no additional cost to Tenant. Tenant's continued right to use the parking spaces is conditioned upon Tenant abiding by all rules and regulations which are prescribed from time to time for the orderly operation and use of the parking facilities and upon Tenant's cooperation in seeing that Tenant's employees and visitors also comply with such rules

and regulations. Landlord specifically reserves the right, from time to time, to change the size, configuration, design, layout, location and all other aspects of the parking facilities, and Tenant acknowledges and agrees that Landlord, from time to time, may, without incurring any liability to Tenant and without any abatement of Rent under this Lease temporarily close-off or restrict access to the parking facilities, or temporarily relocate Tenant's parking spaces to other areas within a reasonable distance from the parking facilities, for purposes of permitting or facilitating any such construction, alteration or improvements or to accommodate or facilitate renovation, alteration, construction or other modification of other improvements or structures located on the Real Property. Landlord may delegate its responsibilities hereunder to a parking operator in which case such parking operator shall have all the rights of control attributed hereby to Landlord. The parking spaces provided to Tenant pursuant to this Article 22 are provided solely for use by Tenant's own personnel and the right to use such spaces may not be transferred, assigned, subleased or otherwise alienated by Tenant without Landlord's prior approval.

ARTICLE 23

OPTION TO PURCHASE PREMISES

Landlord and Tenant each acknowledge that they are entering into this Lease with the understanding that Landlord intends to convert the Agency Space into individual office condominium units, one or more of which will be occupied by Landlord or one or more of its constituent members, the Metropolitan Transportation Commission and the Bay Area Toll Authority, and one of which will be occupied by Tenant. Landlord hereby grants to Tenant the right to purchase a condominium unit of size approximately equivalent to the size of the Premises (the "**Purchase Option**"), inclusive of the furnishings and equipment provided by Landlord and an easement for use of the parking spaces allocated to the Premises pursuant to Article 22 hereof (the "**Condominium Unit**"), following recordation of a condominium subdivision map and otherwise on the terms and conditions set forth in the form of Purchase and Sale Agreement and Joint Escrow Instructions attached as Exhibit E to this Lease (the "**Purchase Agreement**"). Landlord shall, at Landlord's cost, file all applications and take all other actions necessary to obtain all required governmental approvals of a condominium map establishing the Condominium Unit as a separate legal parcel and shall cause the condominium map to be recorded in the Official Records of the City and County of San Francisco as expeditiously as is commercially reasonable. Landlord and Tenant expect that Tenant's occupancy of the space constituting the Premises would continue after such purchase. The Purchase Option expires on the Lease Expiration Date.

ARTICLE 24

MISCELLANEOUS PROVISIONS

24.1 Terms; Captions. The necessary grammatical changes required to make the provisions hereof apply either to corporations or partnerships or individuals, men or women, as the case may require, shall in all cases be assumed as though in each case fully expressed. The captions of Articles and Sections are for convenience only and shall not be deemed to limit, construe, affect or alter the meaning of such Articles and Sections.

24.2 Binding Effect. Each of the provisions of this Lease shall extend to and shall, as the case may require, bind or inure to the benefit not only of Landlord and of Tenant, but also of

their respective successors or assigns, provided this clause shall not permit any assignment by Tenant contrary to the provisions of Article 14 of this Lease.

24.3 No Waiver. No waiver of any provision of this Lease shall be implied by any failure of a party to enforce any remedy on account of the violation of such provision, even if such violation shall continue or be repeated subsequently, any waiver by a party of any provision of this Lease may only be in writing, and no express waiver shall affect any provision other than the one specified in such waiver and that one only for the time and in the manner specifically stated. No receipt of monies by Landlord from Tenant after the termination of this Lease shall in any way alter the length of the Lease Term or of Tenant's right of possession hereunder or after the giving of any notice shall reinstate, continue or extend the Lease Term or affect any notice given Tenant prior to the receipt of such monies, it being agreed that after the service of notice or the commencement of a suit or after final judgment for possession of the Premises, Landlord may receive and collect any Rent due, and the payment of said Rent shall not waive or affect said notice, suit or judgment.

24.4 Transfer of Landlord's Interest. Tenant acknowledges that, subject to Tenant's rights under the 2013 MOU, Landlord has the right to transfer all or any portion of its interest in the Real Property, the Building and/or in this Lease, and Tenant agrees that in the event of any such transfer, Landlord shall automatically be released from all liability under this Lease and Tenant agrees to look solely to such transferee for the performance of Landlord's obligations hereunder after the date of transfer. The liability of any transferee of Landlord shall be limited to the interest of such transferee in the Real Property and such transferee shall be without personal liability under this Lease, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. Tenant further acknowledges that Landlord may assign its interest in this Lease to a mortgage lender as additional security and agrees that such an assignment shall not release Landlord from its obligations hereunder and that Tenant shall continue to look to Landlord for the performance of its obligations hereunder.

24.5 Landlord's Title; Air Rights. Landlord's title is and always shall be paramount to the title of Tenant. Nothing herein contained shall empower Tenant to do any act which can, shall or may encumber the title of Landlord. No rights to any view or to light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease.

24.6 Tenant's Signs. Tenant shall be entitled to (i) one (1) identification sign on or near the entry doors of the Premises, and (ii) a listing in the ground floor lobby directory for the Agency Space. The location, quality, design, style, lighting and size of such signs shall be consistent with the Landlord's Building standard signage program and shall be subject to Landlord's prior written approval, in its reasonable discretion. Upon the expiration or earlier termination of this Lease for any reason other than Tenant's exercise of the Purchase Option and purchase of the Premises, Tenant shall be responsible, at its sole cost and expense, for the removal of such signage and the repair of all damage to the Building caused by such removal. Except for such identification signs, Tenant may not install any signs on the exterior or roof of the Building or the Common Area of the Agency Space. Any signs, window coverings, or blinds (even if the same are located behind the Landlord approved window coverings for the Building), or other items visible from the exterior of the Premises or Building are subject to the prior approval of Landlord, in its sole and absolute discretion.

24.7 Relationship of Parties. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venturer or any association between Landlord and Tenant, it being expressly understood and agreed that neither the method of computation of Rent nor any act of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

24.8 Application of Payments. Landlord shall have the right to apply payments received from Tenant pursuant to this Lease, regardless of Tenant's designation of such payments, to satisfy any obligations of Tenant hereunder, in such order and amounts as Landlord, in its sole discretion, may elect.

24.9 Time of Essence. Time is of the essence of this Lease and each of its provisions.

24.10 Partial Invalidity. If any term, provision or condition contained in this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, provision or condition to persons or circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and each and every other term, provision and condition of this Lease shall be valid and enforceable to the fullest extent possible permitted by law.

24.11 No Warranty. In executing and delivering this Lease, Tenant has not relied on any representation, including, but not limited to, any representation whatsoever as to the amount of any item comprising Additional Rent or the amount of the Additional Rent in the aggregate or that Landlord is furnishing the same services to other tenants, at all, on the same level or on the same basis, or any warranty or any statement of Landlord which is not set forth herein or in one or more of the Exhibits attached hereto.

24.12 Landlord Exculpation. It is expressly understood and agreed that notwithstanding anything in this Lease to the contrary, and notwithstanding any applicable law to the contrary, the liability of Landlord and the Landlord Parties hereunder (including any successor landlord) and any recourse by Tenant against Landlord or the Landlord Parties shall be limited solely and exclusively to an amount which is equal to the interest of Landlord in the Real Property, and neither Landlord, nor any of the Landlord Parties shall have any personal liability therefor, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant.

24.13 Entire Agreement. It is understood and acknowledged that there are no oral agreements between the parties hereto affecting this Lease and this Lease, including all exhibits attached hereto, supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties hereto, and none thereof shall be used to interpret or construe this Lease. This Lease and any side letter or separate agreement executed by Landlord and Tenant in connection with this Lease and dated of even date herewith contain all of the terms, covenants, conditions, warranties and agreements of the parties relating in any manner to the rental, use and occupancy of the Premises, shall be considered to be the only agreement between the parties hereto and their representatives and agents, and none of the terms, covenants, conditions or provisions of this Lease can be modified, deleted or added to except in writing signed by the parties hereto. All negotiations and oral agreements acceptable to both parties have been merged into and are included herein. There are no other representations or warranties between the parties, and all

reliance with respect to representations is based totally upon the representations and agreements contained in this Lease.

24.14 Right to Lease. Landlord reserves the absolute right to effect such other tenancies in the Building as Landlord in the exercise of its sole business judgment shall determine to best promote the interests of the Building and Real Property, provided that Landlord shall exercise its best efforts to lease all office space within the Agency Space to other governmental agencies or instrumentalities. Except as provided in this Section 24.14, Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or type or number of tenants shall, during the Lease Term, occupy any space in the Building or Real Property.

24.15 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, except with respect to the obligations imposed with regard to Rent and other charges to be paid by Tenant pursuant to this Lease (collectively, the "Force Majeure"), notwithstanding anything to the contrary contained in this Lease, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage and, therefore, if this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure.

24.16 Notices. All notices, demands, statements or communications (collectively, "Notices") given or required to be given by either party to the other hereunder shall be in writing, shall be sent by United States certified or registered mail, postage prepaid, return receipt requested, or delivered personally (i) to Tenant at the appropriate address set forth in Section 5 of the Summary, or to such other place as Tenant may from time to time designate in a Notice to Landlord; or (ii) to Landlord at the addresses set forth in Section 3 of the Summary, or to such other firm or to such other place as Landlord may from time to time designate in a Notice to Tenant. Any Notice will be deemed given on the date it is mailed as provided in this Section 24.16 or upon the date personal delivery is made. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give to such mortgagee written notice of any default by Landlord under the terms of this Lease by registered or certified mail, and such mortgagee shall be given a reasonable opportunity to cure such default prior to Tenant's exercising any remedy available to Tenant.

24.17 Authority. Tenant confirms that Tenant has full right and authority to execute and deliver this Lease and that each person signing on behalf of Tenant is authorized to do so.

24.18 Dispute Resolution. In the event of a dispute between the parties with respect to any of the provisions of this Lease other than the non-payment by Tenant of Rent, if the parties are unable to resolve the dispute, either party may require mediation in accordance with this Section 24.18. The mediation shall proceed in accordance with rules promulgated by the mediator chosen pursuant to this Section 24.18. The mediation process shall be confidential and treated as a compromise negotiation for purposes of Federal and State rules of evidence. The parties shall each pay one-half of the cost of the mediator. Within ten (10) days following notice by either party that it elects to resolve the dispute by mediation, Landlord and Tenant shall meet and select a disinterested third party to act as mediator. If the parties fail to agree on a mediator, either party may request the American Arbitration Association in San Francisco to appoint a mediator. The mediator may be replaced upon ten (10) days written request by

either party, using the procedure outlined above, provided, however that either party may replace the mediator only once. The mediator shall convene the mediation session not later than ten (10) business days after his or her selection. If the parties are able to resolve their dispute through mediation, the representatives of the parties in attendance at the meeting shall execute a written agreement or memorandum that shall set forth in reasonable detail the resolution terms, the actions to be taken by a party as part of the resolution and the period in which such action or actions are to be completed. The executed agreement or memorandum shall be binding on the parties to this Lease. If the parties are unable to resolve their disputes through mediation, the matter in dispute shall be determined by binding arbitration under the Commercial Rules of the American Arbitration Association (the "Commercial Rules"). The arbitration hearing shall be held within the City and County of San Francisco. Any such controversy shall be arbitrated by a single arbitrator, who shall be an impartial real estate professional or lawyer having not less than ten years experience developing, managing and representing owners of commercial office properties in the San Francisco area. The arbitrator shall be appointed under the Commercial Rules and shall determine the controversy in accordance with applicable law, the intention of the parties as expressed in the Lease and any amendments thereto and any evidence produced at the arbitration hearing. Arbitration discovery shall be permitted in accordance with the Commercial Rules or California law applicable to arbitration proceedings. The arbitrator's determination shall be rendered within thirty (30) days after the conclusion of the hearing and may include an award of attorneys' fees and costs to the prevailing party. The foregoing shall not prevent Landlord from bringing an unlawful detainer proceedings in the event Tenant is in default of its obligation to pay Rent or is otherwise in material breach of the provisions of this Lease, nor shall the dispute resolution procedures described in this Section 24.18 apply to disputes involving claims by or against third parties which require the joinder of any such party for complete resolution of the claim.

24.19 Governing Law. This Lease shall be construed and enforced in accordance with the laws of the State of California.

24.20 Brokers. Landlord and Tenant hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Lease (the "Brokers"), and that they know of no other real estate broker or agent who is entitled to a commission in connection with this Lease. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, and costs and expenses (including without limitation reasonable attorneys' fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of the indemnifying party's dealings with any real estate broker or agent other than the Brokers.

24.21 Independent Covenants. This Lease shall be construed as though the covenants herein between Landlord and Tenant are independent and not dependent and Tenant hereby expressly waives the benefit of any statute to the contrary and agrees that if Landlord fails to perform its obligations set forth herein, Tenant shall not be entitled to make any repairs or perform any acts hereunder at Landlord's expense or to any setoff of the Rent or other amounts owing hereunder against Landlord; provided, however, that the foregoing shall in no way impair the right of Tenant to commence a separate action against Landlord for any violation by Landlord of the provisions hereof so long as notice is first given to Landlord and any holder of a mortgage or deed of trust covering the Building, Real Property or any portion thereof, of whose address Tenant has theretofore been notified, and an opportunity is granted to Landlord and such holder to correct such violations as provided above.

24.22 Building Name and Signage. Landlord shall have the right at any time to change the name of the Building and Real Property and to install, affix and maintain any and all signs on the exterior and on the interior of the Building and any portion of the Real Property as Landlord may, in Landlord's sole discretion, desire.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed the day and date first above written.

"Landlord:"

BAY AREA HEADQUARTERS AUTHORITY

By: 

Name: Steve Heminger

Title: Executive Director

By: 

Name: Brian Mayhew

Title: Chief Financial Officer

Approved as to form:


General Counsel

"Tenant:"

ASSOCIATION OF BAY AREA GOVERNMENTS

By: 

Name: Ezra Rapport

Title: Executive Director

Approved as to form:

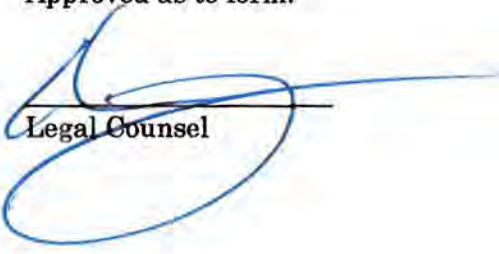

Legal Counsel

EXHIBIT A

OUTLINE OF FLOOR PLAN OF PREMISES

RINCON PLACE

- COMMON AREAS LEGEND:**
- Entry Lobby / Elevator
 - Board Room/Meeting
 - Retail
 - Rest Room
 - Exit Stair
 - Storage/ File Room
- EQUIPMENT LEGEND:**
- Printer - Agency
 - Copy/Print Scanner

BEALE STREET



MAIN STREET

HARRISON STREET



BAHA
375 Beale St.
San Francisco, CA

REVISIONS:	
1	
2	
3	
4	
5	
6	
7	

relocationconnections inc.
3170 Crow Canyon Place, Suite 210
San Ramon, CA 94583

Floor Plan
1st Floor

Scale: NTS
Date: 12/29/15
By: [Signature]

Item 12.F., Lease

RINCON PLACE

MAIN STREET

BEALE STREET

HARRISON STREET

- COMMON AREAS LEGEND:**
- Elevator Lobby
 - Conference
 - Print/Copy/Mail/Supplies
 - Phone
 - Pantry/ Break Room
 - Storage/ File Room
 - Rest Room/Fitness
 - Exit Stair
- EQUIPMENT LEGEND:**
- Printer - Agency
 - Copy/Print Scanner



BAHA
375 Beale St.
San Francisco, CA

REVISIONS:
1
2
3
4
5
6
7

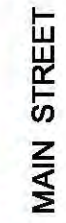
relocationconnections inc
3170 Crow Canyon Place, Suite 210
San Ramon, CA 94583

Floor Plan
2nd Floor

Scale
NTS
Date
12/23/15
By
J. J. J.

Item 12.F., Lease

BEALE STREET



Item 12.F., Lease

375 Beale St.
San Francisco, CA

relocationconnections inc
3170 Crow Canyon Place, Suite 210

locationconnections f
3170 Crow Canyon Place, Suite 210

floor Plan
th Floor

154

NTS

01/04/16

Phone Number



BAHA
375 Beale St.
San Francisco, CA

1
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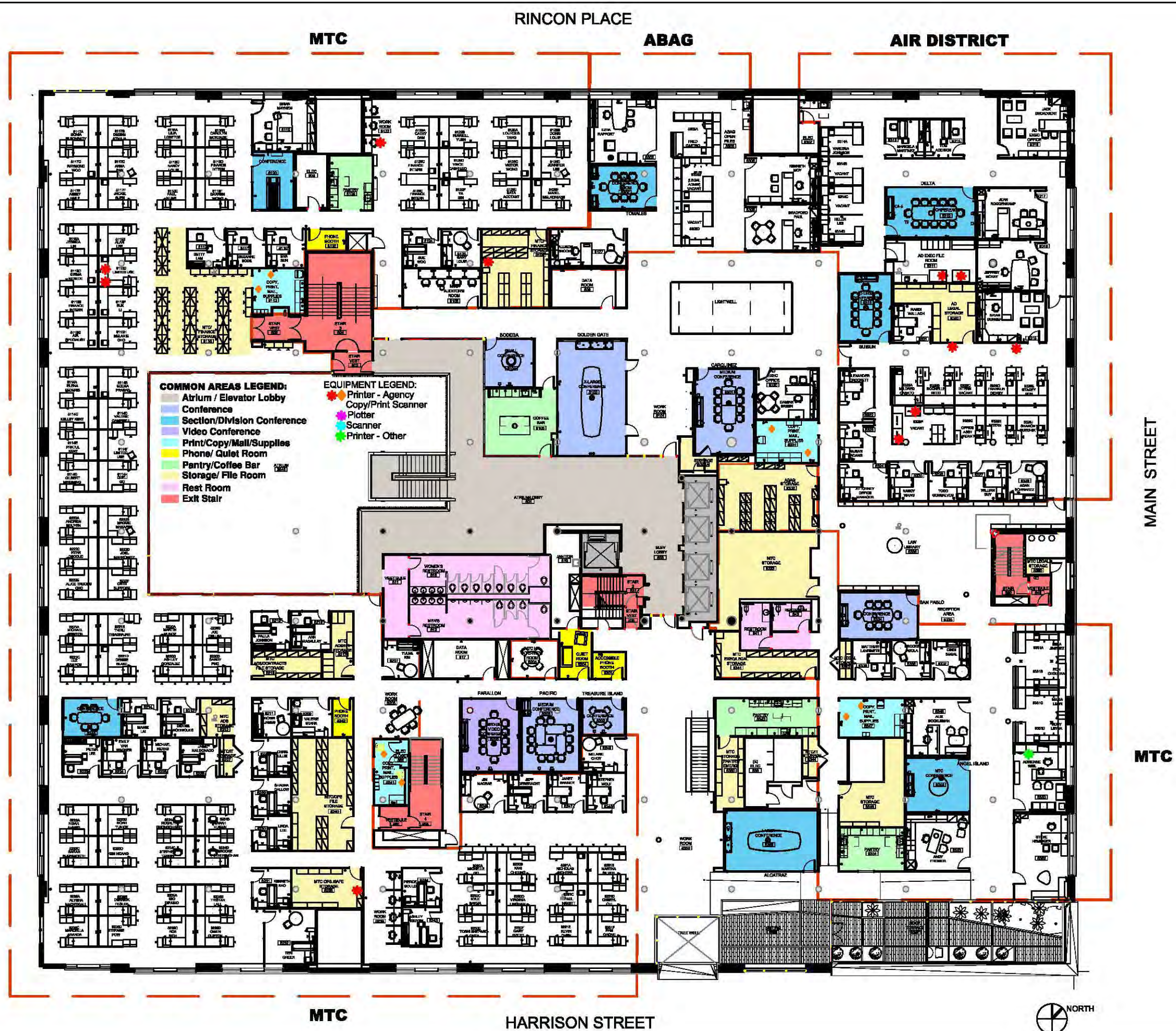
relocationconnections inc
3170 Crow Canyon Place, Suite 210
San Ramon, CA 94583

Floor Plan
 1st Floor

NTS
01/04/16

Item 12.F., Lease

BEALE STREET



BAHA
375 Beale St.
San Francisco, CA

REVISIONS:
1
2
3
4
5
6
7

relocationconnections inc
3170 Crow Canyon Place, Suite 210
San Ramon, CA 94583

Floor Plan
8th Floor

Scale: NTS
Date: 01/04/16
By: [Signature]

Item 12.F., Lease

EXHIBIT A-1

Legal Description of Real Property

That certain real property situated in the City of San Francisco, County of San Francisco, State of California, and described as follows:

Parcel A, as said parcel is shown on the map recorded July 15, 2008 in Book 47 of Parcel Maps, Pages 142 and 143, San Francisco County Records.

Being part of 100 Vara Block No. 332.

APN: Block 3746, Lot 002

EXHIBIT B

COMMON EXPENSES

(a) **Defined Terms:**

"Agency" means Landlord and its affiliated governmental entities, the Bay Area Air Quality Management District (BAAQMD) and the Association of Bay Area Governments (ABAG).

"Agency Space" means the portion of the first and fifth floors used by BAHA and other Agencies and all of the sixth through eighth floors and certain related facilities used as governmental agency space.

"Agency Space Common Area" consists of that portion of the Common Area that serves only the Agency Space.

"Capital Improvements" means any improvements or alterations which increase the size, value or life of the Facility. For avoidance of doubt, "Capital Improvements" do not include (i) routine repairs and maintenance, (ii) replacements, improvements or repairs to existing building systems or components and (iii) other improvements having a useful life of less than five years.

"Commercial Space" consists of that portion of the Facility on the first through fifth floors leased or available for lease by Landlord to commercial and retail tenants.

"Facility" means the building located on the Real Property.

"Facility-wide Common Area" consists of that portion of the Common Area which serves the entire Facility.

"Jointly Used Space" consists of those spaces that are available for use generally by each Agency in common with all other occupants of the Agency Space or on an advance reservation basis, as and to the extent provided herein and in any rules and regulations promulgated by the 375 Beale Street Committee from time to time. The pantries, libraries, mail and copy centers, reception area, phone booths, collaboration/teaming areas, restrooms, quiet rooms, IT rooms, equipment storage rooms, the eighth floor terrace and the hallways and passageways between and among offices within the Agency Space shall be available for use by all occupants of the Agency Space. Conference rooms, data centers, multi-purpose room and the first floor Board room, warming kitchen and related facilities will be available to Agencies pursuant to a reservation system to be established by the 375 Beale Street Committee and administered either by BAHA or by the affected Agency, provided that BAAQMD shall have the right to close off or restrict access to the sixth floor on days which are not official BAAQMD work days so long as the other Unit Owners have a right of access to the network closets on the sixth floor. Use of any other portions of the sixth floor Jointly Used Space on non-BAAQMD work days shall be on a case by case basis, as approved by BAAQMD.

(b) Common Expenses:

(1) Definition: "Common Expenses" means the expenses payable by Landlord for costs of: maintenance, management, administration, operation and ordinary repairs to the Facility, but excluding any such expenses which are the responsibility of a tenant with respect to its leased premises. Common Expenses attributable to the Agency Space shall include such expenses for the Agency Space Common Area, the Jointly Used Space and a prorata share of the Facility-wide Common Area. The Commercial Space shall bear a prorata share of Common Expenses attributable to the Facility-wide Common Area, and Landlord, as the owner of the Commercial Space, shall be responsible for all maintenance, management, operation and repair of the Commercial Space, which costs shall not be included in Common Expenses. Common Expenses shall include each of the expense categories described in (2) below and reasonable reserves and contingencies for such purposes, compensation paid by Landlord for management of the Common Area and the Agency Space, fees paid to accountants, attorneys or other employees and agents for services rendered to the Landlord for the benefit of the tenants of the Agency Space collectively, and all other costs specifically designated to be Common Expenses by or in accordance with the provisions of this Exhibit B, but expressly excluding Capital Improvements made by Landlord to the Facility or any portion thereof, which costs shall be borne solely by Landlord.

(2) Included Expenses: Except as otherwise undertaken by a tenant solely for the benefit of that tenant's Leased Premises, "Common Expenses" shall include the costs of or charges for the following, by way of illustration but not limitation: water and sewer; insurance premiums, licenses, permits and inspections; heat, light, power and steam; internet services; telephone access; janitorial services; security services; maintenance and service agreements on equipment servicing the Facility; window cleaning; garbage services; costs of air conditioning; costs of supplies, materials, equipment and tools; and the cost of contesting by appropriate proceedings the validity of the subdivision of the Facility or any statute, ordinance, rule or regulation affecting the Facility which might increase Common Expenses. All replacements, improvements and repairs which cost in excess of \$250,000 or add five (5) years or more to the useful life of the building system or component being replaced, improved or repaired, but which do not constitute Capital Improvements, shall be amortized over the useful life of the improvement, replacement or repair and the annual amortized portion included in Common Expenses until fully amortized.

(3) Allocation of Common Expenses. Any Common Expenses which are incurred for the benefit of both the Agency Space and the Commercial Space shall be allocated among all premises leased by Agencies, and any Common Expenses incurred solely for the benefit of the Agency Space shall be allocated to the Agency Space, in accordance with the formulae set forth in subparagraph(s) below, as determined by Landlord. All Common Expenses allocated to the Agency Space pursuant to the foregoing sentence are hereinafter referred to as the Agency Space Common Expenses, and all Common Expenses allocated to all leased premises are hereinafter referred to as the Facility-wide Common Expenses.

(4) Exclusions from "Common Expenses": "Common Expenses" shall not include depreciation, advertising costs, leasing expenses, leasing commissions and related property management or lease enforcement costs relating to the rental of any portion of the Facility, real property taxes of any type assessed against the Facility or separately incurred, levied or assessed against a tenant or its premises, indebtedness secured by the Facility as a whole, and other costs that are the responsibility of each tenant individually; provided that nothing contained herein shall preclude the Landlord from collecting monies and paying such

expense on behalf of individual tenants where such action is permitted pursuant to the terms of the applicable lease.

EXHIBIT C

[RESERVED]

EXHIBIT D

RULES AND REGULATIONS

Tenant shall faithfully observe and comply with the following Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of said Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Building.

1. Access to the Building and the Premises shall be controlled by a card access system. Tenant shall have the right and responsibility to control access to the Premises or portions thereof, including hours of access and levels of security clearance. Tenant, at Tenant's sole expense, may install its own security system within the Premises, provide Tenant's own security service for the Premises, or both; provided that any such Tenant-installed security system shall be subject to Landlord's prior approval and shall be compatible with Landlord's card access system and that Tenant shall give Landlord keys or access codes to any such system.

2. All doors opening to public corridors shall be kept closed at all times except for normal ingress and egress to the Premises, unless electrical hold backs have been installed.

3. Landlord reserves the right to close and keep locked all entrance and exit doors of the Building during such hours as are customary for comparable buildings in the vicinity of the Building. Tenant and its Representatives must be sure that the doors to the Building are securely closed and locked when leaving the Premises if it is after the normal hours of business for the Building.

Any tenant, its employees, agents or any other persons entering or leaving the Building at any time when it is so locked, or any time when it is considered to be after normal business hours for the Building, may be required to sign the Building Register when so doing.

After-hours access by Tenant's authorized Representatives may be provided by card-key access or other procedures adopted by Landlord from time to time. Tenant shall pay for the costs of all access cards provided to Tenant's Representatives and all replacements thereof for lost, stolen or damaged cards.

Access to the Building may be refused unless the person seeking access has proper identification or has a previously arranged a pass for such access. Landlord and its agents shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building of any person.

In case of invasion, mob, riot, public excitement, or other commotion, Landlord reserves the right to prevent access to the Building during the continuance of same by any means it deems appropriate for the safety and protection of life and property.

4. Residency in or overnight use and occupancy of any portion of Building is strictly prohibited.

5. Tenant shall assume any and all responsibility for protecting the Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Premises closed, when the Premises are not occupied.

6. Tenant shall not disturb, solicit, or canvass any occupant of the Building and shall cooperate with Landlord or Landlord's agents to prevent same.

7. Landlord reserves the right to exclude or expel from the Building any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of these Rules and Regulations.

8. The requirements of Tenant will be attended to only upon application at the management office of the Building or at such office location designated by Landlord. Employees of Landlord shall not perform any work or do anything outside their regular duties unless under special instructions from Landlord.

9. No furniture, freight, packages, supplies, equipment or merchandise will be brought into or removed from the Building or carried up or down in the elevators, except upon prior notice to Landlord, and in such manner, in such specific elevator, and between such hours as shall be designated by Landlord. Tenant shall provide Landlord with not less than 24 hours' prior notice of the need to utilize an elevator for any such purpose, so as to provide Landlord with a reasonable period to schedule such use and to install such padding or take such other actions or prescribe such procedures as are appropriate to protect against damage to the elevators or other parts of the Building. Courier delivery services companies such as FedEx, UPS, and DHS excepted.

10. Tenant shall not overload the floor of the Premises. Tenant shall not mark, drive nails or screws, or drill into the partitions, woodwork or plaster or in any way deface the Premises or any part thereof without Landlord's consent first had and obtained; provided, however, Landlord's prior consent shall not be required with respect to Tenant's placement of pictures and other normal office wall hangings on the interior walls of the Premises (but at the end of the Term, Tenant shall repair any holes and other damage to the Premises resulting therefrom).

11. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy property brought into the Building. Safes and other heavy objects shall, if considered necessary by Landlord, stand on supports of such thickness as is necessary to properly distribute the weight. Landlord will not be responsible for loss of or damage to any such safe or property in any case. All damage done to any part of the Building, its contents, occupants or visitors by moving or maintaining any such safe or other property shall be the sole responsibility of Tenant and any expense of said damage or injury shall be borne by Tenant.

12. Tenant must comply with requests by the Landlord concerning the informing of Tenant's Representatives of items of importance to the Landlord.

13. Tenants are responsible for the cost of the installation, maintenance and replacement of all interior signage related to their operations and services within their premises and Landlord's prior approval.

14. Landlord shall have the right to control and operate the public portions of the Building, the public facilities, the heating and air conditioning, and any other facilities furnished for the common use of tenants and other occupants of the Building, in such manner as is customary for comparable buildings in the vicinity of the Building.

15. Licensed service animals are not allowed to roam unattended or off leash in the Building. Pets are not allowed in buildings.

16. Tenant shall not use any method of heating or air conditioning other than that which may be supplied by Landlord, without the prior written consent of Landlord.

17. Tenant shall not waste electricity, water or air conditioning and shall cooperate fully with Landlord to ensure the most effective operation of the Building's heating and air conditioning system, and shall refrain from attempting to adjust any controls.

18. Space heaters are not allowed in the Building.

19. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant who, or whose employees or agents, shall have caused it.

20. No cooking shall be done or permitted by Tenant on the Premises. No gas or electric stove, range tops, toaster ovens and hot plates are permitted. Underwriter's Laboratory-approved equipment, microwave ovens and toasters (but not toaster ovens) may be used in the designated kitchen/pantry areas for heating food and brewing coffee, tea, hot chocolate and similar beverages, provided that such use is in accordance with all applicable federal, state and city laws, codes, ordinances, rules and regulations, and does not cause odors that are objectionable to Landlord, other tenants or occupants of the Building.

21. Refrigerators are not permitted to be used in areas other than a kitchen/pantry area.

22. Tenant shall store all its trash and garbage within the interior of the Premises. No material shall be placed in the trash boxes or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage in the City and County of San Francisco without violation of any law or ordinance governing such disposal. All trash, garbage and refuse disposal shall be made only through entry-ways and elevators provided for such purposes at such times as Landlord shall designate.

23. Tenant shall comply with all safety, fire protection and evacuation procedures and regulations established by Landlord or any governmental agency.

24. Except for any such materials used or tested in Tenant's laboratory that is part of the Premises, Tenant shall not use or keep in or on the Premises or the Building any kerosene, gasoline or other inflammable or combustible fluid or material or use, keep or permit to be used or kept, any foul or noxious gas or substance in or on the Premises, or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors, or vibrations, or interfere in any way with other tenants or occupants of the Building or those having business therewith.

25. Tenant shall comply with any non-smoking ordinance adopted by any applicable governmental authority.

26. Bicycles of any kind are not permitted in the building at any time except in the designated storage spaces.

27. Tenants shall comply with the following Rules and Regulations for the Bicycle Storage and Locker Area (BSL Area).

BIKE STORAGE

- a) Bike racks will be accessible by tenants and other occupants of the Building only.
- b) Users must store bicycles on the provided bicycle racks only. If the rack is full, the User shall inquire with the Property Manager for the location of alternate bike storage area.
- c) User shall not block the entrance to the BSL Area or position bicycles in a manner that will impede others from entering or exiting the BSL Area.
- d) Bicycle owners' locks should be used to secure bikes stored in the BSL Area at all times.
- e) Locks will not be provided.
- f) Bike racks are intended to be used by Users while they are present at 375 Beale. Bike racks will be checked nightly by Building Security. If a bicycle is left on the rack for more than three consecutive nights without prior permission from the Property Manager the lock will be cut and the bicycle removed by Building Security. Contact Building Security to reclaim your bike.
- g) Users shall report any suspicious activity, vandalism or damage to Building Security immediately.
- h) All Users agree to use the bike racks at their own risk and assume any and all liability.

Any violations of these Rules and Regulations will result in cancellation of bike storage privileges.

LOCKERS

- a) The BSL Area will be accessible by tenants and other occupants of the Building only and available on a first come, first serve basis.
- b) The BSL Area may be subject to closure from time to time by the property manager for the purposes of maintenance, repair, renovation or construction. To the extent possible, a minimum of 24 hours of advance notice will be posted on the website.
- c) Locks should be used to secure personal belongings stored in the Locker Areas at all times and removed daily.
- d) Locks will not be provided.
- e) Personal items may not be stored in lockers overnight.
- f) The Locker Areas will be checked nightly by Building Security and any locks remaining on lockers will be cut and contents confiscated for pick up by locker user at a later date.
- g) All Users agree to use the BSL Area at their own risk and assume any and all liability.

Any violations of these Rules and Regulations will result in cancellation of the locker room privileges.

For the safety of all tenants and personnel of Landlord, the only access permitted to and from the bike racks is via the **Harrison Street**. Bicycles are not permitted on vehicle entrance and exit lanes, or Loading Dock.

The Property Manager reserves the right to add, change or delete any Rule or Regulation herein contained and to change the method of operation to ensure maximum enjoyment of the BSL Area.

28. Landlord shall have the right to make such other reasonable Rules and Regulations pertaining to the Building, including without limitation the Premises, or the Common Area as necessary or appropriate for the management of the Building and the preservation of good order therein.

EXHIBIT E

**FORM OF PURCHASE AND SALE AGREEMENT AND JOINT ESCROW
INSTRUCTIONS**

[See Attached]

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this "Agreement") is made and entered into as of the ____ day of _____, 2016, by and between BAY AREA HEADQUARTERS AUTHORITY, a joint powers authority established pursuant to the California Joint Exercise of Powers Act ("BAHA"), and ASSOCIATION OF BAY AREA GOVERNMENTS, a joint powers authority established pursuant to the California Joint Exercise of Powers Act ("ABAG").

IN CONSIDERATION of the respective agreements hereinafter set forth, BAHA and ABAG hereby agree as follows:

1. Property. BAHA hereby agrees to sell and convey to ABAG, and ABAG hereby agrees to purchase from BAHA, subject to the terms and conditions set forth herein, the following (collectively, the "Property"):

(a) that certain office condominium unit identified as Unit 4 located at 375 Beale Street, San Francisco, California 94105 (the "Unit"), as more particularly described in the draft map attached hereto as Exhibit A-1 (the "Draft Map"), together with all rights, privileges, easements and appurtenances to or affecting the Unit, including without limitation membership in the Corporation, the right to use the Common Area, and the Jointly Used Spaces, and the right to occupy space in other condominium units at 375 Beale Street, San Francisco, California 94105, all as more fully set forth in that certain Declaration of Covenants, Conditions and Restrictions (the "CC&R's") to be recorded in the Official Records of the City and County of San Francisco, a draft of which is attached hereto as Exhibit E (collectively, the "Real Property");

(b) all of BAHA's right, title and interest in and to the work stations, office furniture, fixtures, telephone and computer systems and other equipment installed by BAHA in the Unit, other than the personal property that is installed in Right of Occupancy Spaces and the Jointly Used Spaces and intended to be retained by BAHA (the "Personal Property"); and

(c) all "as-built" plans and specifications and governmental permits and approvals relating to the use and occupancy of the Unit (the ("Intangible Property").

All capitalized terms not otherwise defined herein shall have the meanings set forth in the CC&R's.

2. Purchase Price; Independent Consideration.

(a) Purchase Price and Manner of Payment. The purchase price (the "Purchase Price") to be paid by ABAG to BAHA for the Property at closing shall be ABAG's condominium ownership interest in its condominium unit ("ABAG Unit") located in the MetroCenter, located at 101 Eighth Street, Oakland, California 94607 ("MetroCenter"), as more particularly described in Exhibit A-2, together with all rights, privileges, easements and appurtenances to or affecting the ABAG Unit, including without limitation, ABAG's ownership interest in the Common Area, the Library Unit, the Meeting Room Unit, the Parking Unit and the Cafeteria Unit, as such terms are defined in the Declaration of Covenants, Conditions and

Restrictions of the Regional Administrative Facility, recorded in the Official Records of Alameda County as Instrument No. 84-254126 (the "MetroCenter CC&R's") (collectively, the "ABAG Real Property"), together with (1) all of ABAG's right, title and interest in and to the work stations, office furniture, fixtures, telephone and computer cabling and other equipment installed by ABAG ("ABAG Personal Property") and (2) all "as-built" plans and specifications and governmental permits and approvals relating to the use and occupancy of the ABAG Unit ("ABAG Intangible Property" and together with the ABAG Real Property and the ABAG Personal Property, the "ABAG Property"). The Purchase Price shall be paid through recordation of deed and execution of other necessary documents through the escrow established pursuant to Section 9 below.

(b) Independent Consideration. Upon mutual execution of this Agreement, ABAG shall deliver to BAHA in cash the sum of ONE HUNDRED AND NO/100 DOLLARS (\$100.00) (the "Independent Contract Consideration") which amount has been bargained for and agreed to as consideration for ABAG's exclusive option to purchase the Property provided hereunder and for BAHA's execution and delivery of this Agreement. The Independent Contract Consideration is in addition to and independent of all other consideration provided in this Agreement, and is nonrefundable in all events.

3. BAHA's Deliveries. Within a reasonable period of time following the mutual execution of this Agreement, BAHA shall, to the extent BAHA has not already done so, deliver or cause to be delivered to ABAG the following, to the extent in BAHA's actual possession (collectively, the "Due Diligence Materials") at BAHA's sole cost and expense: (a) a current preliminary title report prepared by Title Company with respect to the Real Property, together with legible copies of all underlying documents referenced therein (collectively, the "Preliminary Report"), (b) copies of any environmental reports, studies, surveys and other documentation with respect to the environmental condition of the Unit or the real property on which it is located (the "Environmental Documents"), (c) copies of all other existing reports, plans, surveys, drawings and specifications relating to the Property, (d) copies of all documents regarding litigation, liens or threatened claims with respect to the Property (if any), (e) copies of all contracts and agreements with respect to management and maintenance of the Property which BAHA desires ABAG to assume; (f) copies of all building occupancy permits, including certificates of occupancy, for the Unit; and (g) copies of the articles of incorporation and bylaws for association under the CC&R's. The Due Diligence Materials are for ABAG's use in connection with ABAG's investigation of the Property. ABAG acknowledges that, except as otherwise provided in Section 11 below, BAHA is not making any representation or warranty of any kind with respect to the Due Diligence Materials, including their accuracy, completeness or suitability for reliance thereon by ABAG.

4. ABAG's Deliveries. Within a reasonable period of time following the mutual execution of this Agreement, ABAG shall, to the extent ABAG has not already done so, deliver or cause to be delivered to BAHA the following, to the extent in ABAG's actual possession (collectively, the "ABAG Due Diligence Materials"): (a) a current preliminary title report prepared by Title Company with respect to the ABAG Real Property, together with legible copies of all underlying documents referenced therein (collectively, the "ABAG Preliminary Report"), (b) copies of any environmental reports, studies, surveys and other documentation with respect to the environmental condition of the ABAG Unit or the real property on which it is

located and that are not already available to BAHA or its assignee through affiliation with the Regional Agency Facility Corporation (the "ABAG Environmental Documents"), (c) copies of all other existing reports, plans, surveys, drawings and specifications relating to the ABAG Unit and the MetroCenter, (d) copies of all documents regarding litigation, liens or threatened claims with respect to the ABAG Unit and the MetroCenter (if any), (e) copies of all contracts and agreements with respect to management and maintenance of the ABAG Unit and the MetroCenter which ABAG desires BAHA to assume; (f) copies of all building occupancy permits, including certificates of occupancy, for the ABAG Unit and the MetroCenter, that are not already available to BAHA or its assignee through affiliation with the Regional Agency Facility Corporation, and (g) copies of all documents relating to ABAG's compliance with the provisions of section 9.08 of the MetroCenter CC&R's. The ABAG Due Diligence Materials are for BAHA's use in connection with BAHA's investigation of the ABAG Unit and the MetroCenter. BAHA acknowledges that, except as otherwise provided in Section 12 below, ABAG is not making any representation or warranty of any kind with respect to the ABAG Due Diligence Materials, including their accuracy, completeness or suitability for reliance thereon by BAHA.

5. ABAG's Review and BAHA's Disclaimer.

(a) Inspection Period. As used herein, the term "Inspection Period" shall refer to a period of time to expire at 5:00 p.m., Pacific Time, on the date that is ten (10) days following the later of (i) full execution of this Agreement by ABAG and BAHA or (ii) the date on which BAHA has delivered the Due Diligence Materials to ABAG.

(b) Physical Inspection. ABAG hereby covenants that it will observe and inspect the physical condition of the Unit, the building of which it is a part, including without limitation the Common Area and the Jointly Used Spaces. Further, ABAG acknowledges that it is currently in possession and occupancy of a substantial portion of the Property pursuant to a lease between ABAG and BAHA dated as of _____, 2016, and has had the opportunity to review and select the Personal Property in the course of its tenancy under such lease.

(c) Title. ABAG shall complete its review of the Preliminary Report and all documents and information pertaining to any exceptions to title listed therein prior to the expiration of the Inspection Period. Any such exceptions not expressly disapproved by ABAG in writing within the applicable review period shall be deemed approved and shall be referred to as "Permitted Exceptions." In the event that ABAG notifies BAHA in writing of its disapproval of any exceptions to title listed in the Preliminary Report on or before the expiration of the applicable review period ("Objections"), BAHA shall have the right, but not the obligation, to cure any of the Objections by removing or causing the Title Company to insure over such Objections within thirty (30) days after receipt of the Objections, during which period the Closing will be postponed if necessary. If BAHA is unable to cure any Objections within said thirty (30) day period, or if BAHA gives ABAG written notice at anytime during said thirty (30) day period stating that BAHA declines to attempt to cure any of the Objections, then ABAG will have the option, within five (5) business days after the end of said thirty (30) day period or receipt of said written notice from BAHA, as its sole right and remedy, to either (i) terminate this Agreement in which event neither party shall have any further obligations to the other hereunder except under provisions of this Agreement which specifically state that they survive termination

or (ii) waive the Objections (and the ABAG's Condition Precedent described in Section 7(b) of this Agreement) and proceed to Closing. Notwithstanding anything to the contrary contained herein, BAHA shall be obligated to remove from title on or before Closing any monetary liens affecting the Property (other than monetary liens resulting from ABAG's acts).

(d) As-Is Sale. Except as otherwise expressly set forth in Section 11 and Section 17 of this Agreement and any of the documents delivered by BAHA at Closing, neither BAHA nor its directors, officers, employees, agents, representatives or attorneys (collectively, the "BAHA Parties") or contractors have made any representations, guaranties, promises, statements, assurances or warranties, express or implied, to ABAG including, without limitation, any pertaining to the suitability, habitability or merchantability or fitness of the Property for ABAG's intended use or for any use whatsoever, the physical or environmental condition thereof, the expenses of operating the Unit, the condition of title thereto, the truth, accuracy or completeness of the Due Diligence Materials, or as to any other past, present or future matter whatsoever. ABAG acknowledges and agrees that it has satisfied itself regarding the condition of the Property and the foregoing matters, and, except as otherwise provided in this Section 5(d), that the Property will be purchased in its "AS IS" condition and "WITH ALL FAULTS" on the Closing Date and that ABAG assumes the risk that adverse physical, environmental, economic or legal conditions may not have been revealed by its investigation.

(e) ABAG's Release. Except with respect to any claims arising out of any breach of covenants, representations or warranties set forth in this Agreement or in the documents delivered by BAHA at Closing, ABAG, for itself and its agents, affiliates, successors and assigns, hereby releases and forever discharges BAHA, its agents, affiliates, successors and assigns from any and all rights, claims and demands at law or in equity, whether known or unknown at the time of this agreement, which ABAG has or may have in the future, arising out of the physical, environmental, economic or legal condition of the Property. ABAG hereby specifically waives the provisions of section 1542 of the California Civil Code ("Section 1542") and any similar law of any other state, territory or jurisdiction. Section 1542 provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

ABAG hereby specifically acknowledges that ABAG has carefully reviewed this subsection and discussed its import with legal counsel and that the provisions of this subsection are a material part of this Agreement.

ABAG Initials

(f) [Map]. BAHA and ABAG acknowledge that the Unit does not currently constitute a separate legal parcel under the California Subdivision Map Act (the "Act"). Accordingly, Closing under this Agreement is conditioned on the Unit being mapped as a separate legal parcel under the Act and in compliance with the San Francisco subdivision regulations and San Francisco Subdivision Code allowing such property to be legally conveyed to ABAG (the "Map Act Condition"). The Map Act Condition cannot be waived by either party

to this Agreement, and shall be deemed satisfied only upon the recordation of a parcel map or a final map, in substantially the form attached hereto Exhibit A-1, causing the Unit to constitute a separate legal parcel in compliance with the Act (the "Map"). Closing shall not occur unless and until the Map Act Condition has been satisfied. If the Map has not been recorded on or before _____, then this Agreement will automatically terminate.] [*Note: All provisions relating to the Map and the Map Act Condition will be deleted if the Map is recorded prior to execution of this Agreement.*]

6. BAHA's Review and ABAG's Disclaimer.

(a) Inspection Period. As used herein, the term "ABAG Inspection Period" shall refer to a period of time to expire at 5:00 p.m., Pacific Time, on the date that is ten (10) days following the later of (i) full execution of this Agreement by BAHA and ABAG or (ii) the date on which ABAG has delivered the ABAG Due Diligence Materials to BAHA.

(b) Physical Inspection. BAHA hereby covenants that it will observe and inspect the physical condition of the ABAG Unit, the MetroCenter of which it is a part, including without limitation the Common Area, the Library Unit, the Meeting Room Unit, the Parking Unit and the Cafeteria Unit (as such terms are defined in the MetroCenter CC&R's). Further, BAHA agrees to the selection and the installation of the ABAG Personal Property in the ABAG Unit.

(c) Title. BAHA shall complete its review of the ABAG Preliminary Report and all documents and information pertaining to any exceptions to title listed therein prior to the expiration of the Inspection Period. Any such exceptions not expressly disapproved by BAHA in writing within the applicable review period shall be deemed approved and shall be referred to as "ABAG Permitted Exceptions." In the event that BAHA notifies ABAG in writing of its disapproval of any exceptions to title listed in the Preliminary Report on or before the expiration of the applicable review period ("ABAG Objections"), ABAG shall have the right, but not the obligation, to cure any of the ABAG Objections by removing or causing the Title Company to insure over such ABAG Objections within thirty (30) days after receipt of the ABAG Objections, during which period the Closing will be postponed if necessary. If ABAG is unable to cure any ABAG Objections within said thirty (30) day period, or if ABAG gives BAHA written notice at anytime during said thirty (30) day period stating that ABAG declines to attempt to cure any of the ABAG Objections, then BAHA will have the option, within five (5) business days after the end of said thirty (30) day period or receipt of said written notice from ABAG, as its sole right and remedy, to either (i) terminate this Agreement in which event neither party shall have any further obligations to the other hereunder except under provisions of this Agreement which specifically state that they survive termination or (ii) waive the ABAG Objections (and BAHA's Condition Precedent described in Section 8(d) of this Agreement) and proceed to Closing. Notwithstanding anything to the contrary contained herein, ABAG shall be obligated to remove from title on or before Closing any monetary liens affecting the ABAG Unit (other than monetary liens resulting from BAHA's acts).

(d) As-Is Sale. Except as otherwise expressly set forth in Section 10 and Section 17 of this Agreement and any of the documents delivered by ABAG at Closing, neither ABAG nor its members, directors, officers, employees, agents, representatives or attorneys (collectively, the "ABAG Parties") or contractors have made any representations, guaranties,

promises, statements, assurances or warranties, express or implied, to BAHA including, without limitation, any pertaining to the suitability, habitability or merchantability or fitness of the ABAG Unit for BAHA's intended use or for any use whatsoever, the physical or environmental condition thereof, the expenses of operating the ABAG Unit, the condition of title thereto, the truth, accuracy or completeness of the ABAG Due Diligence Materials, or as to any other past, present or future matter whatsoever. BAHA acknowledges and agrees that it has satisfied itself regarding the condition of the ABAG Unit and the foregoing matters, and, except as otherwise provided in this Section 6(d), that the ABAG Unit will be purchased in its "AS IS" condition and "WITH ALL FAULTS" on the Closing Date and that BAHA assumes the risk that adverse physical, environmental, economic or legal conditions may not have been revealed by its investigation.

(e) BAHA's Release. Except with respect to any claims arising out of any breach of covenants, representations or warranties set forth in this Agreement or in the documents delivered by ABAG at Closing, BAHA, for itself and its agents, affiliates, successors and assigns, hereby releases and forever discharges ABAG, its members, agents, affiliates, successors and assigns from any and all rights, claims and demands at law or in equity, whether known or unknown at the time of this agreement, which BAHA has or may have in the future, arising out of the physical, environmental, economic or legal condition of the Property. BAHA hereby specifically waives the provisions of Section 1542 and any similar law of any other state, territory or jurisdiction. Section 1542 provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

BAHA hereby specifically acknowledges that BAHA has carefully reviewed this subsection and discussed its import with legal counsel and that the provisions of this subsection are a material part of this Agreement.

BAHA Initials

7. ABAG's Conditions Precedent to Closing. The following are conditions precedent to ABAG's obligation to purchase the Property (the "ABAG's Conditions Precedent"). ABAG's Conditions Precedent are intended solely for the benefit of ABAG and may be waived only by ABAG in writing. In the event any ABAG's Condition Precedent is not satisfied, ABAG may, in its sole and absolute discretion and without limiting any of its other rights and remedies under this Agreement, at law or in equity, terminate this Agreement.

(a) Property Condition. ABAG's inspection, review and approval, prior to expiration of the Inspection Period, of the Due Diligence Materials, including, without limitation, the Preliminary Report and the Environmental Documents, which approval shall be deemed given unless ABAG shall give written notice of disapproval prior to the expiration of the Inspection Period;

(b) Title Insurance. Title Company shall be irrevocably and unconditionally committed to issue to ABAG upon the Closing an ALTA owner's policy of title insurance (2006) in the amount of the Purchase Price (which shall be determined in a manner approved by BAHA and ABAG), insuring fee simple title to the Property in ABAG, subject only to the Permitted Exceptions and such other exceptions as ABAG shall have approved in writing prior to Closing and containing such endorsements as are approved by the Title Company during the Inspection Period (the "Title Policy").

(c) Performance by BAHA. BAHA shall have complied, in all material respects, with all of BAHA's duties and obligations contained in this Agreement and all of BAHA's representations and warranties contained in or made pursuant to this Agreement shall have been true and correct, in all material respects, when made and shall remain true and correct, in all material respects, as of the Closing Date.

(d) [Map Act Condition. The Map Act Condition shall have been satisfied.]
[*Note: To be deleted if map is recorded prior to execution of purchase agreement.*]

(e) [Recordation of CC&R's. The CC&R's shall have been recorded in the Official Records of the City and County of San Francisco in substantially the form attached hereto as Exhibit E with such modifications as are reasonably determined by BAHA, provided that BAHA may not make any modifications that materially affect the benefits, burdens or obligations of ABAG with respect to the Unit or with respect to the usable area that ABAG has a right to occupy as defined in Exhibit E without ABAG's prior written consent unless required by law or by any governmental agencies whose approval is required to create the Unit.] [*Note: To be deleted if CC&R's are recorded prior to execution of purchase agreement.*]

8. BAHA's Conditions Precedent to Closing. The following are conditions precedent to BAHA's obligation to sell the Property (the "BAHA's Conditions Precedent"). BAHA's Conditions Precedent are intended solely for the benefit of BAHA and may be waived only by BAHA in writing. In the event any BAHA's Condition Precedent is not satisfied, BAHA may, in its sole and absolute discretion and without limiting any of its other rights and remedies under this Agreement, at law or in equity, terminate this Agreement.

(a) Property Condition. BAHA's inspection, review and approval, prior to expiration of the ABAG Inspection Period, of the ABAG Due Diligence Materials, including, without limitation, the ABAG Preliminary Report and the ABAG Environmental Documents, which approval shall be deemed given unless BAHA shall give written notice of disapproval prior to the expiration of the ABAG Inspection Period;

(b) [Map Act Condition. The Map Act Condition shall have been satisfied.]
[*Note: To be deleted if map is recorded prior to execution of purchase agreement.*]

(c) Recordation of Grant Deed for ABAG Real Property. One or more grant deeds showing the ownership of the ABAG Real Property as transferred to BAHA (or its assignee).

(d) Title Insurance. Title Company shall be irrevocably and unconditionally committed to issue to BAHA (or its assignee) upon the Closing an ALTA owner's policy of title

insurance (2006) in an amount mutually agreed to by ABAG and BAHA (which shall be determined by reference to recent appraisals for the ABAG Real Property), insuring fee simple title to the ABAG Real Property in BAHA (or its assignee), subject only to the ABAG Permitted Exceptions and such other exceptions as BAHA shall have approved in writing prior to Closing and containing such endorsements as are approved by the Title Company during the ABAG Inspection Period (the "ABAG Unit Title Policy").

(e) Performance by ABAG. ABAG shall have complied, in all material respects, with all of ABAG's duties and obligations contained in this Agreement and all of ABAG's representations and warranties contained in or made pursuant to this Agreement shall have been true and correct, in all material respects, when made and shall remain true and correct, in all material respects, as of the Closing Date.

(f) [Recordation of CC&R's. The CC&R's shall have been recorded in the Official Records of the City and County of San Francisco in substantially the form attached hereto as Exhibit E with such modifications as are reasonably determined by BAHA, provided that BAHA may not make any modifications that materially affect the benefits, burdens or obligations of ABAG with respect to the Unit or with respect to the usable area that ABAG has a right to occupy as defined in Exhibit E without ABAG's prior written consent unless required by law or by any governmental agencies whose approval is required to create the Unit.] **[*Note: To be deleted if CC&R's are recorded prior to execution of purchase agreement.*]**

9. Escrow; Closing.

(a) Escrow. Upon mutual execution of this Agreement, the parties hereto shall deposit a fully executed copy of this Agreement with First American Title Insurance Company, 1850 Mt. Diablo Blvd., Suite 300, Walnut Creek, California 94596; Escrow Officer: Kitty Schlesinger) (hereinafter "Title Company" or "Escrow Holder") and this Agreement shall serve as instructions to Escrow Holder for consummation of the purchase contemplated hereby. BAHA and ABAG shall execute such supplemental escrow instructions as may be appropriate to enable Escrow Holder to comply with the terms of this Agreement, provided such supplemental escrow instructions are not in conflict with this Agreement as it may be amended in writing from time to time. In the event of any conflict between the provisions of this Agreement and any supplementary escrow instructions signed by ABAG and/or BAHA, the terms of this Agreement shall control.

(b) Closing. The parties intend for the consummation of the sale of the Property as provided hereunder (the "Closing") to take place through escrow on the date that is ten (10) business days after the satisfaction of the Map Act Condition (the "Closing Date").

(c) BAHA's Closing Deliveries. On or before the last business day immediately preceding the Closing Date, BAHA shall deliver to Escrow Holder the following:

(i) Deed. A duly executed and acknowledged grant deed in the form attached to this Agreement as Exhibit B-1 (the "375 Beale Street Deed");

(ii) Bill of Sale. Two (2) duly executed counterpart originals of two separate bills of sale with respect to the Personal Property and the ABAG Personal Property, respectively, in the form attached to this Agreement as Exhibit C (the "Bills of Sale");

(iii) Assignment and Assumption of Intangible Property. Two (2) duly executed counterpart originals of two separate assignments and assumption of intangible property in the form attached to this Agreement as Exhibit D (the "Assignments");

(iv) BAHA's Certificate. A duly executed Certificate confirming the continued truth and accuracy as of the Closing Date of the representations and warranties set forth in Section 11, except as otherwise may be set forth in the Certificate;

(v) MTC Certificate. A certificate duly executed by MTC confirming the truth and accuracy as of the Closing Date of the representations and warranties set forth in Section 11A, except as otherwise may be set forth in the certificate;

(vi) Preliminary Change of Ownership Report. A duly executed and original preliminary change of ownership report (if required); and

(vii) Closing Costs. Immediately available funds in the amount of BAHA's share of Closing Costs.

(d) ABAG's Closing Deliveries. On or before the last business day immediately preceding the Closing Date, ABAG shall deliver to Escrow Holder the following:

(i) Deed. A duly executed and acknowledged grant deed in the form attached to this Agreement as Exhibit B-2 (the "MetroCenter Deed" and together with the 375 Beale Street Deed, the "Deeds")

(ii) Bill of Sale. Two (2) duly executed counterpart originals of each of the separate Bills of Sale;

(iii) Assignment and Assumption of Intangible Property. Two (2) duly executed counterpart originals of each of the separate Assignments;

(iv) ABAG's Certificate. A duly executed Certificate confirming the continued truth and accuracy as of the Closing Date of the representations and warranties set forth in Section 12, except as otherwise may be set forth in the Certificate.

(v) Preliminary Change of Ownership Report. A duly executed and original preliminary change of ownership report (if required); and

(vi) Closing Costs. Immediately available funds in the amount of the ABAG's share of Closing Costs.

(e) Additional Closing Documents. BAHA and ABAG shall each deposit such other instruments as are reasonably required by Escrow Holder or otherwise required to

close the escrow and consummate the purchase of the Property in accordance with the terms hereof.

10. Closing Costs and Prorations. BAHA and ABAG agree to the following prorations and allocation of costs ("Closing Costs") regarding this Agreement:

(a) Real Estate Taxes Assessments. ABAG and BAHA are each governmental entities and are not subject to real property taxes. In the event there are any assessments which attach to governmentally owned real property, such assessments shall be prorated and adjusted between BAHA and ABAG as of the Closing Date so that (1) with respect to the Unit, BAHA shall pay, or give ABAG credit for, any such assessments that accrued on or prior to the Closing Date and ABAG shall pay, or assume, any such assessments that accrue after the Closing Date, and (2) with respect to the ABAG Unit, ABAG shall pay, or give BAHA credit for, any such assessments that accrued on or prior to the Closing Date and BAHA shall pay, or assume, any such assessments that accrue after the Closing Date. The obligations of ABAG and BAHA set forth in this Section 10(a) shall survive the Closing.

(b) Property Expenses. There shall be no proration at Closing of utilities and common area assessments for the Unit or the ABAG Unit. These expenses shall be paid by ABAG and BAHA, respectively, after Closing.

(c) Title Insurance and Escrow Fee. BAHA shall pay the premium attributable to the Title Policy and the ABAG Title Policy and any reasonable and customary escrow fee or charge imposed by Escrow Holder.

(d) Recording Costs. BAHA shall pay the cost of recording the Deeds and all other documents, if any, recorded pursuant to the terms of this Agreement.

(e) Transfer Taxes. No governmental documentary transfer or transaction taxes or fees shall be payable in connection with this transaction because both ABAG and BAHA are exempt governmental entities.

The provisions of this Section 10 shall survive the Closing.

11. Representations and Warranties of BAHA and Assignee(s). BAHA hereby represents and warrants to ABAG as follows [***Note: Reps and Warranties are still under review and a disclosure schedule will be prepared if necessary.***]:

(a) Power and Authority. Taking into account the effect of the Partial MTC Assignment, BAHA has the power and authority (i) to enter into this Agreement and all of the documents to be executed and delivered by BAHA to ABAG at the Closing, (ii) to perform its obligations under this Agreement and under the documents to be executed and delivered by BAHA to ABAG at the Closing and (iii) to complete the transactions contemplated by this Agreement. BAHA has taken all governmental action necessary to authorize (A) the execution and delivery of this Agreement and all of the documents to be executed and delivered by BAHA to ABAG at the Closing, (B) the performance by BAHA of its obligations under this Agreement and under the documents to be executed and delivered by BAHA to ABAG at the Closing, and

(C) the completion of the transactions contemplated by this Agreement, including but not limited to, any assignment of its rights under this Agreement.

(b) Binding and Enforceable. This Agreement and all of the documents to be executed and delivered by BAHA to ABAG at the Closing have been duly executed and delivered by BAHA and constitute valid and binding obligations of BAHA.

(c) No Conflict. The execution and delivery of this Agreement and all of the documents to be executed and delivered by BAHA to ABAG at the Closing and the performance by BAHA of its obligations under this Agreement and under the documents to be executed and delivered by BAHA to ABAG at the Closing and the completion of the transactions contemplated by this Agreement will not result in (i) a breach of, or a default under, any contract, agreement, commitment or other document or instrument to which BAHA is party or by which BAHA is bound or (ii) a violation of any law, ordinance, regulation or rule of any governmental authority applicable to BAHA or any judgment, order or decree of any court or governmental authority that is binding on BAHA.

(d) BAHA's Investigation. BAHA has examined, inspected and conducted its own investigation of all matters with respect to the physical and environmental condition of the ABAG Property, permissible uses, zoning, covenants, conditions and restrictions and all other matters which in BAHA's judgment bear upon the value and suitability of the ABAG Property for BAHA's purposes. BAHA acknowledges that, except as otherwise provided herein, ABAG has not made any representation of any kind in connection with soils, environmental or physical conditions on, or bearing on, the use of the ABAG Property, and BAHA is relying solely on BAHA's own inspection and examination of such items and not on any representation of ABAG.

(e) Ownership. BAHA has not granted any option or right of first refusal or first opportunity to any other party to acquire any interest in any of the Property.

(f) Actions. To BAHA's knowledge, except for the on-going discussions with the San Francisco Planning Department concerning the current zoning of the Real Property, (i) there are no condemnation, zoning or other land-use regulation proceedings, either instituted or planned to be instituted, which would materially and adversely affect the use, operation or value of the Property, (ii) there are no special assessment proceedings affecting the Property, (iii) there is no litigation pending or threatened in writing against BAHA arising out of the ownership or operation of the Property or that might detrimentally affect the Property or the ability of BAHA to perform its obligations under this Agreement. BAHA shall notify ABAG promptly of any such proceedings or litigation of which BAHA becomes aware, and (iv) BAHA has received no written notice from any governmental entity that the Property is in violation of any applicable laws, ordinances or regulations.

(g) Contracts for Improvements and Other Encumbrances. To BAHA's knowledge, other than possible construction contract retentions for which funds have been reserved by BAHA or contracts related to 375 Beale Street generally that will not be assumed by ABAG at Closing, at the time of Closing there will be no outstanding written or oral contracts made by BAHA for any improvements to the Property which have not been fully paid for and, except as set forth in the Preliminary Report, there are no existing or proposed easements,

covenants, restrictions, agreements or other documents which affect title to the Property and which were not disclosed in writing to ABAG prior to the date of this Agreement.

(h) Hazardous Materials. To BAHA's knowledge and except as set forth in the Due Diligence Materials, there has been no release, storage, treatment, generation or disposal of Hazardous Materials by BAHA, or any other party during BAHA's ownership of the Property, on, under or from the Property in violation of any applicable laws, ordinances or regulations. For purposes of this Agreement, the term "Hazardous Materials" shall mean any toxic or hazardous waste, material or substance, including, without limitation, asbestos, petroleum, petroleum products, underground storage tanks now or previously containing any other Hazardous Materials, substances defined as "hazardous substances", "hazardous waste" or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sec. 9601, et seq.; Hazardous Materials Transportation Act, 49 U.S.C. Sec. 1801; and Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6901 et seq.; and other substances defined as hazardous waste and hazardous substances in applicable state or local laws and/or in any regulations and publications promulgated pursuant to said laws.

11A. Representations and Warranties of MTC. If BAHA completes the Partial MTC Assignment and assigns its rights with respect to the ABAG Property to MTC, then MTC will be deemed to make the following representations and warranties to ABAG:

(a) Power and Authority. MTC has the power and authority (i) to partially assume BAHA's rights under this Agreement, (ii) to enter into all of the documents to be executed and delivered by MTC to ABAG at the Closing, (iii) to perform its obligations under this Agreement and the documents to be executed and delivered by MTC to ABAG at the Closing and (iii) to complete the transaction contemplated by this Agreement. MTC has taken all governmental action necessary to authorize (A) the partial assumption of this Agreement and the execution of the documents to be executed and delivered by MTC to ABAG at the Closing, (B) the performance by MTC of its obligations under this Agreement and under the documents to be executed and delivered by MTC to ABAG at the Closing and (C) the completion of the transaction contemplated by this Agreement.

(b) Binding and Enforceable. The partial assumption of this Agreement and all of the documents to be executed and delivered by MTC to ABAG at the Closing will have been duly executed and delivered by MTC and constitute valid and binding obligations of MTC.

(c) No Conflict. The partial assumption of this Agreement and all of the documents to be executed and delivered by MTC to ABAG at the Closing and the performance by MTC of its obligations under this Agreement and under the documents to be executed and delivered by MTC to ABAG at the Closing and the completion of the transaction contemplated by this Agreement will not result in (i) a breach of, or a default under, any contract, agreement, commitment or other document or instrument to which MTC is party or by which MTC is bound or (ii) a violation of any law, ordinance, regulation or rule of any governmental authority applicable to MTC or any judgment, order or decree of any court or governmental authority that is binding on MTC.

(d) MTC's Investigation. MTC has examined, inspected and conducted its own investigation of all matters with respect to the physical and environmental condition of the ABAG Property, permissible uses, zoning, covenants, conditions and restrictions and all other matters which in MTC's judgment bear upon the value and suitability of the ABAG Property for MTC's purposes. MTC acknowledges that, except as otherwise provided herein, ABAG has not made any representation of any kind in connection with soils, environmental or physical conditions on, or bearing on, the use of the ABAG Property, and MTC is relying solely on MTC's own inspection and examination of such items and not on any representation of ABAG.

12. Representations and Warranties of ABAG. ABAG hereby represents and warrants to BAHA as follows:

(a) Power and Authority. ABAG has the power and authority (i) to enter into this Agreement and all of the documents to be executed and delivered by ABAG to BAHA (or its assignee) at the Closing, (ii) to perform its obligations under this Agreement and under the documents to be executed and delivered by ABAG to BAHA (or its assignee) at the Closing and (iii) to complete the transaction contemplated by this Agreement. ABAG has taken all governmental action necessary to authorize (A) the execution and delivery of this Agreement and the documents to be executed and delivered by ABAG to BAHA (or its assignee) at the Closing, (B) the performance by ABAG of its obligations under this Agreement and under the documents to be executed and delivered by ABAG to BAHA (or its assignee) at the Closing and (C) the completion of the transaction contemplated by this Agreement.

(b) Binding and Enforceable. This Agreement and all of the documents to be executed and delivered by ABAG to BAHA (or its assignee) at the Closing have been duly executed and delivered by ABAG and constitute valid and binding obligations of ABAG.

(c) No Conflict. The execution and delivery of this Agreement and all of the documents to be executed and delivered by ABAG to BAHA (or its assignee) at the Closing and the performance by ABAG of its obligations under this Agreement and under the documents to be executed and delivered by ABAG to BAHA (or its assignee) at the Closing and the completion of the transaction contemplated by this Agreement will not result in (i) a breach of, or a default under, any contract, agreement, commitment or other document or instrument to which ABAG is party or by which ABAG is bound or (ii) a violation of any law, ordinance, regulation or rule of any governmental authority applicable to ABAG or any judgment, order or decree of any court or governmental authority that is binding on ABAG.

(d) ABAG's Investigation. ABAG has examined, inspected and conducted its own investigation of all matters with respect to the physical and environmental condition of the Property, permissible uses, zoning, covenants, conditions and restrictions and all other matters which in ABAG's judgment bear upon the value and suitability of the Property for ABAG's purposes. ABAG acknowledges that, except as otherwise provided herein, BAHA has not made any representation of any kind in connection with soils, environmental or physical conditions on, or bearing on, the use of the Property, and ABAG is relying solely on ABAG's own inspection and examination of such items and not on any representation of BAHA.

(e) Ownership. Except for those rights of first refusal as set forth in section 9.08 of the MetroCenter CC&Rs, all of which have been waived in writing with respect to the transaction contemplated by this Agreement, ABAG has not granted any option or right of first refusal or first opportunity to any other party to acquire any interest in any of the ABAG Unit.

(f) Actions. To ABAG's knowledge (i) there are no condemnation, zoning or other land-use regulation proceedings, either instituted or planned to be instituted, which would materially and adversely affect the use, operation or value of the ABAG Unit, (ii) there are no special assessment proceedings affecting the ABAG Unit, (iii) there is no litigation pending or threatened in writing against ABAG arising out of the ownership or operation of the ABAG Unit or that might detrimentally affect the ABAG Unit or the ability of ABAG to perform its obligations under this Agreement. ABAG shall notify BAHA promptly of any such proceedings or litigation of which ABAG becomes aware, and (iv) ABAG has received no written notice from any governmental entity that the Property is in violation of any applicable laws, ordinances or regulations.

(g) Contracts for Improvements and Other Encumbrances. To ABAG's knowledge, at the time of Closing there will be no outstanding written or oral contracts made by ABAG for any improvements to the ABAG Unit which have not been fully paid for and, except as set forth in the preliminary title report pertaining to the ABAG Unit, there are no existing or proposed easements, covenants, restrictions, agreements or other documents which affect title to the ABAG Unit and which were not disclosed in writing to BAHA prior to the date of this Agreement.

(h) Hazardous Materials. To ABAG's knowledge there has been no release, storage, treatment, generation or disposal of Hazardous Materials by ABAG, or any other party during ABAG's ownership of the ABAG Unit, on, under or from the ABAG Unit in violation of any applicable laws, ordinances or regulations.

13. Survival. All representations and warranties by the respective parties contained herein or made in writing pursuant to this Agreement are intended to and shall be deemed made as of the date of this Agreement or such writing and shall survive the execution and delivery of this Agreement, the 375 Beale Street Deed, the MetroCenter Deed and the Closing, provided that the representations and warranties set forth in Sections 11(d) through 11(h), 11A(d), and 12(d) through 12(h) shall survive the Closing only for a period of nine (9) months following the Closing Date and, if no claim is made in writing within such period, shall expire and be of no further force and effect.

14. Casualty or Condemnation.

(a) In the event any of the Property is damaged and/or destroyed by fire or other casualty prior to the Closing, and the cost to repair and/or restore such damage and/or destruction exceeds Fifty Million Dollars (\$50,000,000), then ABAG shall have the right to terminate this Agreement by written notice to BAHA within five (5) business days after ABAG has received written notice from BAHA of the occurrence of such casualty and the cost of such repair and/or restoration. In the event of any such termination, ABAG and BAHA shall each be

liable for one-half of any escrow fees or charges, and neither party shall have any further liability or obligation under this Agreement.

(b) In the event any of the Property is damaged and/or destroyed by fire or other casualty prior to the Closing where (i) the cost to repair and/or restore such damage and/or destruction does not exceed Fifty Million Dollars (\$50,000,000), or (ii) the cost to repair and/or restore such damage and/or destruction exceeds Fifty Million Dollars (\$50,000,000) but this Agreement is not terminated pursuant to Section 14(a) above as a result thereof, then the Closing shall occur as scheduled notwithstanding such damage; provided, however, that BAHA shall be obligated, at its cost, to restore or repair the Unit to its prior condition and shall retain its interest in all insurance proceeds payable in connection with such damage or destruction. BAHA's obligations pursuant to the immediately preceding sentence shall survive the Closing.

(c) In the event a governmental entity commences eminent domain proceedings (or threatens in writing to commence such proceedings) to take any portion of the Unit, or the ABAG Unit, or any other portion of the building in which either is located which would impair ABAG's use of the Unit, or BAHA's (or its assignees) use of the ABAG Unit, respectively, after the date hereof and prior to the Closing, then (1) with respect to the Unit, ABAG shall have the option to terminate this Agreement by written notice to BAHA within five (5) business days after ABAG has received written notice from BAHA of the occurrence of such commencement or threatened commencement, and (2) with respect to the ABAG Unit, BAHA shall have the option to terminate this Agreement by written notice to ABAG within five (5) business days after BAHA has received written notice from ABAG of the occurrence of such commencement or threatened commencement. In the event of any such termination, ABAG and BAHA shall each be liable for one-half of any escrow fees or charges, and neither party shall have any further liability or obligation under this Agreement.

(d) In the event a governmental entity commences any such eminent domain proceedings after the date hereof and prior to the Closing and this Agreement is not terminated pursuant to Section 14(c) above as a result thereof, then the Closing shall occur as scheduled notwithstanding such proceeding; provided, however, that (1) with respect to the Unit, BAHA's interest in all awards arising out of such proceedings which are attributable to the taking of any portion of the Unit shall be assigned to ABAG as of the Closing or credited to ABAG if previously received by BAHA and (2) with respect to the ABAG Unit, ABAG's interest in all awards arising out of such proceedings which are attributable to the taking of any portion of the ABAG Unit shall be assigned to BAHA (or its assignee) as of the Closing or credited to BAHA (or its assignee) if previously received by ABAG. ABAG's and BAHA's obligations pursuant to the immediately preceding sentence shall survive the Closing.

15. Covenants.

(a) BAHA Covenants.

(i) Continued Operation of the Property. Between BAHA's execution of this Agreement and the Closing, BAHA shall cause the Property to be operated and maintained in substantially the condition existing upon the date of this Agreement. Prior to the Closing, BAHA may not materially alter the Property in any way without ABAG's prior written

authorization. **[*Note: This section might need to be updated prior to execution if there are ongoing improvement activities.*]**

(ii) [Recordation of the Map]. BAHA shall, at BAHA's cost, file all applications and take all other actions necessary to obtain all required approvals of the Map, in substantially the form attached hereto as Exhibit A-1, establishing the Unit as a separate legal parcel and shall cause the Map to be recorded in the Official Records of the City and County of San Francisco as expeditiously as is commercial reasonable.] **[*Note: This section can be deleted if the map is recorded prior to execution of the purchase agreement.*]**

(iii) [CC&R's]. BAHA shall, at BAHA's cost, take all actions necessary to cause the CC&R's to be recorded in the Official Records of the City and County of San Francisco in substantially the form attached hereto as Exhibit E with such modifications as are reasonably determined by BAHA, provided that BAHA may not make any modifications that materially increase the burdens or obligations of the owner of the Unit without ABAG's prior written consent unless required by law or by any governmental agencies whose approval is required to create the Unit.] **[*Note: This section can be deleted if the map is recorded prior to execution of the purchase agreement.*]**

(b) ABAG Covenant. Between ABAG's execution of this Agreement and the Closing, ABAG shall cause the ABAG Unit to be operated and maintained in substantially the condition existing upon the date of this Agreement, provided that ABAG may vacate the ABAG Unit and **[*Note: Insert conditions to be negotiated in consultation with RAFC*]**. Prior to the Closing, ABAG may not materially alter the ABAG Unit in any way without BAHA's prior written authorization.

16. Brokers. Each party hereby agrees to indemnify, protect and defend the other (by counsel reasonably acceptable to the party seeking indemnification) against and hold the other harmless from and against any and all loss, damage, liability or expense, including costs and reasonable attorneys' fees, resulting from any claims for a real estate commission, finder's fee or other real estate brokerage-type compensation by any person or entity based upon the acts of that party with respect to the transaction contemplated by this Agreement. The obligations of ABAG and BAHA under this Section 16 shall survive the Closing.

17. Hazardous Materials Indemnity.

(a) BAHA Indemnity. BAHA shall indemnify, defend and hold harmless ABAG from any Repair and Remediation Costs (as defined below) arising from the release, treatment, use, generation, storage or disposal by BAHA or any of its employees, agents or contractors of Hazardous Materials on, under or from the Unit occurring prior to the Closing. As used in this subparagraph the term "Repair and Remediation Costs" means the cost of any required or necessary remediation or removal of Hazardous Materials from the Unit, any cost of repair of the Unit necessitated by the remediation or removal of Hazardous Materials from the Unit and the costs of any testing, sampling or other investigations or preparation of remediation or other required plans undertaken in connection with the remediation or removal of Hazardous Materials from the Unit. The indemnification obligations set forth in this Section 17 shall

survive the Closing. BAHA expressly preserves its rights against other parties, and does not release or waive its rights to contribution, against any other party.

(b) ABAG Indemnity. ABAG shall indemnify, defend and hold harmless BAHA (or its assignee) from any ABAG Repair and Remediation Costs (as defined below) arising from the release, treatment, use, generation, storage or disposal by ABAG or any of its employees, agents or contractors of Hazardous Materials on, under or from the ABAG Unit occurring prior to the Closing. As used in this subparagraph the term "ABAG Repair and Remediation Costs" means the cost of any required or necessary remediation or removal of Hazardous Materials from the ABAG Unit, any cost of repair of the ABAG Unit necessitated by the remediation or removal of Hazardous Materials from the ABAG Unit and the costs of any testing, sampling or other investigations or preparation of remediation or other required plans undertaken in connection with the remediation or removal of Hazardous Materials from the ABAG Unit. The indemnification obligations set forth in this Section 17 shall survive the Closing. ABAG expressly preserves its rights against other parties, and does not release or waive its rights to contribution, against any other party.

18. Miscellaneous.

(a) Notices. Any and all notices, elections, approvals, consents, demands, requests and responses ("Notice") permitted or required to be given under this Agreement shall be given in writing, signed by or on behalf of the party giving the same, and sent by certified or registered mail, postage prepaid, return receipt requested, or by hand delivery or overnight courier service (such as Federal Express), to the party to be notified at the address of such party set forth below or at such other address within the continental United States as such other party may designate by notice specifically designated as a notice of change of address and given in accordance with this Section 18(a). Any Notice shall be effective upon receipt but if attempted delivery is refused or rejected, the date of refusal or rejection shall be deemed the date of receipt. Notices sent by telecopy shall be effective only if also sent by nationally recognized express overnight courier service for delivery within two (2) business days.

If to ABAG:

Association of Bay Area Governments
375 Beale Street, Suite _____
San Francisco, CA 94105

Attn: _____

Tel: _____

Fax: _____

With a copy to:

Attn: _____

Tel: _____

Fax: _____

If to BAHA:

Bay Area Headquarters Authority
375 Beale Street, Suite _____
San Francisco, CA 94105
Attn: Executive Director
Tel: _____
Fax: _____

with a copy to:

Attn: _____
Tel: _____
Fax: _____

If to Escrow Holder:

First American Title Insurance Company
1850 Mt. Diablo Blvd., Suite 300
Walnut Creek, California 94596
Attn: Kitty Schlesinger
Tel: 925-927-2154
Fax: 925-927-2180

(b) Successors and Assigns. Subject to the provisions hereof, this Agreement shall be binding upon the successors and assigns of BAHA and ABAG. The parties acknowledge that the right to purchase the Property pursuant to the terms of this Agreement is personal to the Association of Bay Area Governments or any successor governmental agency performing the same functions, and, except as provided in this Agreement, neither ABAG's nor BAHA's rights hereunder may be otherwise assigned without the prior written consent of BAHA or ABAG, respectively, which may be withheld in BAHA's or ABAG's, respectively, sole discretion. Any assignment in violation of this Section 18(b) shall be void.

(i) Partial MTC Assignment. Notwithstanding the foregoing, concurrently with its execution of this Agreement, BAHA is assigning its right to take title to the ABAG Property under this Agreement and the right to rely on ABAG's representations, warranties and covenant as set forth in Sections 2(a), 4, 6, 8, 9, 10, 12, 13, 14, 15(b), 16, 17, and 18 of this Agreement to the Metropolitan Transportation Commission ("MTC") without ABAG's consent (the "Partial MTC Assignment") pursuant to the assignment and assumption agreement attached hereto as Exhibit F. MTC is an express third-party beneficiary of this Agreement.

(c) Attorneys' Fees. In the event of any litigation or other proceeding to enforce the provisions of this Agreement or to resolve any dispute arising as a result of or by reason of this Agreement, the prevailing party in any such litigation or other proceeding shall be entitled to, in addition to any other damages assessed, its or his reasonable attorneys' fees and all other costs and expenses incurred in connection with such litigation or other proceeding.

(d) Amendments. This Agreement may be amended or modified only by a written instrument executed by BAHA and ABAG.

(e) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

(f) Schedules and Exhibits. Each of the schedules and exhibits attached hereto is an integral part of this Agreement and is incorporated herein by this reference.

(g) Entire Agreement. This Agreement and the exhibits hereto constitute the entire agreement between the parties and supersede all prior agreements and understandings between the parties relating to the subject matter hereof, including, without limitation, any letters of intent previously executed or submitted by either or both of the parties hereto, which shall be of no further force or effect upon execution of this Agreement.

(h) Captions. The Section headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

(i) Time of the Essence. Time is of the essence of this Agreement. As used in this Agreement, a "business day" shall mean a day which is not a Saturday, Sunday or recognized federal or state holiday. If the last date for performance by either party under this Agreement occurs on a day which is not a business day, then the last date for such performance shall be extended to the next occurring business day.

(j) Severability. If any provision of this Agreement, or the application thereof to any person, place, or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect.

(k) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but any number of which, taken together, shall be deemed to constitute one and the same instrument.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Purchase and Sale Agreement and Joint Escrow Instructions as of the date first above written.

ASSOCIATION OF BAY AREA
GOVERNMENTS

BAY AREA HEADQUARTERS
AUTHORITY

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: Executive Director

Approved as to form:

Legal Counsel

By: _____
Name: _____
Its: Treasurer-Auditor

Approved as to form:

General Counsel

EXHIBIT A-1

DRAFT MAP OF THE UNIT

EXHIBIT A-2

LEGAL DESCRIPTION OF ABAG REAL PROPERTY

EXHIBIT B-1

FORM OF 375 BEALE STREET DEED

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Attn: _____

APN: _____

THIS SPACE ABOVE FOR RECORDER'S USE

Pursuant to Section 11922 of the Revenue and Taxation Code, no transfer tax will is due and owing.

Pursuant to Section 27383 of the Government Code, no recording fee is due.

GRANT DEED

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, BAY AREA HEADQUARTERS AUTHORITY, a joint powers authority established pursuant to the California Joint Exercise of Powers Act ("Grantor"), hereby grants, transfers and assigns to ASSOCIATION OF BAY AREA GOVERNMENTS, a joint powers authority ("Grantee"), that certain real property located in the City and County of San Francisco, State of California and which is more particularly described in Exhibit A, attached hereto and incorporated herein by this reference, together with all rights, privileges, easements and appurtenances pertaining thereto.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed, to be effective as of this ____ day of _____, 20__.

"GRANTOR"

BAY AREA HEADQUARTERS AUTHORITY, a
joint powers authority established pursuant to the
California Joint Exercise of Powers Act

By: _____
Name: _____
Its: _____

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

STATE OF _____)

COUNTY OF _____)

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

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

WITNESS my hand and official seal.

Signature _____

Exhibit A to Grant Deed

Description of Real Property

[to be attached]

EXHIBIT B-2

FORM OF METROCENTER DEED

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Attn: _____

APN: _____

THIS SPACE ABOVE FOR RECORDER'S USE

Pursuant to Section 11922 of the Revenue and Taxation Code, no transfer tax will be due and owing.

Pursuant to Section 27383 of the Government Code, no recording fee is due.

GRANT DEED

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, ASSOCIATION OF BAY AREA GOVERNMENTS, a joint powers authority ("Grantor"), hereby grants, transfers and assigns to BAY AREA HEADQUARTERS AUTHORITY, a joint powers authority established pursuant to the California Joint Exercise of Powers Act ("Grantee"), that certain real property located in the City and County of Alameda, California and which is more particularly described in Exhibit A, attached hereto and incorporated herein by this reference, together with all rights, privileges, easements and appurtenances pertaining thereto.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed, to be effective as of this ____ day of _____, 20__.

"GRANTOR"

ASSOCIATION OF BAY AREA
GOVERNMENTS, a regional planning agency

By: _____
Name: _____
Its: _____

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

STATE OF _____)

COUNTY OF _____)

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

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

WITNESS my hand and official seal.

Signature _____

Exhibit A to Grant Deed

Description of Real Property

[to be attached]

Exhibit B

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Item 12.F., Lease

EXHIBIT C

FORM OF BILL OF SALE

[to be conformed to sale of each of the Unit and the ABAG Unit]

This BILL OF SALE is made and entered into to be effective as of the ____ day of _____, 20__, by and between BAY AREA HEADQUARTERS AUTHORITY ("Seller") and ASSOCIATION OF BAY AREA GOVERNMENTS ("Buyer").

WHEREAS, Seller and Buyer are parties to that certain Purchase and Sale Agreement and Joint Escrow Instructions dated _____, 20__ (the "Agreement"), pursuant to which Seller agreed to sell to Buyer and Buyer agreed to purchase from Seller an office condominium unit located at 375 Beale Street, Suite ____, in the City and County of San Francisco, State of California, all as more particularly described in the Agreement.

WHEREAS, pursuant to the Agreement, Seller is to convey to Buyer certain office furnishings, equipment and other personal property (collectively, the "Personal Property").

NOW, THEREFORE, in consideration of Buyer entering into the Agreement and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller hereby:

1. sells, transfers, conveys and assigns all of Seller's right, title and interest in and to the Personal Property, to have and to hold the Personal Property unto the Buyer and its successors and assigns forever, and
2. agrees to cooperate with Buyer to enforce any warranties pertaining to the Personal Property.

EXCEPT FOR ANY EXPRESS REPRESENTATIONS OR WARRANTIES SET FORTH IN THE AGREEMENT, SELLER EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, REGARDING THE ABOVE-DESCRIBED PERSONAL PROPERTY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ENVIRONMENTAL CONDITION, AND BUYER ACCEPTS THE ABOVE-DESCRIBED PROPERTY IN AN "AS IS - WHERE IS" CONDITION, WITH ALL FAULTS.

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

BUYER:

SELLER:

ASSOCIATION OF BAY AREA
GOVERNMENTS

BAY AREA HEADQUARTERS
AUTHORITY

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

EXHIBIT D

FORM OF ASSIGNMENT

ASSIGNMENT AND ASSUMPTION OF INTANGIBLE PROPERTY [AND CONTRACTS]

[to be conformed to sale of each of the Unit and the ABAG Unit]

This ASSIGNMENT AND ASSUMPTION OF INTANGIBLE PERSONAL PROPERTY [AND CONTRACTS] (this "Assignment") is made and entered into to be effective as of the ____ day of _____, 20__, by and between BAY AREA HEADQUARTERS AUTHORITY ("Assignor") and ASSOCIATION OF BAY AREA GOVERNMENTS ("Assignee").

WHEREAS, Assignor and Assignee are parties to that certain Purchase and Sale Agreement and Joint Escrow Instructions dated _____, 20__ (the "Agreement"), pursuant to which Assignor agreed to sell to Assignee and Assignee agreed to purchase from Assignor an office condominium unit located at 375 Beale Street, Suite ____, in the City and County of San Francisco, State of California, all as more particularly described in the Agreement (the "Real Property"). Capitalized terms used but not defined herein shall have the meaning given such terms in the Agreement.

WHEREAS, pursuant to the Agreement, Assignor is to convey to Assignee certain Intangible Property relating to the Real Property.

[WHEREAS, pursuant to the Agreement, Assignor is to assign its interest in certain service agreements, maintenance agreements and other contracts relating to the Real Property which agreements and contracts are listed in Schedule 1 attached hereto (collectively, the "Contracts").]

NOW, THEREFORE, in consideration of Assignee entering into the Agreement and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignee and Assignor hereby agree as follows:

1. Intangible Property. Assignor hereby grants, conveys, transfers and assigns to Assignee all of Assignor's right, title and interest in and to the Intangible Property.

2. Contracts. **[TO BE DELETED IF NO CONTRACTS]**

(a) Assignor hereby grants, conveys, transfers and assigns to Assignee all of Assignor's right, title and interest in and to the Contracts. Assignor agrees to indemnify, defend, protect and hold Assignee harmless from and against any and all liability, loss, cost, damage and expense (including without limitation, attorneys' and paralegals' fees and costs) asserted against, incurred or suffered by Assignee relating to obligations with respect to the Contracts to be performed prior to the date hereof.

(b) Assignee shall perform or cause to be performed Assignors' obligations, if any, under the Contracts from and after the date of this Assignment, and agrees to indemnify, defend, protect and hold Assignor harmless from and against any and all liability, loss, cost, damage and expense (including, without limitation, attorneys' and paralegals' fees and costs) asserted against, incurred or suffered by Assignor relating to obligations with respect to the Contracts to be performed after the date hereof. Assignors agrees to indemnify, defend, protect and hold Assignee harmless from and against any and all liability, loss, cost, damage and expense (including without limitation, attorneys' and paralegals' fees and costs) asserted against, incurred or suffered by Assignee relating to obligations with respect to the Leases and Contracts to be performed before the date hereof.

3. Further Actions. Each of Assignor and Assignee hereby covenants that it will, at any time and from time to time upon written request therefor, execute and deliver to the other, its nominees, successors and/or assigns, any new or confirmatory instruments and do and perform any other acts which the other, its successors and/or assigns, may reasonably request in order to fully assign and transfer to and vest in Assignee, its nominees, successors and/or assigns, and protect its and/or their rights, title and interest in and enjoyment of, all of the assets of Assignor intended to be transferred and assigned hereby, or to enable Assignee, its successors and/or assigns, to realize upon or otherwise enjoy any such assets, or to effect the allocation of responsibility for performance under the Contracts.

4. Miscellaneous. The provisions of this Assignment shall be binding upon and inure to the benefit of Assignor, Assignee and their successors and assigns. This Assignment may be executed in any number of counterparts, each of which shall be deemed to be an original, but any number of which, taken together, shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned have executed this Assignment and Assumption of Intangible Property [and Contracts] as of the date first written above.

ASSIGNEE:

ASSIGNOR:

ASSOCIATION OF BAY AREA
GOVERNMENTS

BAY AREA HEADQUARTERS
AUTHORITY

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

Schedule 1 to Assignment

List of Contracts

[to be attached]

EXHIBIT E

FORM OF CC&R's

[TO BE ATTACHED UPON EXECUTION OF THIS PURCHASE AND SALE
AGREEMENT]

EXHIBIT F

COPY OF ASSIGNMENT FOR PARTIAL MTC ASSIGNMENT

(see attached)

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ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

AGENDA

LEGISLATION AND GOVERNMENTAL ORGANIZATION COMMITTEE

Thursday, November 17, 2016, 3:30 p.m. to 5:00 p.m.

Location:

Bay Area Metro Center
Yerba Buena Conference Room
375 Beale Street
San Francisco, California

The ABAG Legislation and Governmental Organization Committee may act on any item on this agenda.

Agenda and attachments available at abag.ca.gov

For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913.

1. CALL TO ORDER / ROLL CALL / CONFIRM QUORUM

2. PUBLIC COMMENT

INFORMATION

3. COMMITTEE ANNOUNCEMENTS

INFORMATION

4. APPROVAL OF ABAG LEGISLATION AND GOVERNMENTAL ORGANIZATION COMMITTEE SUMMARY MINUTES OF MEETING ON SEPTEMBER 15, 2016

ACTION

Attachment: Summary Minutes of September 15, 2016

5. REVIEW OF LEGISLATIVE SESSION 2016

INFORMATION

Attachment: Legislative Summary Matrix

6. REPORT ON LEAGUE OF CALIFORNIA CITIES GUIDE TO CAP AND TRADE PROGRAMS

INFORMATION

Attachment: Guide to Cap and Trade Programs

ABAG Legislation and Governmental Organization Committee

November 17, 2016

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7. ADJOURNMENT

The next regular meeting of the ABAG Legislation and Governmental Organization Committee will be announced.

Submitted:

/s/ Brad Paul, Deputy Executive Director

Date Submitted: November 9, 2016

Date Posted: November 10, 2016

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

AGENDA

FINANCE AND PERSONNEL COMMITTEE

Thursday, November 17, 2016, 5:00 p.m. to 6:00 p.m.

Location:

Bay Area Metro Center
Yerba Buena Conference Room
375 Beale Street
San Francisco, California

The ABAG Finance and Personnel Committee may act on any item on this agenda.

Agenda and attachments available at abag.ca.gov

For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913.

1. CALL TO ORDER / ROLL CALL / CONFIRM QUORUM

2. PUBLIC COMMENT

INFORMATION

3. COMMITTEE ANNOUNCEMENTS

INFORMATION

4. APPROVAL OF ABAG FINANCE AND PERSONNEL COMMITTEE SUMMARY MINUTES OF SPECIAL MEETING ON SEPTEMBER 9, 2016 AND MEETING ON SEPTEMBER 15, 2016

ACTION

Attachments: Summary Minutes of September 9, 2016; Summary Minutes of September 15, 2016

5. REPORT ON FINANCIAL REPORT FOR SEPTEMBER 2016

ACTION

Attachments: Memo Financial Report; Indices

6. REPORT ON PAYMENT OF MEMBERSHIP DUES FOR FISCAL YEAR 2016-2017

INFORMATION

Attachment: Membership Dues

ABAG Finance and Personnel Committee

November 17, 2016

Page 2

**7. REPORT ON RETIREE HEALTHCARE PLAN JUNE 30, 2015 ACTUARIAL VALUATION
PRESENTED BY BARTEL & ASSOCIATES**

INFORMATION

Attachments: Actuarial Valuation (Short Version); Actuarial Valuation (Long Version)

8. ELECTION OF NEW CHAIR AND POSSIBLE VICE CHAIR

ACTION

9. CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives: Brad Paul, Courtney Ruby, Kenneth Moy, Marti Pascal

Employee organization: SEIU Local 1021

10. CLOSED SESSION

PUBLIC EMPLOYEE APPOINTMENT

Title: Acting Executive Director

11. ADJOURNMENT

The next regular meeting of the ABAG Finance and Personnel Committee will be announced.

Submitted:

/s/ Courtney Ruby, Finance and Administrative Services Director

Date Submitted: November 9, 2016

Date Posted: November 10, 2016

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



Date: November 10, 2016
To: ABAG Executive Board
From: Julie Pierce
President
Subject: ***Ad Hoc Committee***

Executive Summary

Section A3 of the Option 7 Implementation Action Plan (IAP) contemplates the possibility of the ABAG President designating individuals to work with the ABAG staff on the Contract for Services (Contract).

I am asking the Executive Board to charge an *ad hoc* committee as follows:

The Ad Hoc Committee on the Option 7 IAP (Ad Hoc Committee) is hereby charged to provide feedback to the ABAG Executive Management team on issues arising out of, or in connection with, their negotiations with MTC staff on the Contract for Services as described in Option 7. The *Ad Hoc* Committee is not advisory to the Executive Board and will not exercise any power on behalf of the Executive Board. The *Ad Hoc* Committee is not required to reach consensus regarding the feedback to be given to the Executive Management Team. The members of the *Ad Hoc* Committee may have diverse and conflicting reactions and feedback to any given set of issues. The Executive Management team will accept the feedback from the *Ad Hoc* Committee and may use some, all or none of it to inform their negotiations. The existing powers of the Administrative Committee, the Executive Board and the General Assembly over the Contract for Services are not affected in any way by the creation of the *Ad Hoc* Committee.

The *Ad Hoc* Committee will dissolve upon ABAG's approval of a Contract for Services.

In advance of the November 17 meeting, I will be submitting the names of the Executive Board members that I propose appointing to the Ad Hoc Committee to for your advice and consent.

Recommended Action

The Executive Board is requested to charge an *ad hoc* committee to provide feedback to the ABAG Executive Management team on issues arising out of, or in connection with, their negotiations with MTC staff on the Contract for Services as described in Option 7.

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ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



Date: November 10, 2016

To: ABAG Executive Board

From: Brad Paul, Deputy Executive Director
Courtney Ruby, Finance and Administrative Services Director
Kenneth Moy, Legal Counsel

Subject: **Option 7 Implementation Action Plan—MTC Due Diligence Reports**

Summary: At the October 28 joint meeting of the ABAG Administrative Committee and the MTC Planning Committee, Public Financial Management, Inc. (PFM) and Orrick, Herrington & Sutcliffe LLP (Orrick) presented reports (Reports) on financial and legal due diligence, respectively, in connection with the Option 7 Implementation Action Plan (Attachment A). This memorandum provides a summary of the salient points in each report and a brief discussion of our approach to address the issues raised.

Discussion: The PFM and Orrick Reports provide platforms for discussions about the challenges related to the implementation of Option 7 and for negotiations on how the Contract for Services (CS) will address those challenges. Both reports were commissioned and paid for by MTC. ABAG staff and management provided documentary information and participated in interviews to inform the reports.

MTC shared the initial presentation with ABAG senior management on October 25. We provided some preliminary feedback to the presentations made to the MTC Planning Committee and the ABAG Administrative Committee. We were not able to develop substantive responses for consideration by the committees or MTC senior management by the October 28 meeting date. This memorandum provides a brief overview of some possible ways to address the challenges described in the reports.

A. PFM Report

The PFM report notes two significant findings about the finances of ABAG and MTC that frame their discussion:

- (a) MTC's personnel costs and indirect overhead rate are higher than ABAG's. This will cause budget deficits for ABAG and its local collaboration programs (which PFM describe as 'enterprise programs') unless additional revenues/subsidies are provided or costs are reduced.

Option 7 Implementation Action Plan—MTC Due Diligence Reports

November 10, 2015

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- (b) Grants comprise eighty-five percent (85%) of ABAG's revenues. This will create funding uncertainty that increases over time as multi-year grants expire.

PFM notes that if both agencies took no action in response to these two issues, there would be a cumulative \$14.83 million deficit for ABAG and its local collaboration programs by 2023. PFM also identified that while ABAG was effectively maintaining its grants there are advantages to implementing MTC's more robust management control system for grants, especially given ABAG's dependence on them. Finally, PFM presented three scenarios for addressing the deficit that included combinations of revenue increases and cost reductions. One of the more important conclusions is that ABAG membership dues are critical to any future plans for balanced budgets. From this, we conclude that member satisfaction is a critical component of any strategy for a successful implementation of Option 7.

We have preliminarily reviewed the data and calculations used by PFM in its report. We have identified some immediate cost efficiencies to implement in anticipation of the implementation of Option 7. These identified savings were not included in the PFM baseline analysis but some elements, such as vacancies, have been identified among the cost saving strategies modeled in two of the PFM alternative scenarios.¹ Additionally, we are working with the local collaboration programs to identify grant and revenue opportunities for the near and medium term while we are working with MTC senior management to identify resources that can be used to defray revenue shortfalls. As indicated in the PFM Report, ABAG and MTC need to address the base case deficit of \$14.83 million between now and 2023. The sooner we increase revenues and reduce costs, the easier the task, yet we must be prudent in our approach realizing that it cannot all be done in FY 2017-18.

B. Orrick Report

The Orrick Report notes two central issues:

- (1) There are no legal impediments to the proposed staff consolidation. This clears the way for proceeding with Option 7.
- (2) Each of ABAG's local collaboration programs has a unique legal and governance structure that ties the program to ABAG. Some modifications in those structures or additional legal documentation will be necessary for MTC to provide staffing to these programs.

The report identifies a number of approaches to making the necessary modifications.

The Orrick Report also states that ABAG and MTC expect that the staff currently providing support for the local collaboration programs will continue to do so after the consolidation. We understand that the MTC's management of programs outside its core statutory responsibilities involves simpler legal structures and a more direct governance model that ties these programs to their Commission. It may be advantageous to consider parallel changes to the local collaboration programs that provide direct linkages between some of these programs and the ABAG Executive Board. However, all discussion of such modifications should take into

¹ ABAG and MTC have (1) agreed to refrain from filling non-critical staff vacancies, (2) begun coordinating our respective renewals or extensions of contracts for products and services to save money and (3) achieved some cost savings through co-location at 375 Beale Street. In particular, PFM did not take into account item (1) and the likelihood that many vacancies will not need to be filled with new staff.

Option 7 Implementation Action Plan—MTC Due Diligence Reports

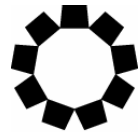
November 10, 2015

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account the history behind each local collaboration program, the nature of each program and should occur in consultation with the local collaboration programs.

We are in the middle of introducing the Executive Board to each of the local collaboration programs and its direct impacts on the region and the co-benefits it generates for ABAG and the other local collaboration programs. We have begun that process with the MTC senior management at the staff level. We are encouraging and providing support for a process that will expand those discussions to include the governance bodies of local collaboration programs with the Commission and Executive Board. We are cautiously optimistic that an accommodation on legal structure and governance acceptable to all affected parties can, and will be, achieved.

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MEETING SCHEDULE 2016

Approved by the Executive Board: November 19, 2015

For meeting date and time and location, see meeting notice, agenda and attachments available at <http://www.abag.ca.gov/>

General Assembly and Business Meeting

Date: Thursday, April 21
Time: 10:00 a.m. to 3:00 p.m.
Location: Oakland Museum, James Moore Theater, 1000 Oak Street, Oakland
Contact: Brad Paul, Deputy Executive Director, (510) 464 7955, bradp@abag.ca.gov

General Assembly Special Meeting

Date: Thursday, May 19
Time: 12:00 p.m. to 3:00 p.m.
Location: Joseph P. Bort MetroCenter, 101 8th Street, Auditorium, Oakland
Across from the Lake Merritt BART Station
Contact: Brad Paul, Deputy Executive Director, (510) 464 7955, bradp@abag.ca.gov

Executive Board

Dates: Thursday, January 21
Thursday, March 17
Thursday, May 19
Thursday, June 16 Special Meeting
Thursday, July 21
Thursday, September 15
Thursday, October 20 Special Meeting
Thursday, November 17
Time: 7:00 PM to 10:00 PM
Location: Bay Area Metro Center, 375 Beale Street, Board Room, San Francisco
Contacts: Brad Paul, Deputy Executive Director, (510) 464 7955, bradp@abag.ca.gov
Fred Castro, Clerk of the Board, (510) 464 7913, fredc@abag.ca.gov

ASSOCIATION OF BAY AREA GOVERNMENTS
MEETING SCHEDULE 2016

2

Legislation and Governmental Organization Committee

Dates: *See Executive Board Schedule*
Time: 3:30 PM to 5:00 PM
Location: *To Be Announced*
Contact: Halimah Anderson, Communications Officer, (415) 820 7986,
halimaha@abag.ca.gov

Finance and Personnel Committee

Dates: *See Executive Board Schedule*
Time: 5:00 PM to 6:00 PM
Location: *To Be Announced*
Contact: Finance Director, (415) 820 7923

Administrative Committee

Dates: Special meetings scheduled as needed.
Meets jointly with the MTC Planning Committee on the second Friday of the month, 9:30 AM, Bay Area Metro Center, 375 Beale Street, Board Room, San Francisco
Friday, January 8
~~Friday, February 12~~
~~Friday, March 11~~
~~Friday, April 8~~
~~Friday, May 13~~
Friday, June 10
Friday, July 8
Friday, September 9
Friday, October 14
Friday, November 4
Friday, December 9
Contact: Brad Paul, Deputy Executive Director, (510) 464 7955, bradp@abag.ca.gov

ASSOCIATION OF BAY AREA GOVERNMENTS
MEETING SCHEDULE 2016

3

Regional Planning Committee

Dates: Wednesday, February 3
Wednesday, April 6
Wednesday, June 1
Wednesday, August 3
Wednesday, October 5
Wednesday, December 7

Time: 12:30 PM to 2:30 PM

Location: Bay Area Metro Center, 375 Beale Street, San Francisco

Contact: Miriam Chion, Planning and Research Director, (510) 464 7919,
miriamc@abag.ca.gov

Wally Charles, Administrative Secretary, Planning, (510) 464 7993,
wallyc@abag.ca.gov

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ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



Executive Board

Representatives

Julie Pierce, Councilmember, City of Clayton—*President*

David Rabbitt, Supervisor, County of Sonoma—*Vice President*

Mark Luce, Supervisor, County of Napa—*Immediate Vice President*

Dave Pine, Supervisor, County of San Mateo

Candace Andersen, Supervisor, County of Contra Costa

Jack Batchelor, Mayor, City of Dixon

Cindy Chavez, Supervisor, County of Santa Clara

Damon Connolly, Supervisor, County of Marin

David Cortese, Supervisor, County of Santa Clara

Jim Davis, Councilmember, City of Sunnyvale

Pat Eklund, Mayor, City of Novato

Nicole Elliott, Director of Legislative and Governmental Affairs, City and County of San Francisco

Leon Garcia, Mayor, City of American Canyon

Lynette Gibson-McElhane, Councilmember, City of Oakland

Abel Guillen, Councilmember, City of Oakland

Pradeep Gupta, Vice Mayor, City of South San Francisco

Scott Haggerty, Supervisor, County of Alameda

Barbara Halliday, Mayor, City of Hayward

Bill Harrison, Mayor, City of Fremont

Dave Hudson, Councilmember, City of San Ramon

Charles “Chappie” Jones, Councilmember, City of San Jose

Jane Kim, Supervisor, City and County of San Francisco

Edwin Lee, Mayor, City and County of San Francisco

Jake Mackenzie, Vice Mayor, City of Rohnert Park

Eric Mar, Supervisor, City and County of San Francisco

Nathan Miley, Supervisor, County of Alameda
Karen Mitchoff, Supervisor, County of Contra Costa
Mary Ann Nihart, Councilmember, City of Pacifica
Raul Peralez, Councilmember, City of San Jose
Greg Scharff, Vice Mayor, City of Palo Alto
Linda Seifert, Supervisor, County of Solano
Warren Slocum, Supervisor, County of San Mateo
Annie Campbell Washington, Councilmember, City of Oakland

William Kissinger, Board Member, San Francisco Bay Regional Water Quality Control Board—
Advisory Member

Alternates

Brandt Andersson, Councilmember, City of Lafayette
Mary-Lynne Bernald, Councilmember, City of Saratoga
Jeff Buckley, Special Advisor, Office of the Mayor, City and County of San Francisco
Catherine Carlton, Councilmember, City of Menlo Park
Keith Carson, Supervisor, County of Alameda
Chris Clark, Councilmember, City of Mountain View
Julie Combs, Councilmember, City of Santa Rosa
Andrew Dayton, Deputy Director of Legislative and Governmental Affairs, City and County of San Francisco
Diane Dillon, Supervisor, County of Napa
John Dunbar, Mayor, Town of Yountville
John Gioia, Supervisor, County of Contra Costa
Susan Gorin, Supervisor, County of Sonoma
Erin Hannigan, Supervisor, County of Solano
Rose Herrera, Vice Mayor, City of San Jose
Dan Kalb, Councilmember, City of Oakland
Ash Kalra, Councilmember, City of San Jose

Wayne Lee, Councilmember, City of Millbrae

Tam Nguyen, Councilmember, City of San Jose

Mary Piepho, Supervisor, County of Contra Costa

Katie Rice, Supervisor, County of Marin

Pedro (Pete) Sanchez, Mayor, City of Suisun City

Joseph Simitian, Supervisor, County of Santa Clara

Jessica Sloan, Mayor, City of Mill Valley

Trish Spencer, Mayor, City of Alameda

Roy Swearingen, Mayor, City of Pinole

Richard Valle, Supervisor, County of Alameda

Mike Wasserman, Supervisor, County of Santa Clara

Terry Young, Chair, San Francisco Bay Regional Water Quality Control Board—*Advisory Member*

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