



Evelyn Affordable Housing Project

Requested Funding: \$5,000,000

Table of Contents

Exhibit A: Executive Summary	3
Exhibit B: Threshold Requirements.....	5
Public Participation.....	5
Environmental Review.....	5
Code of Conduct	6
Civil Rights Law Compliance.....	6
Exhibit C: Need.....	6
Addressing Barriers to Affordable Housing Production and Preservation.....	6
Acute Demand for Affordable Housing.....	9
Key Barriers	12
Exhibit D: Soundness of Approach.....	13
Project Vision.....	13
Geographic Location.....	17
Stakeholder Engagement	17
Affirmatively Furthering Fair Housing.....	19
Budget and Timeline.....	27
Exhibit E: Capacity.....	30
Exhibit F: Leverage.....	36
Exhibit G: Long-Term Effect.....	38

Exhibit A: Executive Summary

Mountain View, California, is located in the heart of the Silicon Valley, situated on the southern end of the San Francisco Peninsula. Nestled between the Santa Cruz Mountains to the west and the San Francisco Bay to the east, Mountain View's strategic location in the Bay Area and proximity to regionally significant transportation corridors, including U.S. Route 101 and State Route 85, has made it a thriving center for technology and innovation. Mountain View is the home to numerous major technology companies, including Google, Intuit, LinkedIn, and Microsoft. Spanning just over 12 square miles and with a total population of nearly 84,000 residents, the City is home to strong neighborhoods, engaged citizens, and a thriving business community. At the same time, the cost of housing in Mountain View is very high, making it unaffordable for low- and moderate-income families, households.

While residents overall experience low rates of poverty and have relatively high incomes, approximately one-third of all households in the City are considered low-income, with a greater concentration of lower-income households that are non-white.

As such, addressing affordable housing has been a top priority of the City Council and community members. The City has been a longstanding regional leader in reducing barriers to housing, as well as advancing affordable housing and innovative strategies.

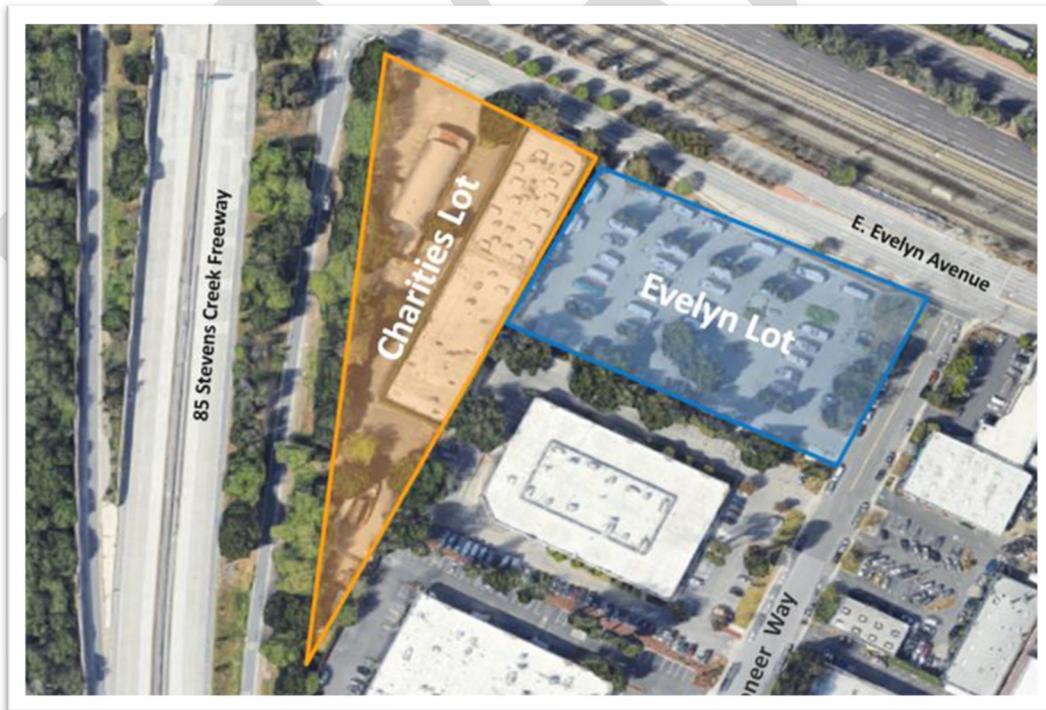
In 2022, Mountain View's City Council approved the 2022-27 Affordable Housing Strategic Plan, which is a five-year plan to significantly increase housing supply, address fair housing, reduce barriers to housing, and address tenant displacement. This plan establishes the goal of developing "an affordable housing strategy to significantly increase resources to achieve the City's affordable housing pipeline." The City currently has over 1,500 affordable units in 100% affordable housing projects. This pipeline of twelve new projects anticipates the development of at least 1,300 units deed restricted in perpetuity, which once completed, will nearly double the City's affordable housing supply. All units both current and future will be for households and families that range from 30% of the Area Median Income (AMI) to no greater than 60% AMI and include units for special needs and formerly unsheltered persons and households. These needs – accompanied by a comprehensive set of goals and actions to address the needs – are also reflected in the City's 2020-25 Consolidated Plan and its State-certified 2023-21 Housing Element.

While there is a comprehensive set of efforts that have already been and will be taken to reduce barriers and increase access to housing, the single greatest barrier at this time is insufficient funding to increase the affordable housing supply and catalyze new projects. To address this need, the City of Mountain View requests funding from HUD's PRO Housing program to

support the development of the Evelyn Affordable Housing Project, which is a key project in the City's affordable project pipeline referenced above.

Evelyn Affordable Housing Project: This project will convert a 2.1-acre former park and ride lot, previously owned by the Valley Transportation Authority (VTA) and purchased by the City, into new affordable housing. On September 26, 2023, the Mountain View City Council selected Affirmed Housing to serve as the developer for the Evelyn project. The project will create 268 new affordable units and will also include a 7,000 square foot childcare center and 3,150 square feet of flexible community resource space. 42 units will be set aside to support rapid rehousing for the homeless population, and another 15 units will serve as permanent supportive housing. The Evelyn lot currently functions as one of three locations for Mountain View's Safe Parking Program, an innovative program and currently the largest in Santa Clara County that allows unsheltered individuals living in RV's a place to live while providing supportive services and working with the participants to transition into permanent housing. The Evelyn safe parking program was intended as an interim use while the process for developing the site for affordable housing project was being undertaken. Affirmed Housing will work with the City and external partners to identify opportunities to transition the safe parking participants to affordable housing or other housing opportunities.

Figure 1. Map of Project Site



In addition to creating 268 new affordable units in one of California's most expensive rental markets, the Evelyn Affordable Housing Project will also support HUD's 2022-2026 Strategic

Plan goals to reduce homelessness, increase the supply of housing, support underserved communities through equitable development, ensure access to and increase the production of affordable housing, advance sustainable communities, and advance housing justice. The project also supports the regional Community Plan to End Homelessness which was endorsed by the City Council.

Exhibit B: Threshold Requirements

- Identify which type of eligible applicant you are representing.

The City of Mountain View is an incorporated city in the state of California. Under the eligibility criteria outlined in Section III.A in the PRO Housing program NOFO, city governments are eligible to apply for funding under this program.

Public Participation

- Explain how the applicant fulfilled the PRO Housing grant's public participation requirements. Provide additional information regarding how this public participation process accommodates individuals with limited English proficiencies and/or disabilities.

The City of Mountain View posted the full draft application for public review on October 6, 2023, with a public hearing scheduled for October 24, 2023. This review period allowed for at least 15 days for the public to comment on the draft application, either by submitting comments electronically or by attending the public hearing and commenting in-person. The meeting agenda and Council report for the public hearing were posted on the City's website and announced on Channel 26 cable television. A public notice of the October 24th City Council public hearing was placed in the Palo Alto Daily Journal and Mountain View Voice on October 6, 2023. A notice of the hearing with a link to the full draft application was prominently displayed on the home page of the City's website, and the notice was distributed via electronic mail to the City's Community Development Block Grant (CDBG) interested parties list. Posting the full draft application for public comment in different formats and across various platforms is crucial for maximizing accessibility, inclusivity, and engagement. To this end, the City of Mountain View also engaged their in-house Multicultural Education Program (MEP), a translation and interpretation service, to translate public noticing for the full draft application in Spanish, Chinese, and Russian. Through the MEP, the City also made translation services available at the City Council meeting where the public hearing was held.

Environmental Review

- Demonstrate that the proposed project will comply with all applicable environmental requirements set forth in HUD's regulations at 24 CFR parts 50 and 58, which implement the policies of the National Environmental Protection Act (NEPA) and other environmental requirements.

The proposed project will be submitted for review under the National Environmental Policy Act (NEPA) during the design phase and, in accordance with HUD's regulations, will be required to receive clearance before construction can be initiated. Based on the current project timeline, NEPA clearance is anticipated by Q2 2025.

Code of Conduct

- Demonstrate compliance from the applicant and any subrecipients with HUD's "Conducting Business in Accordance with Ethical Standards" requirements.

The City's Code of Conduct is consistent with HUD requirements and will be submitted as part of the application.

Civil Rights Law Compliance

- Are there any outstanding civil rights matters that the applicant is a party to? This can include charges from HUD concerning a systemic violation of the Fair Housing Act; status as a defendant in a Fair Housing Act lawsuit; status as a defendant in any other lawsuit filed or joined by the Department of Justice, or filed an amicus brief or statement of interest, alleging a pattern or practice of systemic violation of Title VI of the Civil Rights Act; receipt of a letter of findings identifying systemic non-compliance with Title VI of the Civil Rights Act; or receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of provision of a state or local law prohibit discrimination in housing. If there are none, please state as such in the proposal narrative.

The City of Mountain View complies with all State and Federal fair housing laws and regulations and continuously self-assesses to ensure compliance with State and Federal fair housing rules. The City has not received any judgements, lawsuits, or enforcements as a result of fair housing violations. The City was randomly selected as part of a voluntary compliance audit process and has actively worked with HUD to fully respond to the VCA, which is nearly complete. The VCA primarily identified areas to strengthen certain processes and procedures within the City and with subrecipients who receive entitlement funding from the City, and did not include any findings related to any systemic non-compliance with Title VI.

Exhibit C: Need

Addressing Barriers to Affordable Housing Production and Preservation

- Describe your efforts so far to identify, address, mitigate, or remove barriers to affordable housing production and preservation. Please address the timeframe for these efforts; how these efforts were adopted, established, or otherwise made permanent; and the measurable impact thus far. Be sure to describe recent policy changes or community

planning strategies that you have adopted to increase housing production for low- and moderate-income populations, as well as recent initiatives to preserve affordability, increase access to affordable accessible housing in high opportunity areas, and invest in underserved communities. HUD will rate applicants more highly if they demonstrate that they have successfully taken actions to remove local barriers to increasing affordable housing production and preservation.

The City of Mountain View has a strong history of promoting the production and preservation of a range of housing types, including actions that go beyond the minimum requirements of California's Housing Element Law, which is the primary tool that local jurisdictions in the State use to identify actions – including those related to land use, zoning, policy/program development and implementation, etc – to reduce barriers to housing. Mountain View's elected and appointed officials have a reputation for providing strong support for affordable housing development and the City regularly provides financial support for affordable housing projects. Mountain View has a strong base of community and advocacy support to advance both market-rate and affordable housing production, reducing housing barriers and increase access to housing resources, and protecting tenants.

The Regional Housing Needs Assessment (RHNA) in California is a statutory requirement aimed at ensuring local jurisdictions have adequate site capacity to meet their housing needs. This ensures that every municipality takes part in responding to its housing demands and anticipated growth. During the 2015 – 2023 RHNA cycle, Mountain View supported ambitious housing production and the creation and preservation of affordable housing. Highlights include:

- The City adopted rezonings to increase the City's total residential development capacity by over 20,000 units, which is –a 60 percent increase over the number of existing residential units (nearly 35,000 existing units) in Mountain View.
- The City has a long-standing inclusionary housing ordinance to ensure that new residential developments provide affordable housing in addition to market-rate units. During the Fifth Housing Element Update Cycle, Mountain View adopted updates to the ordinance to increase the number of inclusionary affordable units in a development, while adopting alternative compliance options that allows developers to meet the requirement in other ways that advance City housing goals and exceed minimum affordability requirements.
- The City also developed partnerships with Santa Clara County and affordable housing developers to create hundreds of affordable units, including units for veterans, people with disabilities, families, and other special-needs populations. In 2022, the City and County entered into a Memorandum of Understanding for \$80 million in County Measure A funding to support the City's affordable housing pipeline. The MOU provided a programmatic way to streamline the funding for seven project (rather than project by project) that include rapid rehousing and/or permanent supportive housing units. This approach also significantly

increased certainty and predictability for the developers, and the full funding amount has already been allocated to the seven project. The projected funding gap (at least \$50 million) for the City's total pipeline (twelve projects, including the seven mentioned here) accounts for the MOU funding.

- The Community Stabilization and Fair Rent Act (CSFRA), a voter-approved 2016 ballot measure, enacted rent stabilization to protect renters from significant rent increases by limiting rent increases, restricting evictions, providing tenant relocation assistance, establishing a Rental Housing Committee, and staffing the Housing and Eviction Center.
- The City Council adopted the Mobile Home Rent Stabilization Ordinance (MHRSO) to provide mobile home residents similar protections that exist for renters under the CSFRA.
- The City also adopted development impact fee exemptions for affordable housing and adopted modifications to the park land dedication fee to allow alternative compliance through Privately Owned, Publicly Accessible (POPA) open areas and create predictability and transparency by calculating the fee basis every year and setting the fee at the time of application submittal.
- To improve the development review process, the City began utilizing "EIR consistency checklists" in Precise Plan areas, a streamlined CEQA procedure that provides more legal protections than a categorical exemption at lower cost and in less time than an initial study.
- In addition, the City used SB35 ministerial streamlining for multiple affordable housing developments and prepared Density Bonus Guidelines to facilitate developer understanding of this complex state law, which has reduced uncertainty and staff review times of density bonus projects.
- Mountain View's Housing Element for the new RHNA Cycle, known as Cycle 6, outlines the City's plans to continue expanding its ambitious housing policy:
- Eliminating minimum parking standards for residential development in transit-oriented areas, affordable housing developments, and other cases.
- Reviewing and updating ordinance and precise plan residential standards.
- Allowing affordable multifamily housing to be developed on religious and community assembly sites.
- Updating the Zoning Ordinance to allow replacement of multifamily development in the R1 and R2 districts with non-conforming density to preserve units above the allowed density in the underlying zone.
- Promoting the construction of Accessory Dwelling Units.
- Continuing to implement density bonus ordinance requirements that provide bonuses for the provision of affordable housing.
- Monitoring the availability of sites to accommodate unmet housing development goals through RHNA in accordance with No Net Loss rules.
- Streamlining green building review and development of more sustainable (cost-effective and energy-efficient) housing.

- Preventing/mitigating displacement through rent stabilization, deed restriction, housing preservation work, and community ownership models.
- Reviewing and updating the City’s Affordable Housing NOFA process to improve coordination and communication with applicants.
- Maintaining the City’s existing housing stock.

Additionally, the City of Mountain View initiated the development of a Displacement Response Strategy¹ in 2019. The City submitted a draft Assessment of Fair Housing (AFH) to HUD in 2022, which, although it is still pending, is already positively impacting the City’s efforts to affirmatively further fair housing. In August 2022, the City Council held a Study Session to discuss the City’s 2022-27 Affordable Housing Strategic Plan. Staff’s report presented a pipeline of affordable housing projects, which has an estimated funding gap of \$66,300,000.

Figure 2. Projected Affordable Housing Pipeline Funding Gap

Budget Item	Amount	Remaining
Housing Fund Balance	\$101,117,000	\$101,117,000
Funds Needed for Approved Projects and Operations	-\$50,125,000	\$50,992,000
Projected Revenue from Fees Over Next Five Years	+\$54,908,000	\$105,900,000
Estimated Project Pipeline Funding Needed	-\$172,200,000	-\$66,300,000

The pipeline projects are anticipated to create at least 1,300 new units of affordable housing.

Beginning in FY 2023-24, the City Council approved the formation of a separate stand-alone Housing Department to create the organizational structure necessary to continue advancing a robust affordable housing and tenant protection set of programs. Formerly, the City’s housing function was a division within Community Development. With the formation of the new Housing Department, one additional FTE was approved to support the affordable housing pipeline. There are few if any cities in the State that is the size of Mountain View that has a stand-alone housing department, demonstrating the City’s commitment to advancing affordable housing, reducing barriers, and increasing access.

Acute Demand for Affordable Housing

- Do you have acute demand for affordable housing? What are your remaining affordable housing needs and how do you know?

¹ <https://www.mountainview.gov/our-city/departments/housing/displacement-response>

For RHNA Cycle 6, which is covered by Mountain View’s adopted 2023 – 2031 Housing Element, the Association of Bay Area Governments (ABAG) allocated a total of 11,135 new units of housing to Mountain View. Of these 11,135 units, 2,773 are intended to be affordable for very low-income residents (50% of AMI or below) and 1,597 are intended for low-income residents (80% of AMI or below). Those figures account for 39.2% of the City’s total RHNA allocation. These units are necessary to keep pace with local demand for affordable housing on a local and regional scale. This allocation represents a marked increase over the Cycle 5 RHNA, which set 2,926 total new units of housing (including above moderate-income units) as Mountain View’s production goal.

Average asking rents for newly built apartments in Q2 2023 were \$2,737/mo for a studio, \$3,810 for a 1-bedroom unit, and \$5,149/mo for a 2-bedroom unit. During the same period, the median sales price for a single-family home was approximately \$2.6 million and \$1.4 million for a condo. These figures are significantly higher than figures Statewide, ex the statewide median gross monthly rent is \$1,870. With inflationary pressures on rental values anticipated to continue in the post-pandemic recovery and the resilience of the Silicon Valley economy, the acute demand for affordable housing and the urgency to develop new units in areas like Mountain View will likely continue to increase.

The City’s affordable housing project pipeline is estimated to create at least 1,300 new deed restricted affordable units through the decade, which would nearly double the 1,500 units of existing affordable units in 100% affordable projects. While this figure represents significant progress, it still falls short of the City’s RHNA allocation. The pipeline projects are in various stages of development, and many are still working through the creation of financing strategies. Additional efforts, and additional investments, are required to address Mountain View’s affordable housing needs. If awarded, the HUD PRO housing funding would provide meaningful support to advance the Evelyn lot project, one of the key projects in the City’s pipeline.

- Does the proposal address a priority geography that has an affordable housing need as identified by one of three HUD metrics: Housing Affordability, Housing Problems, and Off pace Affordable Housing Development.

The City of Mountain View qualifies as a priority geography based on the PRO Housing program’s Housing Problems Factor (HPF).

Housing Problems Factor	HPF National Threshold	HPF State Threshold
0.453593	0.428937	0.588235

- Provide local knowledge that is not already captured by HUD’s measures. Topics that may indicate acute demand for affordable housing include displacement pressures,

housing stock condition, age of housing stock, homelessness, ratio of median home price to area median income, and more.

Since the early 2010's, Silicon Valley and Bay Area communities have experienced significant cost escalations in the rent market. This inflationary effect is driven by Silicon Valley's status as a global technology hub, an influx of high-income professionals, and a limited housing supply due to historically stringent zoning and geographic constraints. The high, and ever increasing, cost of construction and land in the Bay Area, coupled with traditionally slow and bureaucratic permitting processes, has hampered the broader development of new affordable housing units.

Housing Cost Burden: Data from CoStar estimates that, for Q4 22-23, rent in Mountain View ranged from \$2,172 for a studio apartment fully covered by the City's rent stabilization ordinance to as high as \$5,506 for a newly built 3-bedroom unit. In Mountain View, 14.5% of households spend more than half of their income on housing, while 17.4% have a cost burden of 30% to 50 percent. However, these rates vary greatly across income categories. For example, 66.9% of Mountain View households with income less than 30% of HUD Adjusted Median Family Income (HAMFI) are severely cost-burdened. For Mountain View residents above 100% of HAMFI, only 0.8% are severely cost-burdened, and 88.8% of those above 100% of HAMFI spend less than 30% of their income on housing.

Aging Housing Stock and Redevelopment: A significant amount of Mountain View's housing stock was built between 1950 – 1970, which creates additional needs to support the preservation of naturally affordable units. The Rebuilding Together Peninsula (RTP)² program provides home renovation and repair to income-qualified homeowners at no cost to the homeowner by volunteers. Mountain View residents are able to use this service to preserve the existing housing stock. In Mountain View, nearly 1,000 older naturally affordable units have been demolished since 2012 or are scheduled to be demolished as part of redevelopment projects— further contributing to inflationary pressures on the City's rental market as older units are replaced with new market rate housing at significantly higher rent levels, as well as causing tenant displacement.

Substandard Housing: According to the City's Consolidated Plan, the city uses similar HUD conditions to assess housing stock condition including overcrowding (more than one person to a room), lack of complete plumbing and / or kitchen facilities, and cost burden over 30 percent of net income. Using these conditions, the city's rental housing stock comprises about 36 percent or 6,820 units where one of these conditions is present and approximately 5 percent or 1,020 units where two of these conditions are present. Thus, over 40 percent of the renter-occupied housing units in the city have some level of substandard housing conditions according to HUD standards

² <https://www.smc-connect.org/locations/rebuilding-together-peninsula-rtp>

and may require some level of improvements or rehabilitation due to the housing condition issues.

Overcrowding: In Mountain View, about 7.2% of households are considered overcrowded. This suggests that overcrowding does not impact a disproportionate share of Mountain View households, though some households in Mountain View live in overcrowded units. Stakeholders that participated in the public engagement process for Mountain View’s Housing Element noted that there are families in Mountain View that live with multiple families in one unit, likely in overcrowded conditions, to afford housing.

Homelessness: Like many of California’s cities, Mountain View has grappled with homelessness in recent years. This further contributes to the need for additional affordable housing. Santa Clara County’s 2023 Point In Time (PIT) Count³ showed a total of 424 unsheltered homeless and 138 sheltered homeless in Mountain View. While these figures represent a 7% decline in Mountain View’s homeless population from pre-pandemic numbers to this year, there is still a meaningful homeless population in the City. Mountain View is one of a handful of municipalities in California that provide a “safe parking” program, which allows a temporary, safe location to park for individuals and families living in a vehicle, while providing access to services that will transition them into more stable housing. This innovative program was initiated in response to the large number of homeless living in vehicles parked on the streets of Mountain View. Currently, the program capacity is 114 parking spaces across all safe parking lots including the Evelyn Lot. In FY 2022-23, 112 households were enrolled and 48% of clients who exited the program transitioned to permanent housing destinations. Mountain View is a committed partner in supporting the Santa Clara County’s Plan to End Homelessness. The City’s affordable housing pipeline includes 200 units of rapid rehousing/permanent supportive housing units, including at the future Evelyn lot project.

Key Barriers

- What key barriers still exist and need to be addressed to produce and preserve more affordable and accessible housing? Please describe in detail the leading barriers to affordable housing production and preservation in your jurisdiction(s). A complete response will identify why the identified barriers are key barriers.

While the City has been successful in achieving numerous goals to further fair housing, the draft AFH recognizes three key areas of concern:

- The demolition and redevelopment of several rent-stabilized apartments into market rate housing in recent years has led to significant tenant displacement and reducing housing access and choice for lower income households.

³ <https://osh.sccgov.org/sites/g/files/exjcpb671/files/documents/2022%20PIT%20Report%20Santa%20Clara%20County.pdf>

- The need for affordable housing far exceeds the current supply and existing funding available to build the units.
- The need for affordable housing developments to incorporate access to supportive services to meet the needs of residents.

In particular, the need for additional funding is demonstrated by the significant financing gap for the City's affordable housing pipeline projects. While the City currently implements a housing impact fee program and a Below Market Rate (BMR) housing program to facilitate the development of affordable housing, these programs are not sufficient to fund the pipeline. The challenge of financing affordable housing projects in Mountain View is exacerbated by high land costs and the increasing cost of construction and materials. To address this challenge, the City is evaluating funding options, including but not limited to supporting new regional revenue measures, developing external funding partnerships, and analyzing options for local revenues, such as a local measure if regional measures do not pass, new fee programs, and modification of existing programs. The City is also pursuing opportunities to bring in new external funding sources by applying to important grant opportunities such as the HUD PRO housing program to close the pipeline's funding gap.

Exhibit D: Soundness of Approach

Project Vision

- Describe your proposed activities and why they are appropriate, given identified Need and applicant Capacity.

The City of Mountain View's adopted Affordable Housing Strategic Plan calls for the development of "an affordable housing funding strategy to significantly increase resources to achieve the City's affordable housing pipeline." Since 2014, the City has implemented an "over-the-counter" Notice of Funding Available (NOFA) program for 100% deed-restricted affordable housing developments. The NOFA funds are composed of different City housing fee programs but are primarily made up of the commercial linkage fee program and in-lieu fees generated from the BMR program as alternative to building BMR units on-site as part of a market-rate project. Since its inception, this NOFA process has provided over \$117,000,000 in local funding to catalyze affordable housing development. Over the next five years, the City plans to invest \$105,900,000 from the Housing Fund to support the affordable housing pipeline projects. The pipeline represents a concerted local effort to address housing affordability in one of America's most expensive rental markets.

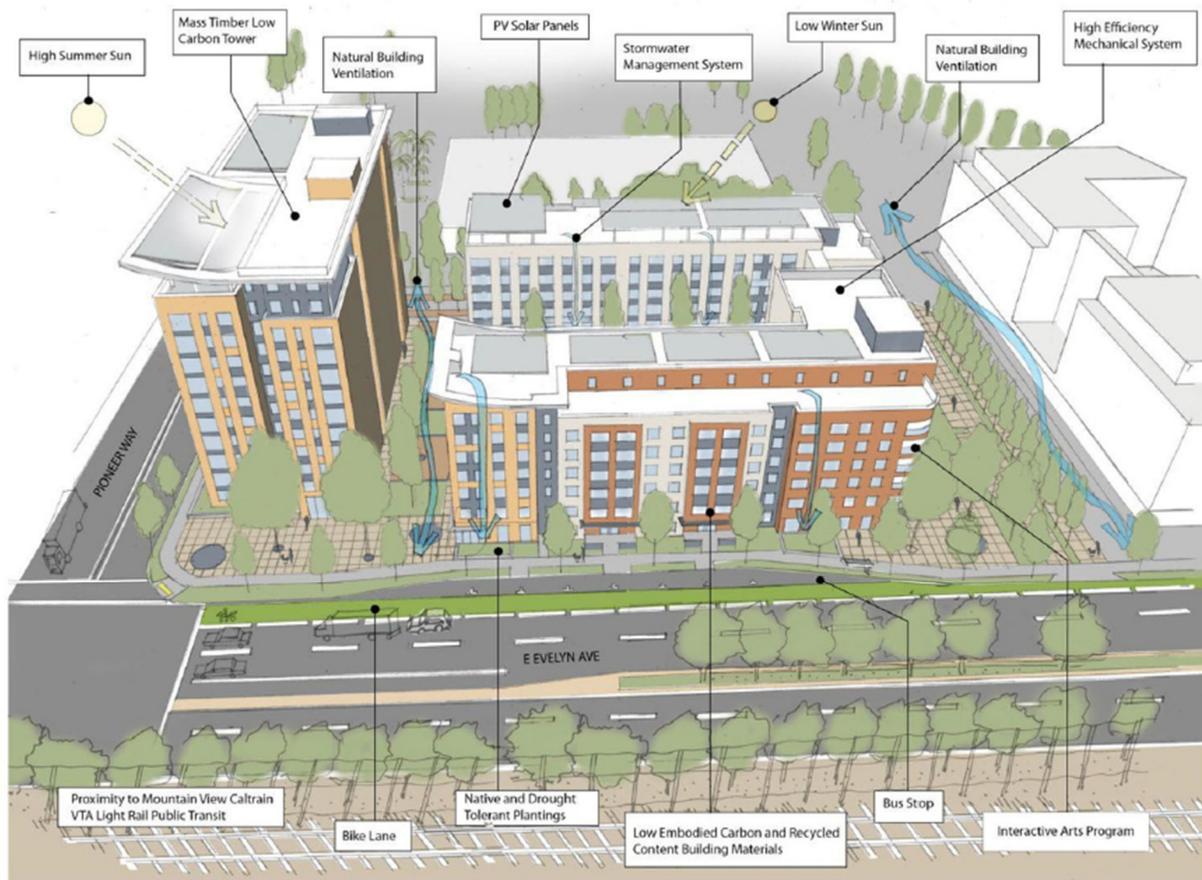
One of the housing pipeline's key projects with a projected funding gap is the Evelyn Affordable Housing Project. Development of the "Evelyn Lot" at 87 East Evelyn Avenue will convert an existing parking lot, formerly owned by Valley Transportation Authority (VTA), into 268 new

units of affordable housing. In 2021, the City executed a long-term ground lease with an option to purchase the lot from VTA with the intention of using it for affordable housing. The City Council proactively rezoned this site from industrial to high density residential to facilitate development. The City has since purchased the property and issued a Request for Proposals on January 27, 2023. At the September 26, 2023, City Council meeting the Mountain View City Council selected Affirmed Housing as the developer for the project after a competitive RFP process. Now that a developer has been selected, City staff will initiate the process to enter an Exclusive Right to Negotiate Agreement (ERNA) and work closely with the developer to advance the project through the negotiation, project entitlement, and building permit phases to begin construction as expeditiously as possible. The project site is approximately one-half mile miles away from Mountain View's downtown Transit Center, which provides walkable access to the regional bus service provided by VTA and Mountain View's local Community Shuttle program. The development will encourage the use of alternate modes of transportation through convenient on-site bicycle storage, access to nearby Caltrain station and other transit options, and improved sidewalks at the nearby bus stop. These transit-oriented development (TOD) and active transportation strategies will contribute to the project's vision of creating a new sustainable community.

Affirmed Housing's proposed plans will also include a 7,000 square foot Childcare Center and 3,150 square feet of flexible community resource space. Programing for the community resource space will be determined via a comprehensive community outreach effort. Community spaces in other Affirmed developments are typically programmed to serve mobile health clinics, training centers, and community gathering spaces. This space will support residents and the surrounding community by facilitating access to supportive services and promoting upwards economic mobility.

When evaluating prospective developers, the City specifically requested information from applicants on potential pathways to housing for Safe Parking Program participants. Given that the existing parking lot currently serves the homeless population as an interim safe parking site, facilitating affordable housing placements for program participants was an important goal for the City Council. Affirmed Housing will work with the City to identify housing options for the Safe Parking participants to transition to, including at the Evelyn lot project, subject to fair housing considerations. 42 units will be set aside to support rapid rehousing for the homeless population, and another 15 units will serve as permanent supportive housing. These provisions will ensure that the project meaningfully contributes to the City's efforts to address homelessness.

Figure 3. Affirmed Housing Proposal Site Plan



Addressing Mountain View's Key Barriers

- How will your proposal address key barriers to affordable housing production and preservation identified in the Need section?

As stated in the City's Affordable Housing Strategic Plan, the City intends to pursue external partnerships and funding sources as a key action to supplement its local contributions to fund the affordable housing pipeline. This includes private sector, foundations/philanthropic organizations, and other public agencies including, regional, state, and federal entities. This application directly aligns with the Strategic Plan Goal 1B. Funding requested from the PRO Housing Program will support the realization of Mountain View's affordable housing pipeline by directly contributing to the redevelopment of the Evelyn Lot. The proposed project directly addresses the identified need in the AFH for affordable housing projects to incorporate supportive services to meet the needs of the residents and community.

Alignment with Planning Initiatives

- Discuss how your proposal aligns with existing planning initiatives, services, and other community assets.

As demonstrated by the City's robust efforts to address housing affordability at the local level, the City of Mountain View has been a recognized leader in affordable housing for many years, and one of the few cities with a compliant Housing Element for the 2023-31 cycle. The City is recognized as an innovative leader in advancing affordable housing. This leadership is rooted in the City's Strategic Priorities and Work Plan. Since 2013, the City Council has engaged in a biannual process to establish high-level goals and priorities of great importance to the community and to develop a Council work plan in service of advancing these priorities. The Council work plan establishes Council's direction to staff on major projects and initiatives that should be prioritized for available staffing resources in the context of maintaining essential functions, meeting operational needs, and accomplishing nondiscretionary projects, which include statutory requirements and critical continuing projects.

In the most recently adopted Strategic Priorities and Work plan for FY23-25, the City Council continued its commitment by prioritizing "Community for All" and "Intentional Development and Housing Options" as listed below:

- *Community for All*: "Support Mountain View's socioeconomic and cultural diversity. Engage and protect vulnerable populations through policies that promote access to housing, transportation, and other programs and services."
- *Intentional Development and Housing Options*: "Support an increase in the quantity and diversity of housing options, including assistance for the unhoused. Provide opportunities for affordable housing as well as home ownership. Plan for neighborhoods with nearby transit, jobs, and amenities that balance density with livable, green, mixed-use development."

In addition, the City's efforts on affordable housing also support the City's work on Race, Equity, and Inclusion to reduce barriers and increase access to housing. The City is fully committed to racial equity and justice, striving to create a welcoming, safe, and inclusive community for all. The City is currently implementing a Race, Equity, and Inclusion Action Plan focused on policing practices, policies and accountability, celebration and recognition of community diversity, and review of City operations and policies, with opportunities for community engagement throughout.

The City of Mountain View's 2020-2025 Consolidated Plan identifies rising market rents and the resulting housing cost burden as ongoing problems for the City. The plan identifies housing cost burden, severe housing cost burden, and overcrowding as the three most common housing problems in the City of Mountain View. The project proposal is consistent with the City's Consolidated Plan and certified 2023-31 Housing Element to guide how the City will use its federal funds and leverage other funding to meet the housing and community development needs of its population.

Geographic Location

- Explain your proposal's anticipated effects on targeted locations, neighborhoods, cities, or other geographies. Describe how your proposal preserves and creates housing units in high-opportunity areas and expands opportunity in underserved communities.

Development of the Evelyn Lot will increase affordable housing stock in a well-resourced area. The state's CalEnviroScreen 4.0 tool ranks Census Tract 6085509109 in the 8th percentile of being less socially and economically integrated, making the Evelyn site a prime opportunity to develop affordable housing to advance more integrated community.

Stakeholder Engagement

- Describe your key stakeholders and how you conducted outreach in developing this proposal. Please also describe your strategy for continued outreach during the grant's period of performance.

Robust stakeholder engagement is included in each affordable housing project in Mountain View to facilitate participation and to receive input that can enhance projects. The City publicized the proposal through various avenues, including a public hearing, city website, newsletters and agenda postings. The public review and comment period was held from October 6 - 23, 2023; an electronic copy of the draft PRO Housing grant application is available on the City's website at: www.mountainview.gov/our-city/departments/housing under "Announcements"; and the City Council public hearing was held for public input and approval on October 24, 2023 with translation services. The input received from the application development efforts will be used to create a more informed project proposal for the City to deliver to HUD for this PRO Housing Grant Opportunity.

The City will continue to outreach during and beyond the grant's period of performance to people with disabilities, persons with limited English proficiency, and the multicultural community. Staff regularly informs community members about City efforts to increase fair housing, including rent-stabilization and relocation policies, access to housing services, and affordable housing opportunities. City staff hold regular workshops to inform residents about these policies, to discuss future affordable housing opportunities, and to inform residents about opportunities to apply for affordable housing. This is part of the City's and Housing Department's goal to affirmatively further fair housing and to reduce barriers/increase access to housing. For context, in FY22-23 alone, staff held over 18 community meetings and informational calls with over 2,000 registered participants, such as for the City's development of the displacement response strategy, which included multiple stakeholders, translation and interpretation services, both in-person and virtual meetings, and providing dinner and child care for the tenant stakeholder meeting to facilitate their participation.

- Describe the specific actions you have taken to solicit input from and collaborate with stakeholders in developing this application, including how input from stakeholders and community members has shaped your proposal. In particular, describe input from the housing industry in your area, including affordable housing developers, builders/general contractors, and unions as well as persons in need of affordable housing. Describe how you incorporated input from stakeholders into your proposal. Describe your strategies to encourage public participation, build support, and engage community members, including those most likely to benefit from your proposed activity.

The project proposal by Affirmed Housing responds to the Evelyn lot development priorities that were determined by Council during its May 2022 Study Session. The Study Session was publicly noticed and community members, developers, and any interested parties had the opportunity to provide public comment for Council consideration. Input from the May 2022 Study Session was used to develop the Evelyn lot RFQ/RFP to market the site. The RFQ was initiated and completed in 2022. The RFP was initiated and completed in 2023, culminated by the selection of Affirmed Housing in the September 26, 2023, Council meeting, during which community members and interested parties provided public comments.

As the selected developer, Affirmed Housing will implement a local-based and customized effort to further refine its proposal through the subsequent project approval process. 87 Evelyn will be an integrated housing and services model that incorporates resident and supportive services and is designed to increase the availability of affordable housing stock for individuals and families. The primary focus of the outreach process will be to allow community members several opportunities to provide feedback with well-publicized meetings in collaboration with the City, County and local community groups. The community engagement strategy is based on the following principles:

- *Local Needs-Based* – A project designed around solutions that are developed in collaboration with local stakeholders, leaders, and neighbors.
- *Cultural Competency* – The recognition that there is a diverse community living and working around this site and communication in all representative languages, including translation at community meetings and print material for distribution. All outreach will be equitable and inclusive, and will ensure community needs and assets will be integrated into the process.
- *Collaborative Partnerships* – Fostering creative and strategic partnerships throughout the community.
- *Community Input* – The development team is committed to holding at least three formal community meetings before the project is entitled. All residential dwellings and businesses within ½ mile of the development, including multi-business/housing buildings and absentee property owners, will receive an invitation to these meetings from the

Affirmed team. Particular effort will be made to outreach to the Sylvan Park, Old Mountain View (omvna.org) and Whisman Station neighbors and their representative neighborhood groups.

Additionally, the development team is committed to providing a Community Resource space - an approximately 3,000 sf that would be provided to benefit the surrounding communities, located on Pioneer Way in Phase 2. The development team determined that a community serving program, like a health clinic, is best developed through a focused neighborhood outreach effort including the City partners and other stakeholders. The development team will work with the City to understand the higher level goals for the newly rezoned site and its relationship to the neighboring communities. This will be complemented by reaching out to the broader community to discuss their hopes and visions for the project.

Affirmatively Furthering Fair Housing

- Describe your plans to remove barriers to the development of affordable housing in well-resourced areas of opportunity. How will your proposal increase access for underserved groups to these areas? What is the racial composition of the persons or households who are expected to benefit from your proposed grant activities?

The project site is in Census Tract 6085509109. Based on data presented through the EPA's EJScreen tool, only 3% of residents in the census tract are considered low income. Developing the Evelyn lot project will increase the diversity of residents and housing supply to this Census tract.

- Describe your plans to remove barriers impeding the development of affordable housing that would promote desegregation. What policies or practices perpetuate segregation and how will your proposal address them?

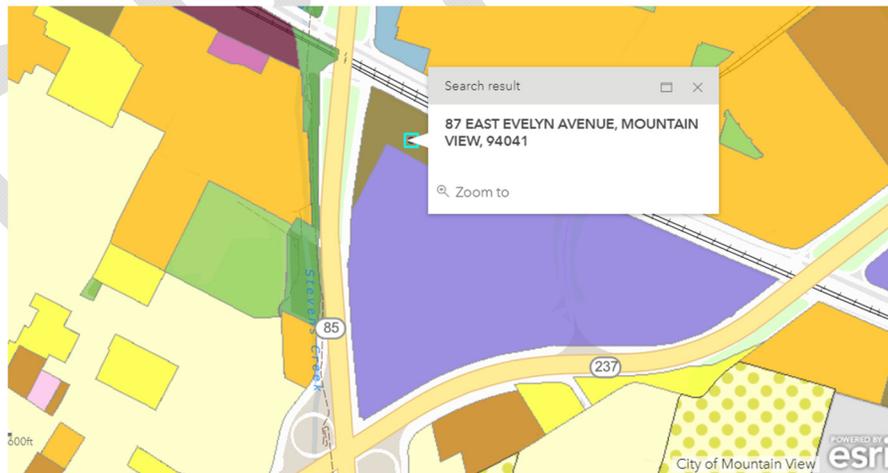
Promoting desegregation involves a comprehensive and focused strategy for the City of Mountain View. As detailed in the AFH plan and Housing Element, the City will continue its efforts to remove barriers, increase access to housing, and promote inclusive communities through zoning action, rezoning sites (for example the City proactively initiated a rezoning of the Evelyn lot, changing it from industrial to high-density residential to streamline the process and remove barriers), implementing the BMR program whose objective standard is the provision of on-site units integrated with market-rate units., and prioritizing development projects that integrate housing near transit hubs, amenities, and services. The City also has several tenant protection programs, including the CSFRA, MHRISO, Tenant Relocation Assistance Ordinance (TRAO), Housing and Eviction Help Center, and Mountain View Mediation Program. During the pandemic, the City provided \$4.3 million in emergency rental assistance to stabilize households at risk of eviction due to the inability to pay rent as a result of job loss or reduction of

work hours. These programs are currently in place as tools for the City to counteract historical as well as systemic factors that may perpetuate segregation. The City is also developing a homeless response strategy as well as tenant displacement response strategy to implement a comprehensive set of actions to address these populations, which will further advance Mountain View’s efforts to be an equitable and inclusive community. The Evelyn project is an illustrative example of advancing inclusive communities by rezoning commercial land for residential development, providing permanent housing to target populations including families and those at-risk of being or were formerly unhoused, and achieving a mix of income levels ranging between <30% AMI to 60% AMI.

- How will you ensure that your proposal will not cause affordable housing to be further concentrated in low-opportunity areas or in areas that already have ample affordable housing? How will your proposal increase housing choice by expanding the neighborhoods in which residents who need affordable housing can live?

The construction of the Evelyn Lot will contribute to the expansion of affordable housing options in an area currently characterized by a limited supply of housing units. Below is a snapshot of the project location and surrounding area. The area shaded in purple is designated for Office/Industrial space, while the area shaded in green is designated for Public/Institutional space (parks and City facilities).

Figure 4. Evelyn Project Site



- How does your approach address the unique housing needs of members of protected class groups, including persons with disabilities, families with children, and underserved communities of color?

To address the unique housing needs of members of protected class groups, our approach focuses on several key aspects outlined in the development priorities set forth by City Council:

- **Affordability for Extremely Low-Income Households:** The proposal aims to establish economically viable housing opportunities with 30% of the total units dedicated to extremely low-income households (i.e., incomes up to 30% of the Santa Clara County Area Median Income (AMI)). Additionally, the project will include a significant number of units for rapid rehousing (RRH) and/or permanent supportive housing (PSH) units that will cater to the unique needs of vulnerable populations, including persons with disabilities, families with children, and underserved communities of color.
- **Community Amenities and Social Services:** As noted, the project will include community-based amenities, childcare, and robust case management and supportive services to meet the diverse needs of the future residents.
- **Pathways for Safe Parking:** As noted, the developer will work closely with the City to identify pathways to affordable housing for the participants of the interim Safe Parking program currently on the Evelyn lot.
- **Does your plan address issues identified in your jurisdiction's most recent fair housing plan or plans?**

The City's AFH includes efforts to reduce barriers and increase access to housing, which the Evelyn Project will strongly advance. The City's Evelyn Project will increase the production of affordable housing for a several income levels—up to 80% AMI, between 30% and 50% AMI, and at or below 30% AMI, which may be used for supportive housing and services as well as permanent supportive housing units. The Project also supports social services by collocating social services with housing—childcare facilities, healthcare services (health clinic). Due to the population mix of income levels, the Evelyn Project will promote fair housing practices as well as enhance equity and inclusion. Finding pathway options for the interim Safe Parking participants, ensuring that the developer implements a robust affirmative marketing, and a comprehensive community process to further refine the project and identify uses for the community amenity space are key examples of how the project will advance fair housing efforts.

- **Have you considered the risk of displacement associated with your proposal? How will you ensure that your planned activities do not lead to the displacement of vulnerable residents in communities of color? Describe any anti-displacement measures included in your proposal (e.g., replacement of affordable units for new construction, or right of first refusal for tenants).**

The Evelyn Project will not cause any displacement as it is the redevelopment of a former park and ride lot. No residents or commercial use is on the site. As noted, there is an interim Safe Parking program on the site. Initially, the focus of the site was for permanent affordable housing and did not envision Safe Parking as a use. However, the City identified the site as a strategic

opportunity to use it for Safe Parking specifically as an interim use while the process of advancing a permanent housing project was being undertaken.

The Evelyn Site currently functions as a safe parking area and has available space to house 30 oversized vehicles, plus 21 passenger flex spaces, which are spaces for living or for commuter parking purposes. In addition, the City has an additional four other areas designated and approved as safe parking areas; they include Terra Bella (Alta Housing), Shoreline Lot B (on Crittenden Lane), St. Timothy's Lot (faith), and Lord's Grace (faith). The Shoreline Lot B on Crittenden Lane has two spaces available for two American with Disabilities Act (ADA) commuter vehicles and one loading zone, in addition to the 46 oversized vehicle spaces available for others in need. In all, the City has the capacity to provide 114 safe parking spaces, which is the largest safe parking program in the County of Santa Clara.

Per program standards, the safe parking designation for the Evelyn site began in 2020 and expects to end when construction of this site into affordable housing begins. The City anticipates the development and construction to begin in the first quarter of 2026. As previously noted, Affirmed will work closely with the City to identify transition options for the Safe Parking participants, including at the Evelyn Project, subject to compliance with federal and State fair housing laws.

- How will your proposal address the housing needs of people with disabilities and increase their access to accessible and affordable housing? How will it support independent living with access to supportive services and transportation in the community? Please also describe your plan to ensure compliance with the Americans with Disabilities Act (ADA) and accessibility requirements under the Fair Housing Act.

According to 2020-2025 Consolidated Plan, there are at least 5,070 of Mountain View residents living with a disability (hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, or independent living difficulty). Individuals aged 65 or older make up the most significant portion of Mountain View's disabled population. Of the City households with an elderly person, 28.2 percent are extremely low-income, 15.9 percent are very low-income households, and 14.7 percent are low-income. The City and County both supply special needs supportive services and facilities to the elderly to ensure they receive appropriate supportive housing. By forging a collaborative partnership with the County, our proposal not only leverages existing resources but also contributes to a more cohesive and integrated system of care. Key features of the Evelyn Project include: using universally acceptable design standards in compliance with ADA regulations such as incorporating ramps and other Transportation Demand Management (TDM) modifications to ensure ease of mobility; reserving substantial portions of the housing development with income-based affordability criteria; and incorporating

robust support services and case management into the housing development to cater to a diverse range of needs, including those with special needs and the formerly unhoused..

- Describe the implementation and/or enforcement plan for your proposal. Describe how you will approach resistance (e.g. litigation, environmental review, design standards) to the elimination of your targeted barrier(s).

The implementation and enforcement plan for the proposed project involves a detailed process focused on obtaining Council approval for key terms, which will be recorded in a Regulatory Loan and Lease Agreement. This agreement will serve as a legal framework to ensure compliance with project requirements, and a monitoring process will be established to track and ensure ongoing compliance with the approved key terms. Additionally, the proposal intends to use Senate Bill 35 (SB 35)- a California state legislation aimed at streamlining the approval process. To qualify for streamlined approval under SB 35, the developer must meet certain criteria, including compliance with local zoning and general plan standards, provision of a minimum percentage of affordable housing units, and adherence to labor standards. Despite the streamlining requirements mandated by SB 35, proactive measures will be in place to ensure that the community retains a meaningful opportunity for input and engagement throughout the project's development and implementation phases as described in the Stakeholder Engagement section of this application. The City has already implemented a robust public process as part of the RFQ/RFP process and the selection of Affirmed Housing.

- Describe any equity-related educational resources, tools, or public input that have informed your proposal.

Staff have provided several community engagement opportunities to understand the specific needs and concerns of impacted residents. Public input was gathered through City Council meetings to determine priorities for the Evelyn site, and the developer will use a local-based and customized effort designed to foster more community feedback at different phases of the project. All community meetings had translation/interpretation services available if requested. Additionally, the City uses a systematic process for evaluating the potential impacts of policies, programs, or projects on different demographic groups. This helps identify and address disparities and target populations before project implementation.

- Do you plan to engage and support minority-, women-, and veteran-owned businesses during your proposed housing production process? Do you have a diversity and equity plan in place or plan to create one?

The developer, general contractor, and subcontractors will include provisions of the Federal Guidelines of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200) requiring all parties associated with this Project

and associated federal financial assistance are subject to and require compliance with 2 CFR 200, especially 2 CFR 200.318-200.327 as well as any other applicable federal requirements such as labor compliance and prevailing wage requirements.

The City of Mountain View has a Race, Equity, and Inclusion (REI) Action Plan in which the city has identified various actions to promote equity and inclusion throughout the community and public services. The REI Plan discusses appropriate actions to include and ensure minority races and ethnicities are included in city functions and city services as much as entirely possible including community policing and events. The City identified its Multicultural Engagement Program (MEP) as essential in engaging and involving all ethnicities and races in city functions and operations including having minorities weigh-in on city budget discussions and development. The Housing Department is focused on developing and implementing specific actions to implement the REI program, including deep community outreach, reducing barriers, and increasing access to housing.

As it relates to procurement and contracting, the City has an established vendor list as well as works through key contacts to distribute business opportunities throughout the area to facilitate all possible business opportunities and encourage cultural sensitivities to be recognized and included in opportunities.

- Describe how you will evaluate the effect of your proposal on promoting desegregation, expanding equitable access to well-resourced areas of opportunity, and furthering the de-concentration of affordable housing.

Currently, the Evelyn Project Site (census tract: 5091.09) is situated in a mostly commercial-industrial area with the nearest housing accessible by crossing major highways and thoroughfares where speed limits are between 50-70 miles per hour (mph). The closest housing to the Evelyn Project is to the west across Interstate 85 (I-85), a six-lane Highway running west to east with a posted speed limit of 65, and to the north-northeast across the Central Expressway, a four-lane thoroughfare with turning lanes at a posted speed limit of 50 mph. With this said and according to HUD's tool for measuring segregation (https://belonging.gis-cdn.net/us_segregation_map/?year=2020&bounds=37.42%2C-121.98%2C37.36%2C-122.15&geoid=06085509500&geo=tract&seg_measure=cat_seg_int), the areas immediately around the Evelyn Project including census tracts 5091.09, 5097, 5096.00, 5092.01, and 5091.05 have a low-medium segregation measurement. Further, areas surrounding these immediate areas have either low-medium segregation rating or are racially integrated (census tracts: 5091.08, 5091.07, 5091.06, and 5095).

Not only is the Evelyn Project site approximately 0.5 mile from the Mountain View Downtown Transit Center and 0.2 mile from an entrance to the Stevens Creek Trail enabling quick transit

options for residents who may reside in the completed project units, but this site would be ideally located for those requiring immediate or quick access to the I-85 or Central Expressway to travel to major employers in the area including the Googleplex, which is approximately nine to 12 minutes away directly off of Highways (I-85 and US 101) and Apple Headquarters is approximately 11 to 16 minutes away by vehicle and around an hour with the use of other transit options including active transportation and public transit options.

The Evelyn Project is well-resourced for individuals to find employment and to engage in community activities including shopping. There are several mechanic, construction, pharmaceuticals, and other manufacturing locations in the immediate vicinity, and Downtown Mountain View's shops and restaurants are only 0.5 miles away, providing options for work and shopping for those who live in the Evelyn Project.

In addition to offering varying levels of affordable housing to the Mountain View communities, the RFP called for the developer to achieve an affordable housing development with a density of between 80-110 dwelling units per acre that provides 30% or more of the total units with affordability restrictions for extremely low-income households (i.e., incomes up to 30% of the Santa Clara County Area Median Income (AMI)). The plans would include multi-bedroom units to support larger families as well as supportive units for families or individuals who are unhoused or at risk of becoming unhoused, with community space, placemaking, and community-building elements as discussed above. The Evelyn Project will advance the City's goals of increasing housing opportunities; being a diverse, equitable, and inclusive city; and realizing high-quality infill/transit-oriented development that enhances the built environment.

- How will you track your progress and evaluate the effectiveness of your efforts to advance racial equity in your grant activities?

To assess the project's effectiveness in advancing racial equity, City staff will track the diversity of the population housed by the 268 grant-supported units compared to the makeup of the City as a whole and the demographic composition of the census tract that each project is located in. This comparison will be an ongoing practice as recent assessments included in the draft AFH indicate the City of Mountain View is a relatively low-to-medium segregated community.

- If the applicant proposes to use PRO Housing funds to fund housing units, the applicant must discuss how those benefits will be affirmatively marketed broadly throughout the local area and nearby areas to any demographic groups that would be unlikely or least likely to apply absent such efforts.

The City of Mountain View emphasizes the importance of affirmatively marketing the benefits of the proposed project widely across the local area and nearby regions. Affirmed will be

required to have and implement an affirmative marketing plan that meets HUD and fair housing requirements.

As part of the Housing Department's AFFH efforts, reducing barriers and increasing access to housing is a key component. Besides affirmative and deep community outreach, staff are also working with a regional entity to implement a regional housing portal called Doorways, a dedicated housing portal for housing seekers to find and apply for affordable housing throughout the Bay Area, as well as including informational calls, frequent emails to subscribers to City interest lists, newsletter announcements, social media posts, and electronic mailing lists.

- If the applicant is a CDBG, HOME, ESG, and/or HOPWA grantee, it may note the date of its most recent certification and a summary of the actions reported in its most recent CAPER.

For Program Year 2022 (July 1, 2022 – June 30, 2023), the City of Mountain View received \$624,777 in CDBG entitlement funds. In addition to the CDBG entitlement funds, for the CDBG program, the City received \$251,744 in Program Income and had \$248,112 in Prior Year CDBG funds for a total of \$1,124,633 in CDBG funds. The City also received \$297,598 in HOME entitlement funds. For the HOME program, the City received \$665,834 in Program Income and \$428,677 in Prior Year Resources for a total of \$1,392,109 in HOME funds. Due to greater Program Income than expected for both CDBG and HOME, these totals exceeded the estimate given in the Annual Action Plan.

The City's major accomplishments for Program Year 2022 are as follows:

- 3,790 low-income individuals and families were provided case management services which includes advocacy, enrollment in benefits and housing through the Community Services Agency Homeless Prevention program. This program supports both, housed and un-housed community members.
- 38 seniors were provided case management to help obtain housing, healthcare, food, and transportation with the goal of helping them live independently through the Community Services Agency Senior Case management program.
- 44 persons with disabilities received services to aid them in transitioning from homelessness, unstable, or temporary housing to permanent, affordable, and accessible housing through Silicon Valley Independent Learning Center (SVILC)
- 38 visually impaired persons were provided case management and support services to live independently.
- 47 seniors received legal assistance from Legal Services for Seniors
- 68 LMI unhoused youth and their families were served through Bill Wilson Center's Family Advocacy Services program. This unique multi-generational program is school-based and

aims to decrease and prevent homelessness and poverty through prevention and intervention resources.

- If the applicant will carry out proposed activities in a jurisdiction with an AFH, describe how the proposed activities are consistent with the AFH's fair housing goals and with fair housing strategies specified in the jurisdiction's Consolidated Plan or Public Housing Agency Plan.

The City's draft AFH identifies three areas of significant need, including additional investment to increase the supply of affordable units. "To address the demand for more affordable units across the range of needs will require significantly more resources, partnerships, and a coordinated approach. The City will be evaluating methods to increase local resources for affordable housing, as well as coordinating with regional partners to leverage additional external funds." The requested funding through HUD's PRO Housing Program will directly support and assist the city of Mountain View with their ongoing, vital need for additional investment to increase the supply of affordable units in this Evelyn affordable housing project by providing gap funding to move this project forward resulting in the production of 268 new affordable housing units.

Budget and Timeline

- Provide a budget for the proposed activities that documents all projected sources of funds and estimates all applicable costs. Describe how you determined the budget and how you will ensure that the project will be cost-effective, in line with industry standards, and appropriate for the scope of the project.

As currently structured, the project would utilize 4% Federal and State Credits, Santa Clara County funds, Developer equity, and City Funds, along with conventional construction and permanent debt financing, to fund the acquisition, predevelopment, development, and operations of the 87 E Evelyn Ave site. Below is a summary of all projected sources of funds and applicable costs based on Affirmed's proposal. Note that the proposal below and their desired City contribution has not been discussed yet between the City and Affirmed due to the competitive nature of the RFQ/RFP (discussed in more detail below) and will be determined through the subsequent negotiation process. However, any direct City contribution will be in addition to the City contributing the full value of the land to the project, which is estimated to be just over \$13 million based on the cost to the City to acquire the site from VTA.

Construction Sources & Uses	Assumptions/Notes	TOTAL PROJECT			
		Residential (Including Dedicated Parking)	Non-Residential (Including Dedicated Parking)	Public Parking	Total
Sources					
Construction Debt		\$ 112,083,027	\$ 550,000	\$ -	\$ 112,633,027
Tax Credit Equity		\$ 64,389,808	\$ -	\$ -	\$ 64,389,808
City Assistance		\$ 7,000,000	\$ -	\$ -	\$ 7,000,000
County Assistance Assumption		\$ 8,500,000	\$ -	\$ -	\$ 8,500,000
Taxable Construction Loan		\$ 23,545,062	\$ -	\$ -	\$ 23,545,062
Costs Deferred to Conversion		\$ 8,762,668	\$ -	\$ -	\$ 8,762,668
"		\$ -	\$ -	\$ -	\$ -
"		\$ -	\$ -	\$ -	\$ -
"		\$ -	\$ -	\$ -	\$ -
Deferred Developer Fee		\$ -	\$ -	\$ -	\$ -
Total Sources		\$ 224,280,566	\$ 550,000	\$ -	\$ 224,830,566
Uses					
Land Acquisition		\$ 150	\$ -	\$ -	\$ 150
Offsite Public Improvements	Included in the Hard Cost per the GC Estimate	\$ -	\$ -	\$ -	\$ -
Onsite Public Improvements	Included in the Hard Cost per the GC Estimate	\$ -	\$ -	\$ -	\$ -
Landscaping and Other Onsites	Included in the Hard Cost per the GC Estimate	\$ -	\$ -	\$ -	\$ -
Hard Construction Costs**		\$ 166,202,193	\$ 550,000	\$ -	\$ 166,752,193
Hard Cost Contingency		\$ 10,003,622	\$ -	\$ -	\$ 10,003,622
Indirect or Soft Costs		\$ 35,744,000	\$ -	\$ -	\$ 35,744,000
Soft Cost Contingency		\$ 1,903,600	\$ -	\$ -	\$ 1,903,600
Developer Fee		\$ 10,427,000	\$ -	\$ -	\$ 10,427,000
Total Uses		\$ 224,280,566	\$ 550,000	\$ -	\$ 224,830,566

The budget was submitted by Affirmed and evaluated by the City through the competitive Request For Qualifications (RFQ) and Request For Proposals (RFP) process but the City has not held any discussions to discuss the budget in detail with the developer. However, the budget and project pro forma was reviewed in detail during the RFP process and was determined to include reasonable assumptions. Additionally, Affirmed submitted a detailed construction cost estimate by its general contractor Cahill to support its pro forma. Staff's evaluation of each submittal included a review panel and interview process, and focused on the overall quality, responsiveness, completeness, and clarity of the teams' submittals to the RFP requirements specific to the Evelyn lot priorities, with particular focus on the following evaluation criteria (described in detail in Attachment 2 – Evelyn Lot RFP):

- Development Team Description and Qualifications (10 points max.)
- Relevant Development Experience (30 points max.)
- Proposed Development Concept (40 points max.)
- Financial Capability (20 points max.)

The results of the evaluation led to Affirmed Housing as the preferred developer, which had the overall lowest development cost per unit supported by a detailed construction cost estimate from Cahill Contractors.

Affirmed Housing is requesting a City subsidy of \$8 million for the entire project, with \$5 million requested in Phase 1, as summarized below. Again, this is Affirmed's proposal and it has not been discussed with City staff. The City will determine how to fund its overall pipeline of twelve projects given the City's estimated funding gap of at least \$50 million and the City's goal to establish external funding partnerships and apply for grant funding to support its robust

pipeline. However, the City is contributing the full value of the land estimated at over \$13 million.

Construction Sources & Uses	Assumptions/Notes	PHASE 1			Total
		Residential (Including Dedicated Parking)	Non-Residential (Including Dedicated Parking)	Public Parking	
Sources					
Construction Debt		\$ 65,954,242	\$ 550,000	\$ -	\$ 66,504,242
Tax Credit Equity		\$ 38,746,198	\$ -		\$ 38,746,198
City Assistance		\$ 5,000,000			\$ 5,000,000
County Assistance Assumption		\$ 4,000,000			\$ 4,000,000
Taxable Construction Loan		\$ 15,465,404			\$ 15,465,404
Costs Deferred to Conversion		\$ 2,694,592			\$ 2,694,592
"					\$ -
"					\$ -
"					\$ -
Deferred Developer Fee					\$ -
Total Sources		\$ 131,860,436	\$ 550,000	\$ -	\$ 132,410,436
Uses					
Land Acquisition		\$ 75			\$ 75
Offsite Public Improvements	Included in the Hard Cost per the GC Estimate				\$ -
Onsite Public Improvements	Included in the Hard Cost per the GC Estimate				\$ -
Landscaping and Other Onsites	Included in the Hard Cost per the GC Estimate				\$ -
Hard Construction Costs**		\$ 98,673,411	\$ 550,000		\$ 99,223,411
Hard Cost Contingency		\$ 5,952,650			\$ 5,952,650
Indirect or Soft Costs		\$ 20,107,000			\$ 20,107,000
Soft Cost Contingency		\$ 1,025,300			\$ 1,025,300
Developer Fee		\$ 6,102,000			\$ 6,102,000
Total Uses		\$ 131,860,436	\$ 550,000	\$ -	\$ 132,410,436

If plans for a proposed childcare facility proceed, the developer has secured a \$2,000,000 permanent financing Letter of Intent from the Low-Income Investment Fund (LIIF) for construction support. The proposed \$5 million from PRO Housing funding is vital for advancing the project by allowing the first phase of the two-phased project to move forward.

Throughout the project, the City will be supported by its economic consultant Seifel Consulting to review the project’s financial information and pro forma. The City has worked with Seifel for many years, who has provided expert, detailed advice to the City on several completed affordable housing projects as well as on its project pipeline.

- Please describe how you would budget for and manage a successful project if HUD awards a different dollar amount than you are requesting. What is the minimum funding amount that would allow you to carry out your proposal in some form, and what would that proposal achieve?

If HUD grants an amount less than the requested \$5 million, the City will still proceed with both activities, albeit at a different pace and with a different funding strategy. A \$5 million contribution from PRO Housing funding is part of the critical investment needed to allow this project to proceed and the community benefit to be recognized sooner. Approval of this application will also reduce the funding gap, support the City’s affordable housing pipeline, provide the developer greater certainty, and allow the project the move forward in a more streamlined manner.

- Provide a schedule for completing all of the proposed activities in advance of the expenditure deadline at the end of FY 2029.

The City and developer will enter into an Exclusive Right to Negotiate Agreement (ERNA), begin the 90-day negotiation period, proceed with design and the master site plan process, and develop the lease disposition, development, and loan agreement (LDDLA) per the timeline below. After the execution of the LDDLA, the developer will submit a formal planning application, currently targeted for Q1 2025. Below is the anticipated development timeline.

TIMELINE	ACTIVITY
2023	
Q3 2023	City and selected developer commence negotiations regarding ENA, which will form the foundation for the LDDLA.
Q4 2023	City and selected developer enter into ENA.
2024	
Q1 2024	Develop master site plan and provide informal application review.
Q2/Q3 2024	City Council Study Session- Design.
Q3/Q4 2024	City Council Meeting: Closed Session- Key Deal Terms; Open Session- Approval of Key Deal Terms.
2025	
Q1 2025	City and developer execute LDDLA.
Q1 2025	Developer Submits SB 35 development application.
Q2 2025	Entitlements and environmental review complete.
Q3 2025	Submit construction drawings and apply for building permit.
Q4 2025	Building permit approval.
2026	
Q1 2026	Construction begins.
2028	
Q1 2028	Project complete/issuance of final Certificate of Occupancy.

Exhibit E: Capacity

- Which specific agency or entity will lead implementation of the proposed activities?
What is its role and management capacity?

The future of Mountain View includes the creation and maintenance of a spectrum of affordable housing options. A dedicated Housing Department with increased resources is necessary to

implement both existing programs and new initiatives, such as the PRO Housing opportunity. As a result, the City's adopted FY23-24 Budget forms a stand-alone Housing Department with 14.5 Full-Time-Equivalent positions (FTEs). The mission of the Department is to advance diverse, inclusive, and equitable communities by developing and implementing a wide range of housing policies and programs related to affordable housing, rent stabilization, and tenant protection. The Department is composed of two divisions: the Affordable Housing Division and the Rent Stabilization Division, as described below.

- The Affordable Housing division administers various programs, including the Below-Market-Rate (BMR) program, funding of new affordable housing projects through the City's affordable housing NOFA program, implementation of the City's federal Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) programs, and the Council Neighborhoods Committee (CNC) program.
- The Rent Stabilization Program implements the Community Stabilization and Fair Rent Act (CSFRA) as well as the Mobile Home Rent Stabilization Ordinance (MHRSO). The three main goals of the program are: (i) Stabilize rents, (ii) Provide eviction protections, and (iii) Ensure a fair rate of return on investment for landlords/mobile home park owners. The Division also implements the City's Tenant Relocation Assistant Ordinance, the Mountain View Mediation Program.

The Housing Department's Affordable Housing Division, along with analyst support, will lead the implementation of the PRO Housing grant from conception to project completion. It is envisioned that both management and staff will play significant roles to ensure project planning and coordination, budget management, compliance and reporting as discussed later in this application. The Housing Department will also work closely with the Community Development Department's Planning and Building Divisions, and Department of Public Works, as well as the Financial and Administrative Services Department and the City Attorney's Office.

- Describe how the agency or entity has (or plans to obtain) the relevant project management, quality assurance, financial and procurement, and internal control capacity to quickly launch and implement a major project.

The City of Mountain view possesses extensive expertise in overseeing and executing federal grants. In particular, the Housing Departments brings specialized skills in affordable housing project management, quality assurance, financial and procurement management, as well as internal control capabilities essential for the successful implementation of a project with this scope. This is demonstrated by the City's eighteen 100% affordable housing projects composed of over 1,500 units, and the twelve projects in the pipeline composed of over 1,300 units.

Additionally, the City has a demonstrated track record as a recipient of numerous federal grants, such as CDBG, HOME, HOME-ARP (American Rescue Plan), and federal Community Project Funding.

- If your proposed approach includes partners, describe each partner's capacities and credentials related to its role in implementing the project. Is your capacity to design, plan, or remove a barrier dependent on partner capacity? If yes, describe the dependency. What is your plan to regain capacity if a partner drops out?

The Affirmed Housing (Developer) team consists of Solari Enterprises (Property Management), BKF Engineering (Civil Engineering), GLS (Landscape Architect), Van Meter William Pollack LLP (Lead Architect), and Cahill Contractors (General Contractor). Affirmed Housing is a leader in the field of affordable housing. Based in San Diego, Affirmed has demonstrated excellence both in the construction of new multi-family apartment communities and the rehabilitation of existing family and senior apartment projects in urban and suburban settings. Affirmed produces well-designed, sustainable housing that creates a quality environment for residents and enhances the surrounding neighborhood. Solari Enterprises will be responsible for managing the property on a day-to-day basis and will bring on a service provider to offer supportive and resident services to tenants. In promoting housing stability, the supportive services team will focus on helping tenants meet their lease obligations, including paying rent, maintaining a safe and healthy living environment, allowing others the peaceful enjoyment of their homes, and complying with basic house rules. Since 1915, BKF Engineers earned a reputation for its ability to successfully plan, design, survey, and implement complex projects. BKF will provide the design, implementation, and construction assistance to get the project funded and built. Their approach recognizes that developing dynamic projects is informed by focused team collaboration, mitigating physical constraints and potential risks, and balancing designs goals with value engineering solutions. With 30 years of experience, GLS will serve as the lead landscape architect for the project. GLS has worked on over 35 built landscapes for multi-family housing projects amounting to over 1,500 units in the Bay Area. Van Meter William Pollack (VMWP) LLP is an award-winning architecture and urban design firm based in San Francisco. WMWP specializes in affordable housing, mixed-use and market-rate housing, master planning, land use and zoning standards that help communities accommodate change. VMWP takes a comprehensive and innovative design approach and will integrate community needs into sustainable design solutions. Cahill Contractors has been building with quality and integrity for over 100 years and will serve as the General Contractor on the project. Cahill has the technical expertise to execute all construction activities with quality and efficiency.

No, the project does not depend on partner capacity. As part of the RFP process, the development team provided supplemental information demonstrating their expertise, relevancy, qualifications and deep experience. Affirmed was selected because of its strong financial,

technical background, and ability to execute the project. On September 26, 2023, City Council selected Affirmed as the preferred developer. If the City and Affirmed are unable to come to an agreement, or if Affirmed drops out, the City has already identified an alternate development team as part of the RFP process to allow a streamlined transition.

- Describe the agency's or entity's experience working with and coordinating partners (including contractors, funders, subrecipients, community stakeholders, and other government agencies) in previous projects similar in scope of scale to the proposed activities. If you do not have such experience, how will you obtain it?

The City works closely with partner organizations to provide programs and services for low-income households, and work with its partners to facilitate the development of affordable housing opportunities regionally and within the City. The City will continue to collaborate with other local jurisdictions, the County of Santa Clara, and the Santa Clara County Housing Authority (SCCHA) to advance regional activities (such as addressing homelessness) in a coordinated and effective manner and to identify opportunities to fund the City's pipeline. Examples of ways in which the City has participated in regional efforts include, but are not limited to, the following:

- CDBG/Housing Regional Coordinators Meeting: The City has attended regional meetings held on a periodic basis with housing staff throughout the jurisdictions in the County to provide information-sharing, technical assistance, and collaboration on policy/program discussions and analysis.
- Affordable Housing pipeline projects: The City is currently undergrowing remarkable growth, driven by 12 affordable housing pipeline projects strategically dispersed across neighborhoods. These projects will lead to the creation of over 1,300 units all of which will be 100% deed-restricted and reserved for very-low and extremely low income households.
- Development of Consolidated Plan and fair housing plans: Over the past four Consolidated Plan/fair housing plan cycles, the City has participated in a regional process, whereby participating jurisdictions jointly develop their local plans. The purpose of this shared regional process is to streamline the development of local plans, but also to identify regional issues and opportunities that require coordinated responses.
- City-County partnership of affordable housing developments: The City works closely with the County to facilitate the development and financing of multiple affordable housing projects. A key funding source is the County Measure A bond measure, which provides funding for projects that include rapid rehousing/permanent supportive housing for homeless housing needs, extremely low-income units, and other priorities, as well providing services that may include case management, mental health services, and other resources. Passed by the voters in 2016, Measure A will provide nearly a billion dollars over ten years to support affordable housing throughout the county. In February 2022, the City Council approved execution of a Memorandum between the City and County for 2016 Measure A and other

funding in the amount of \$80 million to support affordable housing projects in Mountain View. This allowed for a streamlined allocation of County funding to the City's pipeline in a programmatic manner rather than project by project. The funding has already been fully reserved/allocated to seven of the City's twelve pipeline projects.

- Countywide homelessness response: The City has worked closely with its regional partners, including its network of nonprofit agencies and the County, to respond to the needs of unsheltered persons and those living in vehicles. The City participates in the biennial Countywide point-in-time homeless count, partners with agencies to develop homeless response programs, and provides program funding for outreach, services, and housing. In December 2020, the City Council adopted a resolution endorsing the regional Community Plan to End Homelessness, which includes multiple strategies and actions with the goal to end homelessness. The Community Plan seeks to address the underlying factors that cause and contribute to homelessness, such as the criminal justice system and reentry, as well as systems that can help address homelessness, such as bolstering the public health system, including mental health.

Collectively, the intent of these collaborative efforts is to develop a multi-sectoral approach composed of the public sector, nonprofit sector, housing and shelter providers, homeless persons, housing advocates, affordable housing developers, and various private parties, including businesses and foundations, to identify gaps in homeless services, establish funding priorities, and pursue a systematic approach to addressing homelessness.

- Who wrote this application: applicant staff, or a professional technical or grant writer in a consulting or contract capacity? Please provide name(s), title(s), and organization(s). If the application was drafted by someone external to the applicant's organization, describe how the applicant staff and decision makers were actively engaged in the development of this proposal and how this coordination may continue over time.

This application was prepared by the staff of the City of Mountain View with support from grant writing consultants contracted from the firm Renne Public Policy Group. The application development team was composed of the following individuals:

Wayne Chen
City of Mountain View
Housing Department Director

Jake Whitaker
Renne Public Policy Group
Director of Grant Services

Christina Gilmore
City of Mountain View
Intergovernmental Relations Manager

Michele Zehr Mora
Renne Public Policy Group
Grant Writing Associate

Harsha Ramchandani
City of Mountain View
Housing Specialist I

Joshua Tovar
City of Mountain View
Analyst II

- Do you or any partner(s) have experience working with civil rights and fair housing issues including, for example, working with data to analyze racial or economic disparities? Do you or your partner(s) have experience designing or operating programs that have provided tangible reductions in racial disparities?
 - In evaluating applications for funding, HUD will consider the extent to which the application demonstrates that the applicant has the experience and the resources to effectively address the needs of underserved communities, particularly Black and Brown communities.

Yes, the City of Mountain View leverages data to analyze racial and economic disparities and has successfully implemented programs that have yielded tangible reductions in these disparities. The City highlights its efforts to meet the needs of the City's vulnerable populations in various reports, such as:

- The [Consolidated Plan](#) - outlines the needs of the community's low income population and provides a five-year plan of how the City's CDBG and HOME funds will be used to address the identified need.
- The [Annual Performance Evaluation and Report \(CAPER\)](#) - an annual report that describes the City's low-income housing and community development activities carried out during the fiscal year toward meeting Consolidated Plan goals.
- The [Annual Action Plan](#) – outlines how the City uses its CDBG and HOME allocation to meet the needs of the City's vulnerable populations, as well as the impact these funds have in the community.
- The [Citizen Participation Plan](#) - outlines the process for citizen involvement in the preparation of the Consolidated Plan and the holding of public hearings.
- The [Analysis of Impediments to Fair Housing Choice \(AI\)](#) - identifies potential barriers to fair housing choice and steps the City will take to minimize or eliminate those barriers per Section 808 (e) (5) of the Federal Fair Housing Act.
- The [Displacement Response Strategy](#) – a plan to prevent displacement and – if displacement ultimately cannot be prevented – implement programs to reduce the impacts of displacement on tenants.
- Provide an organizational chart that identifies names and positions of key management for proposed PRO Housing activities. In addition to key management, be sure to include a count of all full-time staff that will manage PRO Housing activities. Please also include a description of your existing management structure and staff roles, including any gaps, vacancies, or positions contingent on award. If you are applying with a partner or partners, provide this information for each organization.

Mr. Wayne Chen, Housing Director, will provide high-level overarching policy and strategic direction for the grant and coordinate with relevant stakeholders, including the developer, City

Council, the City's executive leadership team, internal staff across departments, and the community. **Deanna Talavera**, Senior Housing Officer, coordinates project planning and delivery activities for the Evelyn project; helps process, and develop the lease disposition, development, and loan agreements (LDDLA); participates in assessment and prioritization of affordable housing projects under consideration; analyzes, implements, and monitors goals and objectives to achieve assigned priorities; and performs project evaluations and assessments and report out results. **Harsha Ramchandani**, Housing Specialist II, is responsible for CDBG/HOME grants and will provide overall management of the PRO Housing grant, including budget creation, monitoring expenditures, and ensuring funds are allocated efficiently; ensure compliance with HUD grant requirements, guidelines, and regulations; help facilitate communication with the local community to gather input, address concerns; and ensure that the project aligns with community needs. **Joshua Tovar**, Analyst II, provides administrative and analytical support, including monitoring, reviewing, and approving invoices; preparing and reviewing documentation for grant reimbursements; and will support internal coordination with City departments to ensure grant activities comply with existing policies and procedures.

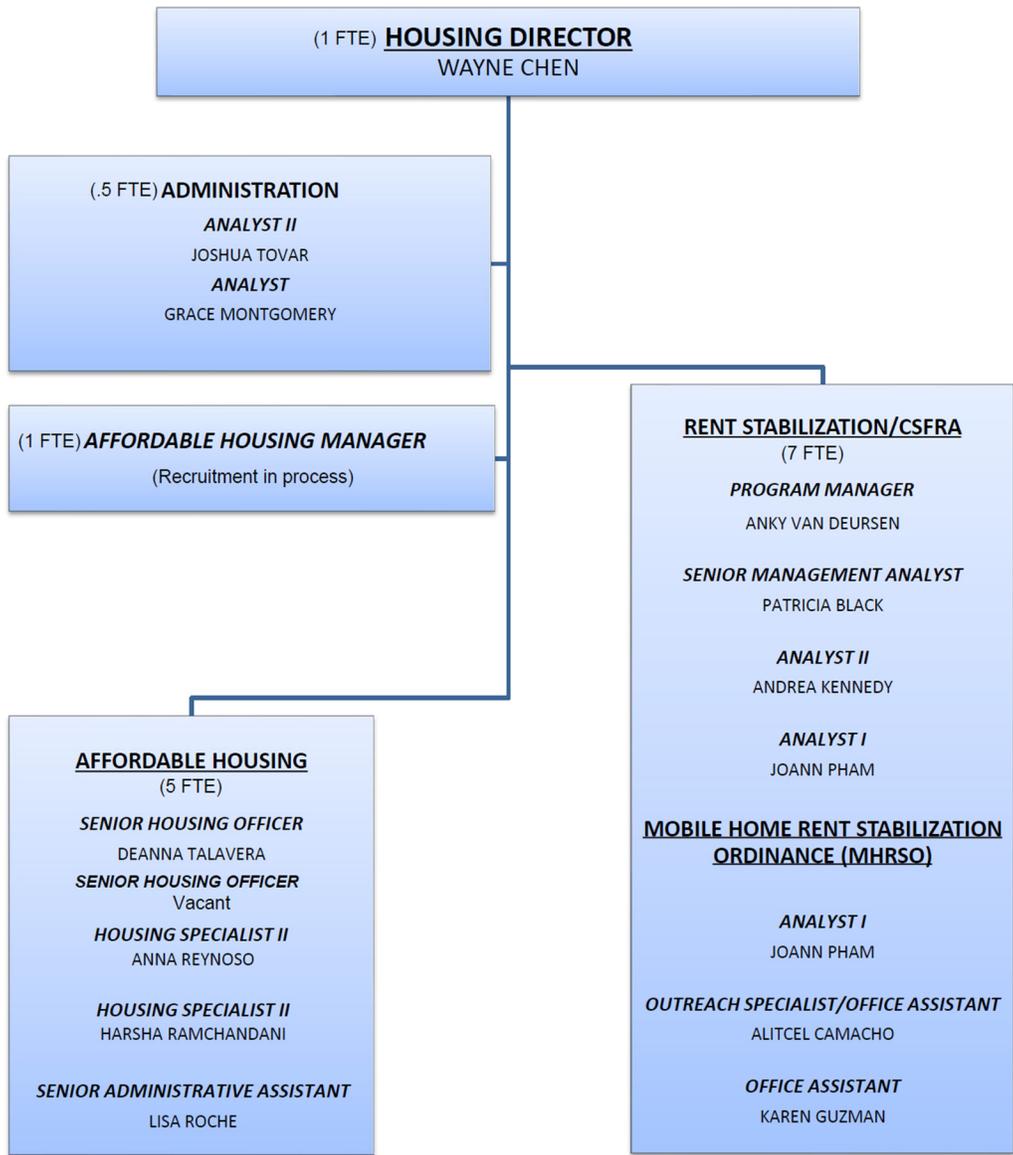
Exhibit F: Leverage

- Are you leveraging other funding or non-financial contributions?

The City of Mountain View will donate the land to catalyze the project, which was purchased from VTA for \$13,000,000. Based on Affirmed Housing's proposal, the project's funding structure includes 4% Federal and State Credits, Santa Clara County funds, State HCD funds, Developer Equity, City funds, and conventional construction and permanent debt financing. Affirmed Housing indicated an intention to seek \$8 million in funding from the City's Housing

HOUSING DEPARTMENT ORGANIZATIONAL CHART

Total FTE: **14.5**



Graphics Transfer/Org Chart/

Revised: 9/1/2016 8:39am

Fund NOFA process, although a final amount for any City contribution has not yet been discussed or negotiated due to the competitive RFP process, which just concluded. If plans for the proposed childcare facility move forward, the developer has secured a \$2,000,000 permanent financing Letter of Intent from the Low-Income Investment Fund (LIIF) to support construction of the facility.

Exhibit G: Long-Term Effect

- Describe what you will have achieved upon completion of grant-funded activities, including the specific work product(s), deliverable(s), or completed projects you will produce and any implementation actions that follow. Be sure to address how these achievements will have a permanent, long-term effect.

The proposed grant-funded activities will result in the construction of 268 deed-restricted affordable units. Construction of these units will provide affordable housing options in Mountain View on a long-term basis. These affordable housing units will be located among market rate housing that are dispersed throughout this area including across I-85 to the west and across Central Expressway to north-northeast. The proposed activities will include the collocation of housing and supportive services including childcare, health clinic, community space, and mobile food distribution areas. This development will promote the decentralization of affordable housing and foster the live/work environment desired by the city in which affordable housing is within walking distance of employment centers and transit options to enable enhanced access with other city resources and quality of life amenities.

- Describe what roadblocks your proposal might be facing (e.g., the reversal of a plan to streamline the permitting process). What are the most likely ways in which the barriers might persist despite your proposed activities, and how does the proposal account for and counteract this?

The City has demonstrated strong leadership on this project by purchasing the site from VTA and proactively rezoning the site and moving forward with a developer selection of Affirmed Housing in late September 2023. Affirmed Housing has experience with developing multi-income level affordable housing in California and expects to leverage SB35 to expedite the project. The City has engaged with the public on this Project and others, and the public is eager for the city to bring this to fruition. The City does not anticipate regulatory roadblocks but there may be typical challenges that arise during the project such as rising interest rates. Additionally, the project proposes to use an emerging building technology known as cross-laminated timber for cost efficiencies and sustainability measures. Should there be issues that arise with this emerging construction technology, Affirmed has a contingency plan to use more traditional construction methods.

- Do you anticipate your proposal will result in reducing housing cost burden for residents without increasing other costs, such as transportation costs? Describe how you seek to achieve your goal of enabling the production and preservation of affordable housing while also considering the value of siting affordable housing near amenities, public services, jobs, transit, schools, and other important community assets and locations.

The City expects to significantly reduce housing cost burdens for residents of the Evelyn Project due to its location proximate active transportation and public transit options and other amenities near the site. The proposed 268 affordable housing units will include units between 30%-60% AMI and will be located on a city property that is situated 0.5 miles from the Mountain View Downtown Transit Center and 0.2 miles away from a Stevens Creek Trailhead which affords both options for the Evelyn Project residents to connect to public transit nearby and to engage in active transportation activities and quality of life enhancements. With these two transportation options within a half mile of the Project site, this enables residents to connect to transit options without increasing transportation costs to access these transportation sites. In addition, the nearest schools are approximately 0.6 miles north-northeast across the Central Expressway, which is roughly a 14-minute walk. Moreover, this pathway has dedicated active transportation spaces to traverse busy roadways. Another school is located about 0.5 miles from the Evelyn Project site to the west across I-85 and would be accessed through the dedicated active transportation routes provided by Evelyn Avenue and Stevens Creek Trail. The Evelyn Affordable Housing Project will provide for more integration of income levels and likely increased racial integration. Racial segregation is low in this area; however, the influx of affordable housing may assist in further integration in this area. Finally, there is a healthy mix of land uses including commercial, industry, and retail and food distribution establishments that will further enhance amenities accessible via active transportation further reducing cost burdens to residents who live/work at or around the Evelyn Project.

- Describe how your proposal represents a model for other communities, including the manner(s) in which your jurisdiction(s) or others may scale or replicate the proposal.

The proposal once completed can serve as regional model for dense, sustainable affordable housing development that includes many community amenities and use of innovative technologies. The project would be one of the first of its kind in the Bay Area in terms of the size, scale, quality, programming, and materials, especially outside of the big three cities (San Jose, San Francisco, and Oakland). This can be a showcase project demonstrating what can be accomplished in geographically smaller cities. The project will involve partnerships with multiple agencies, provide housing opportunities for different needs and vulnerable populations, facilitate more integrated, inclusive, and diverse communities, incorporate meaningful community engagement, and optimizing the utilization of various sources of public investment to enhance housing affordability.

- Describe the community's most significant environmental risks and how the proposal is aligned with them to efficiently promote community resilience. For example, you may wish to describe how your infrastructure and development activities incorporate resilient and/or energy-efficient features, such as native vegetation, reclaimed water, and efforts to mitigate the effects of climate change, as appropriate for your community.

The greatest environmental risks for the city of Mountain View include groundwater concerns and climate change events including the increased occurrence of wildfires, flooding and inundation, and earthquakes. The Project will follow the City's recently adopted Building and REACH Codes to mirror the State's Energy and Green Codes; these include all appliances will be electrified, there will be no natural gas permitted, photovoltaic installation will be pre-wired to accommodate an all-electric building and battery storage installation (100% kWh consumption). Affirmed Housing, the selected developer, will use green, sustainable building materials to construct the multi-story building including cross laminated timber, as Affirmed Housing has experience in constructing the best, most affordable, quality materials to result in the best development for affordable housing. Some practices Affirmed Housing is known for is using green elements throughout the construction from low organic volatile paints and practices to recycled materials in carpets, to blanketing rooftops with photovoltaic panels capturing the sun's energy to operate the building with fully electrification infrastructure.

In addition, the proposed activities will follow the 2030 Mountain View General Plan as it addresses the use of certain landscaping techniques for water conservation but also to mitigate the effects of other climate-related events, like drought. Policy INC.5.5 Landscape efficiency addresses the City's desire to maintain resiliency through the installation of drought-tolerant vegetation and native plants while practicing efficient irrigation techniques. In addition, the City's General Plan also endorses the use of smart meters and water reuse practices such as the use of rainwater and graywater. These and more potential landscaping techniques will be considered in the design and of the Evelyn affordable housing project.

- What do you consider success to look like at the end of the period of performance or beyond?

The vision of success is that all 268 units are built as proposed with quality, green building techniques that promote resiliency and sustainability. There are ample units for all affordable housing income levels in the city of Mountain View as specified by the RFP and follows the City's Consolidated Plan and Draft Assessment of Fair Housing Goals, and the Project concludes within the proposed budget and timeline. That the City and Affirmed Housing work collaboratively to problem solve and provide the best outcomes to all end users (tenants) including special or vulnerable populations such families or households at-risk of becoming homeless. That the project achieves enhanced quality of life due to improved connectivity to services and amenities through public transit and / or active transportation and collocated support services—healthcare and childcare. Finally, that this Project can serve as a leading example of how all stakeholders (including Federal, State, regional, and local agencies) can work collaboratively to further close the funding gap in the City and meet the affordable housing availability requirements as directed by the State.

- Explain how the targeted outcomes will remedy the identified Need. If possible, propose metrics (the quantifiable topic area you will measure) and target outcomes (a quantified goal for each metric which you will strive to achieve) to explain how your proposed grant activities are expected to address the affordable housing needs and/or barriers identified in Need.

To work towards achieving the goals and targeted outcomes, the City's will align the project's metrics with the Housing Element implementation period. These metrics and target outcomes – summarized below – provide a comprehensive framework for assessing the success and impact of the proposed grant activities within an overarching framework to address affordable housing needs and overcoming barriers within the community.

- Subsidize and Support Affordable Housing Units Created or Preserved:
 - Metric: Number of new affordable housing units developed, or existing units preserved.
 - Target Outcome: Create/preserve 268 of affordable, deed-restricted housing units targeting deeper affordability levels such as extremely low-income (ELI) and below.
- Income Diversity:
 - Metric: Percentage of diverse income groups within the proposed project.
 - Target Outcome: Achieve a balance mix of income levels ranging between <30% AMI to 60% AMI.
- Inclusive and Equity Application Process:
 - Metric: Reduce barriers to affordable housing by providing translation and interpretation services for potential applicants.
 - Target Outcome: Increase the percentage of LEP applicants.
- Reduction in Homelessness:
 - Metric: Number of at-risk individuals/families that have transitioned from homelessness to permanent housing.
 - Target Outcome: Reduce homelessness through the creation of affordable housing units in the area.
- Describe the long-term effect of your proposal on removing barriers to affordable housing production that have perpetuated segregation, inhibited access to well-resourced neighborhoods of opportunity for protected class groups and vulnerable populations and expanded access to housing opportunities for these populations.

The proposed activities will further the City's goals of facilitating a diverse, equitable, inclusive community by adding a significant number of new affordable housing to the City. The Evelyn Project will be a model for adding affordable housing in an area proximate to market rate

apartment homes, commercial, industrial, manufacturing, grocery and retail, and technology land uses where low-income households may find secure employment near homes. The proposed activities will further maintain the low-level segregation or attain racially integrated status much like surrounding census tracts by adding more affordable housing options to the areas. Overall, this Project will be a catalyst that further propels Mountain View into being a model city for equity, inclusion, and resilience as it relates to housing opportunities.

DRAFT

ATTACHMENT SUMMARY

NOTE: Per the PRO Housing grant's public noticing requirements, applicants are required to include supplementary files that make up the entirety of the grant application package. Please note these are **draft** files and final signatures will appear once the forms are complete with public comment period.

Public Comment Period: **October 6, 2023 – October 23, 2023**

For any questions related to this comment sheet or the grant application, please contact, **Joshua Tovar** at **housing@mountainview.gov**, by phone at **650-903-6190**, or by fax at **650-963-3082**

Attachment A – Summary of Public Comments

Other Submission Requirements:

Attachment B – SF424 (Application for Federal Assistance)

Attachment C – HUD_424B (Applicant and Recipient Assurances and Certifications)

Attachment D – SFLLL (Disclosure of Lobbying Activities)

Attachment E – Certifications Regarding Lobbying

Attachment F – HUD 2880 (Application/Recipient Disclosure Report)

Attachment G – Local Government Certifications

Attachment H – CBW Budget Worksheet

Attachment I – City Purchasing Code of Conduct

Attachment J – City Purchase and Sale Agreement for Evelyn

Attachment K – Council Report - 9.26.23 Selection of Preferred and Alternate Development Teams for 87 East Evelyn Avenue Affordable Housing Project



Pathways to Removing Obstacles to Housing (PRO Housing) Grant Application (FR-6700-N-98)

Public Comment Period: **October 6, 2023 – October 23, 2023**

For any questions related to this comment sheet or the grant application, please contact, **Joshua Tovar** at housing@mountainview.gov, by phone at 650-903-6190, or by fax at 650-963-3082

Comment #	Commenter (Last Name, First Name, Title)	Page #, Section of Location of Comment, i.e. (Page 27,Section Exhibit C: Need)	Comment	City of Mountain View Comment (City Official Use)	Action Taken (City Official Use)
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					



Pathways to Removing Obstacles to Housing (PRO Housing) Grant Application (FR-6700-N-98)

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10.					
11.					
12.					
13.					
14.					
15.					
16.					
17.					
18.					



Pathways to Removing Obstacles to Housing (PRO Housing) Grant Application (FR-6700-N-98)

Public Comment Period: **October 6, 2023 – October 23, 2023**

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19.					
20.					
21.					
22.					
23.					
24.					
25.					
26.					
27.					



Pathways to Removing Obstacles to Housing (PRO Housing) Grant Application (FR-6700-N-98)
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28.					
29.					
30.					
31.					
32.					
33.					
34.					
35.					

Application for Federal Assistance SF-424	
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision
* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>	
* 3. Date Received: <input type="text"/> Completed by Grants.gov upon submission.	4. Applicant Identifier: <input type="text"/>
5a. Federal Entity Identifier: <input type="text"/>	5b. Federal Award Identifier: <input type="text"/>
State Use Only:	
6. Date Received by State: <input type="text"/>	7. State Application Identifier: <input type="text"/>
8. APPLICANT INFORMATION:	
* a. Legal Name: CITY OF MOUNTAIN VIEW	
* b. Employer/Taxpayer Identification Number (EIN/TIN): 94-6000379	* c. UEI: JJZLKAS3G111
d. Address:	
* Street1: 500 CASTRO ST Street2: <input type="text"/> * City: MOUNTAIN VIEW County/Parish: SANTA CLARA COUNTY * State: CALIFORNIA Province: <input type="text"/> * Country: USA: UNITED STATES * Zip / Postal Code: 94041-2010	
e. Organizational Unit:	
Department Name: HOUSING	Division Name: AFFORDABLE HOUSING
f. Name and contact information of person to be contacted on matters involving this application:	
Prefix: <input type="text"/>	* First Name: JOSHUA
Middle Name: <input type="text"/>	
* Last Name: TOVAR	
Suffix: <input type="text"/>	
Title: ANALYST II	
Organizational Affiliation: CITY OF MOUNTAIN VIEW	
* Telephone Number: 650-903-6535	Fax Number: <input type="text"/>
* Email: Joshua.Tovar@mountainview.gov	

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

City or township governments

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

CFDA Title:

*** 12. Funding Opportunity Number:**

FR-6700-N-98

* Title:

Pathways to Removing Obstacles to Housing (PRO Housing)

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

*** 15. Descriptive Title of Applicant's Project:**

The Evelyn Affordable Housing Project.

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant **CA-016**

* b. Program/Project **CA-016**

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

17. Proposed Project:

* a. Start Date: **9/1/2023**

* b. End Date: **3/1/2028**

18. Estimated Funding (\$):

* a. Federal	\$5,000,000
* b. Applicant	
* c. State	
* d. Local	\$3,000,000
* e. Other	
* f. Program Income	
* g. TOTAL	\$8,000,000

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- a. This application was made available to the State under the Executive Order 12372 Process for review on .
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

- Yes
- No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)**

**** I AGREE**

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name: **Kimbra**
Middle Name:
* Last Name: **McCarthy**
Suffix:

* Title: **City Manager**

* Telephone Number: **(650) 903-6601** Fax Number:

* Email: **Kimbra.McCarthy@mountainview.gov**

* Signature of Authorized Representative: * Date Signed:

Instructions for the HUD-424-B Assurances and Certifications

As part of your application for HUD funding, you, as the official authorized to sign on behalf of your organization or as an individual, must provide the following assurances and certifications, which replace any requirement to submit an SF-424-B or SF-424-D. The Responsible Civil Rights Official has specified this form for use for purposes of general compliance with 24 CFR §§ 1.5, 3.115, 8.50, and 146.25, as applicable. The Responsible Civil Rights Official may require specific civil rights assurances to be furnished consistent with those authorities and will specify the form on which such assurances must be made. A failure to furnish or comply with the civil rights assurances contained in this form may result in the procedures to effect compliance at 24 CFR §§ 1.8, 3.115, 8.57, or 146.39.

By submitting this form, you are stating that all assertions made in this form are true, accurate, and correct.

As the duly representative of the applicant, I certify that the applicant:

*Authorized Representative Name:

Prefix: *First Name:

Middle Name:

*Last Name:

Suffix:

*Title:

*Applicant Organization:

1. Has the legal authority to apply for Federal assistance, has the institutional, managerial and financial capability (including funds to pay the non-Federal share of program costs) to plan, manage and complete the program as described in the application and the governing body has duly authorized the submission of the application, including these assurances and certifications, and authorized me as the official representative of the application to act in connection with the application and to provide any additional information as may be required.

2. Will administer the grant in compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C 2000(d)) and implementing regulations (24 CFR part 1), which provide that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination under any program or activity that receives Federal financial assistance OR if the applicant is a Federally recognized Indian tribe or its tribally designated housing entity, is subject to the Indian Civil Rights Act (25 U.S.C. 1301-1303).

3. Will administer the grant in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and implementing regulations at 24 CFR part 8, the American Disabilities Act (42 U.S.C. §§ 12101 et.seq.), and implementing regulations at 28 CFR part 35 or 36, as applicable, and the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) as amended, and implementing regulations at 24 CFR part 146 which together provide that no person in the United States shall, on the grounds of disability or age, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance; except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.

4. Will comply with the Fair Housing Act (42 U.S.C. 3601-19), as amended, and the implementing regulations at 24 CFR part 100, which prohibit discrimination in housing on the basis of race, color, religion sex (including gender identity and sexual orientation), disability, familial status, or national origin and will affirmatively further fair housing; except an applicant which is an Indian tribe or its instrumentality which

is excluded by statute from coverage does not make this certification; and further except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.

5. Will comply with all applicable Federal nondiscrimination requirements, including those listed at 24 CFR §§ 5.105(a) and 5.106 as applicable.

6. Will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601) and implementing regulations at 49 CFR part 24 and, as applicable, Section 104(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(d)) and implementing regulations at 24 CFR part 42, subpart A.

7. Will comply with the environmental requirements of the National Environmental Policy Act (42 U.S.C. 4321 et.seq.) and related Federal authorities prior to the commitment or expenditure of funds for property.

8. That no Federal appropriated funds have been paid, or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying. I certify that I shall require all subawards at all tiers (including sub-grants and contracts) to similarly certify and disclose accordingly. Federally recognized Indian Tribes and tribally designated housing entities (TDHEs) established by Federally-recognized Indian tribes as a result of the exercise of the tribe's sovereign power are excluded from coverage by the Byrd Amendment, but State-recognized Indian tribes and TDHs established under State law are not excluded from the statute's coverage.

I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct.

WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 3802).

*Signature:

Completed Upon Submission to Grants.gov

*Date:

Completed Upon Submission to
Grants.gov

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C.1352

OMB Number: 4040-0013
Expiration Date: 02/28/2025

1. * Type of Federal Action: <input type="checkbox"/> a. contract <input checked="" type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. * Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input checked="" type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. * Report Type: <input checked="" type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change
--	--	--

4. Name and Address of Reporting Entity:

Prime SubAwardee

* Name:

* Street 1: Street 2:

* City: State: Zip:

Congressional District, if known:

5. If Reporting Entity in No.4 is Subawardee, Enter Name and Address of Prime:

6. * Federal Department/Agency: <input type="text" value="Department of Housing and Urban Development"/>	7. * Federal Program Name/Description: <input type="text" value="Pathways to Removing Obstacles to Housing"/> CFDA Number, if applicable: <input type="text"/>
--	---

8. Federal Action Number, if known: <input type="text"/>	9. Award Amount, if known: \$ <input type="text"/>
--	--

10. a. Name and Address of Lobbying Registrant:

Prefix * First Name Middle Name

* Last Name Suffix

* Street 1 Street 2

* City State Zip

b. Individual Performing Services (including address if different from No. 10a)

Prefix * First Name Middle Name

* Last Name Suffix

* Street 1 Street 2

* City State Zip

11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when the transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

* Signature:

* Name: Prefix * First Name Middle Name
 * Last Name Suffix

Title: Telephone No.: Date:

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

* APPLICANT'S ORGANIZATION

City of Mountain View

* PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

Prefix: * First Name: Kimbra Middle Name:

* Last Name: McCarthy Suffix:

* Title: City Manager

* SIGNATURE: Completed on submission to Grants.gov

* DATE: Completed on submission to Grants.gov

**Applicant/Recipient
Disclosure/Update Report**

**U.S. Department of Housing
and Urban Development**

OMB Number: 2501-0017
Expiration Date: 1/31/2026

Public Reporting Burden Statement: This collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, and completing and reviewing the collection of the requested information. Comments regarding the accuracy of this burden estimate and any suggestions for reducing this burden can be sent to: U.S. Department of Housing and Urban Development, Office of the Chief Data Officer, R, 451 7th St SW, Room 8210, Washington, DC 20410-5000. Do not send completed HUD-2880 forms to this address. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid OMB control number. This agency is authorized to collect this information under Section 102 of the Department of Housing and Urban Development Reform Act of 1989. The information you provide will enable HUD to carry out its responsibilities under this Act and ensure greater accountability and integrity in the provision of certain types of assistance administered by HUD. This information is required to obtain the benefit sought in the grant program. Failure to provide any required information may delay the processing of your application and may result in sanctions and penalties including of the administrative and civil money penalties specified under 24 CFR §4.38. This information will not be held confidential and may be made available to the public in accordance with the Freedom of Information Act (5 U.S.C. §552). The information contained on the form is not retrieved by a personal identifier, therefore it does not meet the threshold for a Privacy Act Statement.

Applicant/Recipient Information	* UEI Number:	* Report Type:
--	----------------------	-----------------------

1. Applicant/Recipient Name, Address, and Phone (include area code)

* Applicant Name:		
* Street 1:		
Street 2:		
City:	State Abbreviation:	* Zip Code:
County:		
* Country:		
* Phone:		
2. Employer ID Number (do not include individual social security numbers):
3. HUD Program Name:
4. Amount of HUD Assistance Requested/Received: \$
5. State the name and location (street address, City and State) of the project or activity

Project Name:		
* Street 1:		
Street 2:		
City:	State Abbreviation:	* Zip Code:
County:		
* Country: USA: UNITED STATES		

Part I Threshold Determinations

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. Are you applying for assistance for a specific project or activity? These terms do not include formula grants, such as public housing operating subsidy or CDBG block grants. For further information see 24 CFR Sec. §4.3.

 <input type="checkbox"/> Yes <input type="checkbox"/> No | <ol style="list-style-type: none"> 2. Have you received or do you expect to receive assistance within the jurisdiction of the Department (HUD), involving the project or activity in this application, in excess of \$200,000 during this fiscal year (Oct. 1-Sep. 30)? For further information, see 24 CFR §4.9.

 <input type="checkbox"/> Yes <input type="checkbox"/> No |
|--|--|

If you answered "No" to either question 1 or 2, **Stop!** You do not need to complete the remainder of this form. However, you must sign the certification at the end of the report.

Part II Other Government Assistance Provided or Requested/Expected Sources and Use of Funds. Such assistance includes, but is not limited to, any grant, loan, subsidy, guarantee, insurance, payment, credit, or tax benefit.

Department/State/Local Agency Name	Department/State/Local Agency Name
* Government Agency Name:	* Government Agency Name:
Government Agency Address:	Government Agency Address:
* Street 1:	* Street 1:
Street 2:	Street 2:
City: State Abbreviation: * Zip Code:	City: State Abbreviation: * Zip Code:
County:	County:
Country:	Country:
* Type of Assistance:	* Type of Assistance:
* Amount Requested/Provided: \$	* Amount Requested/Provided: \$
* Expected Uses of the Funds:	* Expected Uses of the Funds:

Note: For Part 1, use additional pages if necessary. Add Attachment:

Part III Interested Parties. You must disclose:

1. All developers, contractors, or consultants involved in the application for assistance or in the planning, development, or implementation of the project or activity.

* Alphabetical list of all persons with a reportable financial interest in the project or activity (for individuals, give the last name first)	* Unique Entity ID	* Type of Participation in Project/Activity	* Financial Interest in Project/Activity (\$ and %)			
			\$			%
			\$			%
			\$			%

2. Any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

* Alphabetical list of all persons with a reportable financial interest in the project or activity (for individuals, give the last name first)	* City of Residence	* Type of Participation in Project/Activity	* Financial Interest in Project/Activity (\$ and %)			
			\$			%
			\$			%
			\$			%

Note: For Part 2, use additional pages if necessary. Add Attachment:

Certification:

I/We, the undersigned, certify under penalty of perjury that the information provided above is true, correct, and accurate.

Warning: If you knowingly make a false statement on this form, you may be subject to criminal and/or civil penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosures of information, including intentional non-disclosure, is subject to civil money penalty not to exceed \$10,000 for each violation.

* Signature:

* Date: (mm/dd/yyyy):

Instructions

Overview.

A. Coverage. You must complete this report if:

- (1) You are applying for assistance from HUD for a specific project or activity **and** you have received, or expect to receive, assistance from HUD in excess of \$200,000 during the during the fiscal year;
- (2) You are updating a prior report as discussed below; or
- (3) You are submitting an application for assistance to an entity other than HUD, a State or local government if the application is required by statute or regulation to be submitted to HUD for approval or for any other purpose.

B. Update reports (filed by "Recipients" of HUD Assistance):

General. All recipients of covered assistance must submit update reports to the Department to reflect substantial changes to the initial applicant disclosure reports.

Line-by-Line Instructions.

Applicant/Recipient Information.

All applicants for HUD competitive assistance, must complete the information required in blocks 1-5 of form HUD-2880:

1. Enter the full name, address, city, State, zip code, and telephone number (including area code) of the applicant/recipient. Where the applicant/recipient is an individual, the last name, first name, and middle initial must be entered.
2. Entry of the applicant/recipient's EIN, as appropriate, is optional. Individuals must not include social security numbers on this form.
3. Applicants enter the HUD program name under which the assistance is being requested.
4. Applicants enter the amount of HUD assistance that is being requested. Recipients enter the amount of HUD assistance that has been provided and to which the update report relates. The amounts are those stated in the application or award documentation. NOTE: In the case of assistance that is provided pursuant to contract over a period of time (such as project-based assistance under section 8 of the United States Housing Act of 1937), the amount of assistance to be reported includes all amounts that are to be provided over the term of the contract, irrespective of when they are to be received.
5. Applicants enter the name and full address of the project or activity for which the HUD assistance is sought. Recipients enter the name and full address of the HUD-assisted project or activity to which the update report relates. The most appropriate government identifying number must be used (e.g., RFP No.; IFB No.; grant announcement No.; or contract, grant, or loan No.) Include prefixes.

Part I. Threshold Determinations - Applicants Only

Part I contains information to help the applicant determine whether the remainder of the form must be completed. Recipients filing Update Reports should not complete this Part.

If the answer to **either** questions 1 or 2 is No, the applicant need not complete Parts II and III of the report, but must sign the certification at the end of the form.

Part II. Other Government Assistance and Expected Sources and Uses of Funds.

A. Other Government Assistance. This Part is to be completed by both applicants and recipients for assistance and recipients filing update reports. Applicants and recipients must report any other government assistance involved in the project or activity for which assistance is sought. Applicants and recipients must report any other government assistance involved in the project or activity. Other government assistance is defined in note 4 on the last page. For purposes of this definition, other government assistance is expected to be made available if, based on an assessment of all the circumstances involved, there are reasonable grounds to anticipate that the assistance will be forthcoming.

Both applicant and recipient disclosures must include all other government assistance involved with the HUD assistance, as well as

any other government assistance that was made available before the request, but that has continuing vitality at the time of the request. Examples of this latter category include tax credits that provide for a number of years of tax benefits, and grant assistance that continues to benefit the project at the time of the assistance request.

The following information must be provided:

1. Enter the name and address, city, State, and zip code of the government agency making the assistance available.
2. State the type of other government assistance (e.g., loan, grant, loan insurance).
3. Enter the dollar amount of the other government assistance that is, or is expected to be, made available with respect to the project or activities for which the HUD assistance is sought (applicants) or has been provided (recipients).
4. Uses of funds. Each reportable use of funds must clearly identify the purpose to which they are to be put. Reasonable aggregations may be used, such as "total structure" to include a number of structural costs, such as roof, elevators, exterior masonry, etc.

B. Non-Government Assistance. Note that the applicant and recipient disclosure report must specify all expected sources and uses of funds - both from HUD and any other source - that have been or are to be, made available for the project or activity. Non-government sources of Form HUD-2880 funds typically include (but are not limited to) foundations and private contributors.

Part III. Interested Parties.

This Part is to be completed by both applicants and recipients filing update reports. Applicants must provide information on:

1. All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
2. Any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower). Note: A financial interest means any financial involvement in the project or activity, including (but not limited to) situations in which an individual or entity has an equity interest in the project or activity, shares in any profit on resale or any distribution of surplus cash or other assets of the project or activity, or receives compensation for any goods or services provided in connection with the project or activity. Residency of an individual in housing for which assistance is being sought is not, by itself, considered a covered financial interest.

The information required below must be provided.

1. Enter the full names and addresses. If the person is an entity, the listing must include the full name and address of the entity as well as the CEO. Please list all names alphabetically.
2. Entry of the Unique Entity Identifier (UEI), for non-individuals, or city of residence, for individuals, for each organization and person listed is **optional**.
3. Enter the type of participation in the project or activity for each person listed: i.e., the person's specific role in the project (e.g., contractor, consultant, planner, investor).
4. Enter the financial interest in the project or activity for each person listed. The interest must be expressed both as a dollar amount and as a percentage of the amount of the HUD assistance involved.

Note that if any of the source/use information required by this report has been provided elsewhere in this application package, the applicant need not repeat the information, but need only refer to the form and location to incorporate it into this report. (It is likely that some of the information required by this report has been provided on SF 424A, or on various budget forms accompanying the application.) If this report requires information beyond that provided elsewhere in the application package, the applicant must include in this report all the additional information required. Recipients must submit an update report for any change in previously disclosed sources and uses of funds as provided in Section I.D.5., above.

Notes:

1. All citations are to 24 CFR Part 4, which was published in the Federal Register. [April 1, 1996, at 63 Fed. Reg. 14448.]
2. Assistance means any contract, grant, loan, cooperative agreement, or other form of assistance, including the insurance or guarantee of a loan or mortgage, that is provided with respect to a specific project or activity under a program administered by the Department. The term does not include contracts, such as procurements contracts, that are subject to the Fed. Acquisition Regulation (FAR) (48 CFR Chapter 1).
3. See 24 CFR §4.9 for detailed guidance on how the threshold is calculated.
4. "Other government assistance" is defined to include any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or

any other form of direct or indirect assistance from the Federal government (other than that requested from HUD in the application), a State, or a unit of general local government, or any agency or instrumentality thereof, that is, or is expected to be made, available with respect to the project or activities for which the assistance is sought.

5. For the purpose of this form and 24 CFR Part 4, "person" means an individual (including a consultant, lobbyist, or lawyer); corporation; company; association; authority; firm; partnership; society; State, unit of general local government, or other government entity, or agency thereof (including a public housing agency); Indian tribe; and any other organization or group of people.

Appendix B -- Certifications

Applicants to the PRO Housing program must use this Appendix to certify their compliance with various requirements. Applicants should complete the certifications relevant to them and submit them with their application. Please note that all applicants must complete the lobbying certification.

PRO HOUSING CERTIFICATIONS FOR ENTITLEMENT LOCAL GOVERNMENT APPLICANTS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing --The jurisdiction will affirmatively further fair housing.

Uniform Relocation Act and Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

Anti-Lobbying --To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction -- The submission of the PRO Housing application is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan --The housing activities to be undertaken with PRO Housing funds are consistent with the strategic plan in the jurisdiction's consolidated plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 75.

Build America, Buy America (BABA) – It will comply with Title IX, Subpart A of the Infrastructure Investment and Jobs Act of 2021 (41 U.S.C. 8301 et seq.).

Public Participation – It is in full compliance with the PRO Housing streamlined public participation requirements found in Section VI.E of the PRO Housing NOFO.

Community Development Plan -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR parts 91 and 570.

Following a Plan -- It is following a current consolidated plan that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with PRO Housing funds, it has developed its proposal so as to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The proposal may also include activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional PRO Housing Certification).
2. Overall Benefit. The aggregate use of PRO Housing funds shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons.
3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with PRO Housing funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if PRO Housing funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with PRO Housing funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than PRO Housing funds.

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than PRO Housing funds if the jurisdiction certifies that it lacks PRO Housing funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K and R; and EPA's lead-based paint rules (e.g., Repair, Renovation and Painting; Pre-Renovation Education; and Lead Training and Certification (40 CFR part 745)).

Compliance with RFRA -- The grant will be conducted and administered in conformity with the requirements of the Religious Freedom Restoration Act (42 U.S.C. 2000bb) and 24 CFR 5.109, allowing the full and fair participation of faith-based entities.

Environmental Review -- It will comply with environmental review procedures and requirements at 24 CFR parts 50 and 58.

Compliance with Laws -- It will comply with applicable laws.

Signature of Authorized Official

City Manager

Title

Date

Grant Application Detailed Budget Worksheet OMB Approval No. 2501-0017
Expiration: 1/31/2026

	Applicant Name: CITY OF MOUNTAIN VIEW Applicant Address: 500 CASTRO ST MOUNTAIN VIEW, CA 94041	
--	--	--

Category				Detailed Description of Budget (for full grant period)							
	Estimated Hours	Rate per Hour	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
1. Personnel (Direct Labor)											
Position or Individual											
Affirmed Housing (Developer) w/4 FTE for 3 yrs	24960	\$ 222.86	\$5,562,609	\$0	\$0	\$0	\$2,197,230	\$2,008,102	\$166,878	\$1,190,398	\$0
Solari Enterprises (Site Manager) w/2FTE for 3 yrs	12480	\$ 111.43	\$1,390,652	\$0	\$0	\$0	\$549,308	\$502,025	\$41,720	\$297,600	\$0
BKF Engineering (Civil) w/3FTE for 3 yrs	18720	\$ 123.81	\$2,317,754	\$0	\$0	\$0	\$915,513	\$836,709	\$69,533	\$495,999	\$0
GLS (Landscape Architect) w/3 FTE for 3 yrs	18720	\$ 123.81	\$2,317,754	\$0	\$0	\$0	\$915,513	\$836,709	\$69,533	\$495,999	\$0
Van Meter William Pollack LLP (Architect) w/2FTE for 3 yrs	12480	\$ 185.72	\$2,317,754	\$0	\$0	\$0	\$915,513	\$836,709	\$69,533	\$495,999	\$0
Cahill Contractors (Contractor) w/200 FTE for 3 yrs	1248000	\$ 26.00	\$32,448,552	\$0	\$0	\$0	\$12,817,178	\$11,713,927	\$973,457	\$6,943,990	\$0
Total Direct Labor Cost			\$46,355,074								
2. Fringe Benefits	Rate (%)	Base	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Affirmed Housing (Developer)	24%	\$5,562,609	\$1,335,026	\$0	\$0	\$0	\$527,335	\$481,944	\$40,051	\$285,696	
Solari Enterprises (Property Manager)	24%	\$1,390,652	\$333,757	\$0	\$0	\$0	\$131,834	\$120,486	\$10,013	\$71,424	
BKF Engineering (Civil Engineer)	24%	\$2,317,754	\$556,261	\$0	\$0	\$0	\$219,723	\$200,810	\$16,688	\$119,040	
GLS (Landscape Architect)	24%	\$2,317,754	\$556,261	\$0	\$0	\$0	\$219,723	\$200,810	\$16,688	\$119,040	
Van Meter William Pollack LLP (Architect)	24%	\$2,317,754	\$556,261	\$0	\$0	\$0	\$219,723	\$200,810	\$16,688	\$119,040	
Cahill Contractors (General Contractor)	24%	\$32,448,552	\$7,787,652	\$0	\$0	\$0	\$3,076,123	\$2,811,343	\$233,630	\$1,666,558	
Total Fringe Benefits Cost			\$11,125,218								

Grant Application Detailed Budget Worksheet											
										OMB Approval No. 2501-0017 Expiration: 1/31/2026	
Applicant Name: CITY OF MOUNTAIN VIEW											
3. Travel											
3a. Transportation - Local Private Vehicle	Mileage	Rate per Mile	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Subtotal - Trans - Local Private Vehicle			\$0								
3b. Transportation - Airfare (show destination)	Trips	Fare	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Subtotal - Transportation - Airfare			\$0								
3c. Transportation - Other	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Subtotal - Transportation - Other			\$0								
3d. Per Diem or Subsistence (indicate location)	Days	Rate per Day	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Subtotal - Per Diem or Subsistence			\$0								
Total Travel Cost			\$0								
4. Equipment (Only items over \$5,000 Depreciated value)	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Total Equipment Cost			\$0								

Grant Application Detailed Budget Worksheet OMB Approval No. 2501-0017
Expiration: 1/31/2026

Applicant Name: CITY OF MOUNTAIN VIEW											
5. Supplies and Materials (Items under \$5,000 Depreciated Value)											
5a. Consumable Supplies	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Subtotal - Consumable Supplies			\$0								
5b. Non-Consumable Materials	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Subtotal - Non-Consumable Materials			\$0								
Total Supplies and Materials Cost			\$0								
6. Consultants (Type)	Days	Rate per Day	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Construction Management (Owner Rep)			\$120,000	\$2,880	\$0	\$0	\$47,400	\$43,320	\$3,600	\$22,800	\$0
Predevelopment Management (Owner Rep)			\$60,000	\$1,440	\$0	\$0	\$23,700	\$21,660	\$1,800	\$11,400	\$0
Community Outreach			\$90,000	\$2,160	\$0	\$0	\$35,550	\$32,490	\$2,700	\$17,100	\$0
Total Consultants Cost			\$270,000								
7. Contracts and Sub-Grantees (List individually)											
7a. Contracts	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Subtotal - Contracts			\$0								
7b. Sub-Grantees (List individually)	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Subtotal - Sub-Grantees			\$0								
Total Contracts and Sub-Grantees Cost			\$0								

Grant Application Detailed Budget Worksheet OMB Approval No. 2501-0017
Expiration: 1/31/2026

Applicant Name: CITY OF MOUNTAIN VIEW											
8. Construction Costs											
8a. Administrative and legal expenses	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Subtotal - Administrative and legal expenses			\$0								
8b. Land, structures, rights-of way, appraisal, etc	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
City Purchase Agreement - Evelyn Lot	1		\$13,010,975		\$13,010,975						
Subtotal - Land, structures, rights-of way, ...			\$13,010,975								
8c. Relocation expenses and payments	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Subtotal - Relocation expenses and payments			\$0								
8d. Architectural and engineering fees	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Architecture/Engineering	1		\$3,300,000	\$79,200	\$0	\$0	\$1,303,500	\$1,191,300	\$99,000	\$627,000	\$0
Subtotal - Architectural and engineering fees			\$3,300,000								
8e. Other architectural and engineering fees	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Subtotal - Other architectural and engineering fees			\$0								
8f. Project inspection fees	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Subtotal - Project inspection fees			\$0								

Grant Application Detailed Budget Worksheet												OMB Approval No. 2501-0017
												Expiration: 1/31/2026
Applicant Name: CITY OF MOUNTAIN VIEW												
8g. Site work	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
Offsite Public Improvements	1		\$1,000,000	\$24,000	\$0	\$0	\$395,000	\$361,000	\$30,000	\$190,000	\$0	
Onsite Public Improvements	1		\$736,000	\$17,664	\$0	\$0	\$290,720	\$265,696	\$22,080	\$139,840	\$0	
Landscaping and Other Onsites	1		\$798,000	\$19,152	\$0	\$0	\$315,210	\$288,078	\$23,940	\$151,620	\$0	
Subtotal - Site work			\$2,534,000									
8h. Demolition and removal	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
Subtotal - Demolition and removal			\$0									
8i. Construction	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
Residential Building Core and Shell	1		\$38,309,119.64	\$3,513,059	\$0	\$0	\$16,143,141	\$14,840,632	\$1,149,274	\$2,663,013	\$0	
Child Care Improvements	1		\$550,000	\$445,500	\$0	\$0	\$0	\$0	\$0	\$104,500	\$0	
Solar Energy/Special Sustainability Features	1		\$350,000	\$8,400	\$0	\$0	\$138,250	\$126,350	\$10,500	\$66,500	\$0	
Subtotal - Construction			\$39,209,120									
8j. Equipment	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
Subtotal - Equipment			\$0									
8k. Contingencies	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
Hard cost contingency	1		\$5,952,650	\$142,864	\$0	\$0	\$2,351,297	\$2,148,907	\$178,580	\$1,131,004	\$0	
Subtotal - Contingencies			\$5,952,650									
8l. Miscellaneous	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
Project management	1		\$500,000	\$500,000								
Subtotal - Miscellaneous			\$500,000									
Total Construction Costs			\$64,506,745									

Grant Application Detailed Budget Worksheet												
											OMB Approval No. 2501-0017 Expiration: 1/31/2026	
9. Other Direct Costs		Applicant Name: CITY OF MOUNTAIN VIEW			HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Item	Quantity	Unit Cost	Estimated Cost									
Other Direct costs	1		\$10,153,400		\$243,682	\$0	\$0	\$4,010,593	\$3,665,377	\$304,602	\$1,929,146	\$0
Total Other Direct Costs			\$10,153,400									
Subtotal of Direct Costs			\$132,410,436									
10. Indirect Costs		Rate	Base	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Type												
Total Indirect Costs			\$0									
Total Estimated Costs			\$132,410,436		\$ 5,000,000	\$ 13,010,975	\$ -	\$ 47,759,076	\$ 43,735,196	\$ 3,550,484	\$ 19,354,705	\$ -

Grant Application Detailed Budget Worksheet	OMB Approval No. 2501-0017 Expiration: 1/31/2026
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Detailed Description of Budget		
Analysis of Total Estimated Costs	Estimated Cost	Percent of Total
1 Personnel (Direct Labor)	46,355,073.68	35.0%
2 Fringe Benefits	11,125,217.68	8.4%
3 Travel	0.00	0.0%
4 Equipment	0.00	0.0%
5 Supplies and Materials	0.00	0.0%
6 Consultants	270,000.00	0.2%
7 Contracts and Sub-Grantees	0.00	0.0%
8 Construction	64,506,744.64	48.7%
9 Other Direct Costs	10,153,400.00	7.7%
10 Indirect Costs	0.00	0.0%
Total:	132,410,436.00	100.0%
Federal Share:	\$ 5,000,000.00	
Match (Expressed as a percentage of the Federal Share):	\$ 13,010,975.00	260%



FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT

PURCHASING DIVISION

500 Castro Street, P.O. Box 7540
Mountain View, CA 94039-7540
650-903-6324 | MountainView.gov

October 5, 2023

RE: Purchasing Code of Ethics

To Whom It May Concern:

Please see the following attachments, for your reference:

- City of Mountain View Purchasing Code of Ethics
- Administrative Instruction 15-1 Gifts and Gratuities to City Employees

Unique Entity Identification (UEI) #: JJZLKAS3G111

Organization Legal Business Name: City of Mountain View

Mailing Address: 500 Castro St., Mountain View, CA 94041-2010

Please see name, title, Email address, and phone number in the signature, below.

Sincerely,

Ann Mehta, CPPO, C.P.M.
Purchasing & Support Services Manager
(Purchasing Agent)
Email: ann.mehta@mountainview.gov
Phone: (650) 903-6296

Cc: Purchasing Section, file



PROCUREMENT CODE OF ETHICS

I. INTRODUCTION

The City of Mountain View's professional procurement staff will adhere to the City's Organizational Values to:

- Provide exceptional service.
- Act with integrity.
- Treat others with respect.

In addition to the above, staff involved with procurement and contracting activities will operate in accordance with the below Values and Norms of Ethical Behavior.

A. Values

Conduct, decisions, and actions will be based on the following values:

1. **Honesty:** Maintain an unimpeachable standard of integrity in all business relationships with both internal City customers (staff) and external customers (vendors and other agencies).
2. **Professionalism:** Foster the highest standards of professional competence.
3. **Responsible Management:** Optimize the use of resources for which they are responsible to provide the maximum benefit to internal and external customers.
4. **Serving the Public Interest:** Not use procurement authority of office for personal benefit and reject and denounce any business practice that is improper or may be perceived to be improper.

B. Norms of Ethical Behavior

1. **Conflict of Interest:**
 - a. Any personal interest which may impinge or might reasonably be perceived by others to impinge on impartiality in any procurement matter

should be immediately reported to the Purchasing and Support Services Manager.

- b. Identify and eliminate participation of anyone in operational situations where a conflict of interest may be involved.
2. Confidentiality and Accuracy of Information:
 - a. The confidentiality of information received in the course of duty must be respected and should not be used for personal gain.
 - b. Information given in the course of duty should be true and fair and not designed to mislead.
3. Competition: Avoid any arrangement which might prevent the effective operation of fair and open competition.
4. Gifts: Procurement staff shall not accept any gifts from vendors either currently conducting business with the City or seeking to conduct business with the City in accordance with the City's Administrative Instruction 15-1, Gifts and Gratuities to City Employees.
5. Adhere to the City Charter, Procurement Ordinance, and Policies.
6. Complete an Assuming (upon hiring), Annual, and Leaving Office Statement of Economic Interest (also known as Form 700).

ADMINISTRATIVE INSTRUCTION

SUBJECT: Gifts and Gratuities to City Employees

NO.: 15-1

PURPOSE:

The purpose of this policy is to establish the policy and procedure regarding gifts and gratuities from individuals, businesses or organizations doing business, seeking to do business, or seeking permits or other entitlements from the City.

The City strives to provide impartial and exceptional customer service. Gifts can be perceived as attempts to influence City operations and can erode the public confidence and the impartiality of decisions made by City officials.

POLICY:

Employees shall not accept gifts or favors at any time from anyone with whom the City does business. A violation of this policy will be considered grounds for disciplinary action.

This policy applies to all City employees. "City employee" includes regular and hourly employees.

1. Gifts offered to a City employee by anyone doing business or seeking to do business with the City, or seeking a permit or other entitlement from the City should be politely and firmly declined. (City employees shall also comply with the Political Reform Act of 1974, as amended, Government Code § 87100.)
2. If a gift is delivered to a City employee, it should be returned to the sender or donated to an appropriate nonprofit organization in the name of the sender with a thank-you letter and an explanation of the gifts and gratuities policy.
3. If approved by the employee's department head, the following are examples of exceptions to this policy:
 - a. A gift offered or given to the City (refer to City Council Policy No. K-6, relating to gifts to the City).
 - b. An award presented publicly to the employee in recognition of professional achievement or of service to the public.

ADMINISTRATIVE INSTRUCTION

SUBJECT: Gifts and Gratuities to City Employees

NO.: 15-1

- c. Food, nonalcoholic beverage, transportation, and necessary accommodations received directly in accordance with an event at which an employee gave a speech, participated in a panel, or provided a service such as serving as an officer or a board or committee member.
- d. Food, nonalcoholic beverage, or mementos received at a function that an employee attends at the direction of the department head.
- e. Educational materials related to the City.
- f. Homemade items offered by a community member who is not doing business with, or seeking a permit or entitlement from, the City.

DISSEMINATION OF POLICY:

A copy of this policy will be provided to each employee, including all newly hired employees.

Signed

Daniel H. Rich, City Manager

Revised: January 19, 2016
Effective Date: August 7, 2002

KMcC/7/ADM
15-01ADM



MEMORANDUM

Writer's Direct Telephone: 408-321-5950

TO: Greg Richardson, Assistant General Manager/CFO

THRU: Ron Golem, Director of Real Estate & Transit-Oriented Development ^{DS} RG

THRU: Ed Moran, VTA Legal Counsel ^{DS} EM

FROM: Jessie O'Malley Solis, Program Manager, Transit-Oriented Development ^{DS} JOS

DATE: June 14, 2023

SUBJECT: Signature of Evelyn Station Purchase & Sale Agreement, Contingency Date & Closing Date Addendum, 1099S form, and Owner's Affidavit

Requested Action

Please docusign the following transaction documents:

- Purchase & Sale Agreement
- Contingency Date and Closing Date Addendum
- 1099S Form
- Owner's Affidavit

Background

The VTA Board authorized VTA through the General Manager to enter a Ground Lease with a Purchase Option with the City of Mountain View in 2021. The Ground Lease with Purchase Option (including an exhibit of the Memorandum of Ground Lease) between the parties was executed in 2021.

The City of Mountain View is exercising its option to purchase the site in accordance with the provision of the Ground Lease and Purchase Option. VTA received \$11M in 2021 for the up-front Ground Lease payment and will receive an additional \$2M for the total \$13M purchase price as required by the Purchase and Sale Agreement.

The General Manager executed the Grant Deed and Termination of Ground Lease Memorandum last week, which are currently being held in escrow. The Purchase & Sale Agreement, Contingency Date and Closing Date Addendum and the 1099S Form are required to finalize the transaction. The documents will also be held by escrow until the Closing Date.

PURCHASE AND SALE AGREEMENT

BY AND BETWEEN

SANTA CLARA VALLEY
TRANSPORTATION AUTHORITY
a California special district

AND

CITY OF MOUNTAIN VIEW
a California Charter City and municipal corporation

Dated as of June 15, 2023

Property: 87 East Evelyn Avenue, Mountain View, California 94041

TABLE OF CONTENTS

ARTICLE 1 AGREEMENT OF SALE6

ARTICLE 2 PURCHASE PRICE7

 2.1 Amount.....7

 2.2 Deposits.....8

 2.3 Seller Payment of Balance8

ARTICLE 3 BUYER’S CONTINGENCIES9

 3.1 Seller’s Delivery of Documents9

 3.2 Buyer’s Approval of the Preliminary Documents 11

 3.3 Approval of Title..... 12

 3.4 Review of Preliminary Documents and Physical Condition 13

 3.5 Financing Contingency Waived..... 14

 3.6 Termination 14

 3.7 Federal Requirements..... 15

ARTICLE 4 SELLER’S PRECLOSING COVENANTS.....15

 4.1 No Amendment or Agreements..... 15

 4.2 Insurance 15

 4.3 Damage to Real Property 15

 4.4 Mechanic’s Liens 15

 4.5 No Marketing 16

 4.6 Licenses and Permits..... 16

ARTICLE 5 SELLER’S REPRESENTATIONS AND WARRANTIES16

 5.1 Representations and Warranties 16

 5.2 Effect of Representations and Warranties 18

 5.3 Survival of Representations and Warranties and Limitation on Liability 18

5.4 “As Is”	18
5.5 Release	18
ARTICLE 6 CLOSING CONDITIONS.....	19
6.1 Buyer’s Closing Conditions	19
6.2 Seller’s Closing Conditions.....	21
6.3 Termination for Failure of a Condition	21
ARTICLE 7 CLOSING	22
7.1 Escrow.....	22
7.2 Closing	22
7.3 Seller’s Deposit of Documents and Funds	22
7.4 Buyer’s Deposit of Documents and Funds.....	23
7.5 Closing	23
7.6 Prorations	24
7.7 Closing Costs	24
7.8 Possession.....	25
ARTICLE 8 RISK OF LOSS	25
8.1 Condemnation	25
8.2 Damage and Destruction	25
ARTICLE 9 REMEDIES FOR DEFAULT	26
9.1 Buyer’s Default	26
9.2 REMEDIES FOR BUYER’S DEFAULT.....	26
9.3 Seller’s Default.....	26
9.4 REMEDIES FOR SELLER’S DEFAULT	27
9.5 Resolution of Disputes	27
ARTICLE 10 SELLER BUYBACK OPTION	28

10.1	Seller Buyback Option	28
10.3	Buyback Terms	29
ARTICLE 11 GENERAL.....		30
11.1	Notices.....	30
11.2	Entire Agreement	31
11.4	Invalidity of Provision.....	31
11.5	No Merger	31
11.6	References	32
11.7	Governing Law.....	32
11.8	Confidentiality and Publicity	32
11.9	Time	32
11.10	Assignment.....	32
11.11	No Third Party Beneficiaries.....	32
11.12	Remedies Cumulative	32
11.13	Counterparts	33
11.14	No Brokers	33
11.15	Legal Fees	33
11.16	Force Majeure; Extension of Times of Performance	33

TABLE OF EXHIBITS

<u>Exhibit A</u>	Legal Description of Land
<u>Exhibit B</u>	Form of Grant Deed
<u>Exhibit C</u>	Schedule of Personal Property
<u>Exhibit D</u>	Form of Bill of Sale
<u>Exhibit E</u>	Contingency Date and Closing Date Addendum

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (“**Agreement**”) is made as of June 15, 2023 (the “**Effective Date**”) between **Santa Clara Valley Transportation Authority**, a California special district (“**Seller**”), and **City of Mountain View**, a California Charter City and municipal corporation (“**Buyer**”), each of which a “**Party**” and together the “**Parties**” with reference to the following facts:

RECITALS

A. Seller is the owner of certain real property located in the City of Mountain View, County of Santa Clara (“**County**”), State of California (“**State**”), consisting of approximately 2.01 acre parcel of land, commonly known as 87 East Evelyn Avenue, Mountain View, California 94041, with Assessor’s parcel number 160-65-008, which is more particularly described in Exhibit A (the “**Land**”), and the related improvements, appurtenances, certain related personal and intangible property.

B. Seller and Buyer have entered into that certain Ground Lease dated as of September 21, 2021 (“**Ground Lease**”) between Seller and Buyer pursuant to which Buyer has the option to purchase the Property (as that term is defined in Section 1.2 below). All Capitalized terms used in this Agreement without definition shall have the meaning given them in the Ground Lease. Buyer has elected to exercise its Purchase Option in accordance with the terms and conditions set forth in the Ground Lease; and Buyer has satisfied the Purchase Option Trigger in accordance with the terms and conditions of the Ground Lease.

C. Seller desires to sell and Buyer desires to purchase the Property as specifically described below.

ARTICLE 1 AGREEMENT OF SALE

0.1. Purchase and Sale. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller agrees to sell, and Buyer agrees to purchase all of the Property described below in Section 1.2, pursuant to the terms and conditions of this Agreement.

0.2. Description of the Property. The property to be sold and purchased pursuant to the terms of this Agreement (the “**Property**”) consists of all of the following:

1.1.1 Land. Approximately 2.01 acres of real property (the “**Land**”) as legally described in Exhibit A attached hereto and incorporated herein by this reference.

1.1.2 Appurtenances. All privileges, rights and easements appurtenant to the Land, including without limitation, all minerals, oil, gas and other hydrocarbon substances on and under the Land; all development rights, air rights, water, water rights and water stock relating to the Land; all right, title and interest of Seller in and to any streets, alleys, passages, water and sewer taps, sanitary or storm drain capacity or reservations and rights under utility agreements, and other easements and other rights-of-way included in, adjacent to or used in connection with

the beneficial use and enjoyment of the Land, all restrictive covenants limiting the use of the Land, (collectively, the “**Appurtenances**”).

1.1.3 Restrictions and Encumbrances. Except for any mortgage or lien that is the responsibility of Seller to remove from title on or before Closing, any and all other covenants, conditions, restrictions and encumbrances upon the Land or Improvements (the “**Restrictions**”).

1.1.4 Improvements. To the extent owned by Seller, any improvements, buildings, structures, fences, parking areas, or other physical attachments located upon the Land, including fixtures, systems and equipment attached to the Land and used in connection with the operation or occupancy of the Land (collectively, the “**Seller Improvements**,” which together with the Land, the Appurtenances, and Restrictions are the “**Real Property**”). The Parties acknowledge that pursuant to the Ground Lease, Buyer or its Subtenant(s) is the owner of other improvements during the Term of the Ground Lease. Seller agrees that upon the written request of Buyer, on or before the Closing Seller shall execute, acknowledge and record all commercially reasonable instruments reasonably requested by Buyer to evidence Buyer’s or its Subtenant(s)’ ownership interest in such Improvements located upon the Land.

1.1.5 Personal Property. That certain tangible personal property and intangible property owned by Seller which is located on or within or used in connection with the use or operation of any of the Real Property and that is described in Exhibit C (the “**Personal Property**”). Personal Property will include, without limitation, the following: (a) all of the tangible property listed on a schedule to be delivered according to Section 3.1.3 hereof; (b) those service contracts listed on a schedule to be delivered according to Section 3.1.3 hereof that Buyer elects to assume, by written notice delivered to Seller not less than ten (10) days before the Closing; (c) all warranties and guarantees owned by or for the benefit of Seller related to the tangible Personal Property or related to construction, repair or alteration work on the Real Property, to the full extent such warranties and guarantees are assignable; (d) all licenses and permits owned by or for the benefit of Seller related to the Real Property; and (e) all plans, drawings, engineering studies owned by or for the benefit of Seller located within, used in connection with or related to the Real Property. Buyer acknowledges and agrees that it has received from Seller a populated schedule of Personal Property that Buyer has approved in advance of such schedule being incorporated into this Agreement as Exhibit C prior to the Buyer executing this Agreement. Buyer further agrees that pursuant to the terms of the Ground Lease, Buyer or its Subtenant(s) may have ownership of or retain the benefit of items described in (a) through (e) above that are not the responsibility of Seller to transfer to Buyer pursuant to the terms of this Agreement.

ARTICLE 2 PURCHASE PRICE

2.1 Amount. The agreed upon purchase price (the “**Purchase Price**”) for the Property is Thirteen Million Dollars (\$13,000,000) payable in accordance with this Article 2; provided, however, if the Base Rent payable under the Ground Lease has been reduced or abated pursuant to the terms of the Ground Lease, then the Purchase Price will be reduced by the amount of such reduction or abatement. By way of example only, if fifty percent (50%) of the Land has been taken

and Base Rent has been reduced by fifty percent (50%), then the Purchase Price would be reduced to \$6,500,000).

2.2 Deposits.

2.2.1 Deposit. Within three (3) Business Days after the Effective Date, as a credit against the Purchase Price, Buyer must deposit One Hundred Thousand Dollars (\$100,000) (the “**Deposit**”) into an escrow (the “**Escrow**”) to be opened with First American Title Insurance Company National Commercial Services, 333 W. Santa Clara Street, Suite 220, San Jose, CA 95113, Tel: (408) 451-7829 (the “**Escrow Holder**”).

2.2.2 Credit toward Purchase Price. On the Contingency Date, if the contingencies set forth in Article 3 have been met or waived by Buyer and this Agreement has not been otherwise terminated, Seller will credit the total Ground Lease Base Rent received by Seller to such date plus the amount of the Deposit against the outstanding balance of the Purchase Price, (i.e., where Buyer has paid Seller Ground Lease Base Rent in the amount of Eleven Million Dollars (\$11,000,000), then Seller will credit Buyer the sum of Eleven Million One Hundred Thousand Dollars (\$11,100,000) against the Purchase Price) which credit amount will be reflected by Escrow Holder upon the Seller’s and Buyer’s closing statements. Buyer agrees that the credit towards the Purchase Price described in this Section 2.2.2 will not in the circumstances of any later termination of this Agreement entitle Buyer to recover such amount from Seller. Buyer and Seller agree that the termination of this Agreement does not terminate the Ground Lease and all Base Rent paid by Buyer to Seller pursuant to the Ground Lease shall remain the property of Seller in accordance with the terms of the Ground Lease.

2.2.3 Requirements for Deposit. Buyer may make the Deposit in cash, or by check payable to the Escrow Holder, or by electronic transfer of federal funds. The Escrow Holder will hold the Deposit in an escrow account at a bank and invested in investments approved by Buyer, with interest accruing for the benefit of Buyer. On the Closing Date (defined in Section 7.2.2), the Deposit will be credited against the Purchase Price and paid to Seller. If this Agreement terminates for any reason, then: (a) upon written notice from the parties Escrow Holder must release the Deposit to Seller and Seller will credit the Deposit toward Base Rent payable under the Ground Lease, and (b) the Ground Lease will remain in full force and effect in accordance with its terms. Buyer and Seller agree that if this Agreement is terminated for any reason, the Deposit will be credited toward Ground Lease Base Rent payable under the Ground Lease; and Buyer on behalf of itself and its successors and assigns expressly waives and releases any of its right, title or interest in or right of recovery of the Deposit paid to Seller in accordance with this Section 2.2.3.

2.3 Seller Payment of Balance. At the Closing, Buyer agrees to pay the balance of the Purchase Price to Seller through the Escrow by depositing cash or a certified or cashier's check payable to the Escrow Holder, or by electronic transfer of federal funds, which must be delivered to the Escrow Holder at least one (1) business day prior to the Closing Date. In any instance that the sum of the Deposit and the credit described in Section 2.2.2 above is greater than the Purchase Price described in Section 2.1 above due to a reduction in such Purchase Price as described in Section 2.1, then Seller agrees to credit the amount of overpayment, if any, of such adjusted Purchase Price to Buyer through the Escrow upon the Closing Date, and Escrow Holder will upon

the Closing distribute any overpayment to the Buyer (less all agreed upon Buyer expenses set forth in the Buyer closing statement) by check or wire transfer.

ARTICLE 3 BUYER'S CONTINGENCIES

3.1 Seller's Delivery of Documents. Buyer's obligation to purchase the Property is contingent upon Seller delivering to Buyer all of the documents in Seller's possession or control as listed below (collectively, the "**Preliminary Documents**"). Seller is only obligated to deliver such Preliminary Documents that are in Seller's possession or control to the actual knowledge of Seller's Director of Real Estate and Transit-Oriented Development following reasonable inquiry. Failure to deliver the Preliminary Documents within ten (10) Business Days after the Effective Date will extend the Contingency Date (as defined in Section 3.2) by one day for every one day thereafter that the last such Preliminary Document is delivered.

3.1.1 Preliminary Report. A preliminary report (the "**Preliminary Report**") dated not earlier than thirty (30) days prior to the Effective Date covering the Real Property and issued by First American Title Insurance Company (the "**Title Company**"), together with a legible copy of all exceptions to title shown in the Preliminary Report including each document, map and survey referred to therein. Seller shall be obligated to deliver any updates or amendments to any of the foregoing.

3.1.2 Surveys. Seller and Buyer acknowledge that Seller does not possess a current survey of the Land satisfactory to Buyer. Therefore, at Buyer's election in its sole discretion, Buyer will obtain a survey of the Land meeting the requirements of the most current edition of the ALTA/ACSM "Minimum Survey Standards" (the "**Survey**") at Buyer's sole cost and expense. The Survey shall be delivered to Seller and Buyer by the Buyer's engineering and surveyor consultant. Seller will fully cooperate with the Buyer's fully licensed engineering and surveyor consultant in order to provide reasonable access to the Land for purposes of preparing the Survey. Buyer agrees that Buyer's election must be made in a reasonably timely manner following the Effective Date in order to avoid any delay to the Closing. Buyer agrees to assume the risk of delay to Closing if Buyer fails to timely make its election to have a Survey and the Survey production is delayed causing the Closing to be delayed.

3.1.3 Schedules of Personal Property. A complete schedule of all of the tangible Personal Property, if any, to be sold pursuant to this Agreement, and a complete schedule of all service contracts related to the Real Property, if any, is attached hereto as Exhibit C and incorporated herein by this reference. Buyer will provide written notice to Seller within ten (10) Business Days following the date Seller delivers copies of such service contracts to Buyer. Buyer agrees that Buyer's election not to assume a service contract must be made in a reasonably timely manner. Buyer agrees to assume the risk of delay to Closing if Buyer's election not to assume any service contract listed on Exhibit C that Seller cannot terminate as of the Closing Date due to the required notice period set forth in such service contract.

3.1.4 Agreements. Copies of all documents affecting the Real Property that are in effect as of the Effective Date as follows: (i) written easements, covenants, and restrictions, (ii) agreements, (iii) leases, (iv) repair and maintenance service contracts, (v) insurance, (vi) utility service contracts, (vii) requirements of the grant

or cooperative agreement entered into between Seller and the Federal Transit Administration, and (viii) other contract documents, which affect the Real Property. The foregoing Seller disclosure obligation to deliver copies of currently effective documents or instruments listed in (i) through (viii) above in accordance with this Section 3.1.4 shall not apply in any instance that Seller has disclosed the same to Buyer as the tenant under the Ground Lease and/or that Buyer has received the document or instrument in a prior Seller disclosure. Seller shall be obligated to deliver any updates or amendments to any of the foregoing. Seller is only obligated to deliver those documents described in this Section 3.1.4 that are in Seller's possession or control to the actual knowledge of Seller's Director of Real Estate and Transit-Oriented Development, following reasonable inquiry.

3.1.5 Tax Bills. To the extent applicable, Real Property tax bills for the past three (3) calendar years. The foregoing Seller disclosure obligation to deliver copies of the tax bill documents or instruments for the past three (3) calendar years in accordance with this Section 3.1.5 shall not apply to any document or instrument that Seller has disclosed to Buyer as the tenant under the Ground Lease and/or that Buyer has received the document or information in a prior Seller disclosure. Seller shall be obligated to deliver any updates or amendments to any of the foregoing.

3.1.6 Insurance Policies. Copies of certificates of insurance carried by Seller related to the Real Property in effect as of the Effective Date. The foregoing Seller disclosure obligation to deliver documents or instruments in accordance with this Section 3.1.6 shall not apply in any instance that Seller has disclosed the document or instrument to Buyer as the current tenant under the Ground Lease and/or that Buyer has received the document or instrument in a prior Seller disclosure and/or the document or instrument has been lawfully terminated or expired and no longer benefits the Real Property. Seller shall be obligated to deliver any updates or amendments to any of the foregoing.

3.1.7 Materials Related to Condition of the Real Property. Buyer acknowledges and agrees that prior to the Effective Date, Buyer's consultant vendor has conducted an environmental survey of the Land and provided Buyer with copies of "Phase I" and "Phase II" environmental reports regarding the Land. Buyer further acknowledges and agrees that Buyer has had the opportunity under the Ground Lease to perform further due diligence and to seek any other environmental reports related to the presence of Hazardous Materials prior to the Ground Lease Commencement Date. Seller shall deliver to Buyer all other environmental reports pertaining to the Land in Seller's possession or control, including without limitation, complaints or notices regarding the presence of Hazardous Materials on the Land, geological surveys, soil tests, engineering reports, inspection results, and complaints or notices received regarding the safety of the Land. The foregoing Seller disclosure obligation to deliver copies of the documents or instruments in effect as of the Effective Date in accordance with this Section 3.1.7 shall not apply to any document or instrument that Seller has disclosed to Buyer as the tenant under the Ground Lease and/or that Buyer

received the document or instrument in a prior Seller disclosure. Seller shall be obligated to deliver any updates or amendments to any of the foregoing documents described in this Section 3.1.7 that are in Seller's possession or control to the actual knowledge of Seller's Director of Real Estate and Transit-Oriented Development, following reasonable inquiry.

3.1.8 Litigation Materials. To the extent applicable to the Real Property, all materials related to pending litigation which was pending during the period of Seller's ownership of the Real Property, involving the Real Property or the Seller on account of its ownership of the Real Property, including a copy of any complaint, answer, court order, settlement and judgment. The foregoing Seller disclosure obligation to deliver copies of the documents or instruments in accordance with this Section 3.1.8 shall not apply to any document or instrument that Seller has disclosed to Buyer as the tenant under the Ground Lease and/or that Buyer received the document or instrument in a prior Seller disclosure. Seller shall be obligated to deliver any updates or amendments to any of the foregoing.

3.1.9 Excluded Records. The Preliminary Documents will not include any books, records, documents, instruments or information regarding the financial and accounting records of the operations of Seller as an entity (as opposed to records concerning the Real Property), concerning offers or inquiries made by the third parties concerning purchase of some or all of the Real Property or appraisals of the value of the Real Property, that are attorney-client communications of Seller, that is Seller's attorney's work product, or is not in the possession of Seller or persons under Seller's control. Seller's obligation to deliver the Preliminary Documents shall only include books, records, documents, instruments, reports and other information that are in Seller's possession or control to the actual knowledge of Seller's Director of Real Estate and Transit-Oriented Development, following reasonable inquiry.

3.2 Buyer's Approval of the Preliminary Documents. Buyer will have the period from the Effective Date until the date which is thirty (30) days after delivery to Buyer of the last Preliminary Document (the "**Contingency Date**") to review the Preliminary Documents and determine whether or not it approves the matters disclosed in the Preliminary Documents. The Parties will confirm in writing the date of delivery of the last Preliminary Document and the calendar date of the Contingency Date (i.e. thirty (30) days following such calendar date of delivery of last Preliminary Document) and the calendar date of the Closing Date, in the form of the Contingency Date And Closing Date Addendum attached hereto and incorporated herein as Exhibit E; provided however, failure of the Parties to complete and sign such Exhibit E shall not entitle either Party to delay the Closing or terminate this Agreement. All references to "Contingency Date" in this Agreement shall mean the Contingency Date as established under this Section 3.2 as that same may be revised to a later date pursuant to Section 3.1 or this Section 3.2. On or before the Contingency Date, Buyer will deliver written notice to Seller accepting the matters disclosed in the Preliminary Documents, waiving any Buyer rights to receipt of any Preliminary Documents as determined in Buyer's reasonable discretion, or terminating this Agreement. If Buyer fails to give such notice on or before the Contingency Date, Buyer will be deemed to have acknowledged that (i) Seller has provided Buyer with access to the Preliminary

Documents, (ii) Buyer has had ample opportunity to review and inspect the Preliminary Documents and to make such independent factual, physical and legal examinations and inquiries and to carry out searches of public records as Buyer deems necessary or desirable with respect to matters disclosed in the Preliminary Documents and searches of the public records that a prudent Buyer would carry out, and (iii) Buyer has elected to approve the matters disclosed in the Preliminary Documents or appearing in public records by delivery of the Contingency Date And Closing Date Addendum. Seller shall be obligated to provide to Buyer all newly discovered Preliminary Documents that Seller has not previously disclosed or are subject to the terms above and Buyer will have thirty (30) days from the date of delivery of any newly discovered Preliminary Document delivered to Buyer to review such document. Buyer will not be deemed to have waived any right to review such newly discovered Preliminary Documents that Seller discloses to Buyer after the Contingency Date and prior to Closing, subject to and in accordance with the terms of Section 3.1.1, Section 3.1.2, Section 3.1.3, Section 3.1.4, Section 3.1.5, Section 3.1.6, Section 3.1.7, and Section 3.1.8. Subject to the terms and conditions of this Agreement, including without limitation, this Section 3.2 and Section 3.1 above, Buyer agrees that Buyer will be deemed to have waived any right to terminate this Agreement in regard to all disclosed Preliminary Documents delivered to Buyer prior to the Contingency Date.

3.3 Approval of Title. Buyer's obligation to purchase the Property is conditioned upon Buyer's approval of the condition of title of the Real Property in accordance with the following procedure:

3.3.1 The following exceptions shown on the Preliminary Report will be **"Permitted Exceptions:"** (a) exceptions for a lien for local real estate taxes and assessments not yet due or payable, (b) the standard preprinted exceptions and exclusions of the Title Company (subject to Buyer's right to seek endorsements to address such exceptions and exclusions), and (c) any other exception shown on the Preliminary Report, to which Buyer has not objected in writing in a timely manner as provided in this Section. "Permitted Exceptions" shall not include monetary liens, tax liens, mechanics' liens, mortgages that Seller has encumbered the Land with (collectively **"Monetary Liens"**) and any exceptions that Buyer has objected to in writing in a timely manner; provided however, the foregoing shall not include any lien, mortgage or encumbrance that Buyer or Buyer's Subtenant(s) have caused due to the Ground Lease or work on the Improvements. Buyer must object by written notice to Seller within ten (10) Business Days of delivery of the Preliminary Report and supporting documents or access to the data base containing the supporting documents (the **"Buyer's Title Notice"**) in regard to any title exceptions shown in the Preliminary Report and Monetary Liens which Buyer objects to (collectively **"Title Objection"**); provided, however, such Buyer Title Objection will not be Permitted Exceptions, and Seller will be required to address such Title Objection as described in Section 3.3.2 below. If Buyer fails to deliver Buyer's Title Notice within the time specified in this Section 3.3.1, Buyer will be deemed to have waived its rights to object to the title exceptions and accepted each of the title exceptions shown in the Preliminary Report as Permitted Exception.

3.3.2 With respect to any Title Objection which arises out of or results from any act or omission of Seller, Seller will have a reasonable period of time after receipt from Buyer of the Buyer's Title Notice, to specify the manner in which it will affect the removal or cure of such Title Objection. With respect to any Title Objection which did not arise out of or result

from any act or omission of Seller, Seller will have up to ten (10) days after receipt from Buyer of Buyer's Title Notice, to give notice to Buyer in writing (the "**Seller's Title Notice**") stating either (a) the manner in which Seller will affect the removal or cure of such Title Objection, or (b) that Seller will not remove or cure such Title Objection. If Seller fails to deliver Seller's Title Notice within the time specified in this Section 3.3.2, Seller will be deemed to have elected to not to cure such Title Objection. Seller will be required to remove any Monetary Lien at or prior to Closing unless such Monetary Lien were recorded at the request of, or as the result of, actions or omissions of Buyer or Buyer's Subtenant(s).

3.3.3 If Seller elects not to cure or remove a Title Objection (or is deemed to have so elected), then Buyer will have five (5) Business Days after delivery of the Seller's Title Notice to deliver a written notice to Seller (the "**Buyer's Election Notice**") of Buyer's election to either (a) proceed with the purchase of the Real Property, waive such Title Objection, and accept the exception shown in the Preliminary Report as a Permitted Exception, or (b) terminate this Agreement. If Buyer fails to deliver Buyer's Election Notice within the time specified in this Section 3.3.3, Buyer will be deemed to have elected to purchase the Real Property subject to such Title Objections.

3.3.4 If Seller is obligated or elects to cure or remove a Title Objections, but the method specified for removing or curing the Title Objection is other than the payment of a specific sum of money, then Buyer will cooperate with Seller in a timely manner and without delay during the period that Seller attempts to remove such Title Objections.

3.3.5 If any encumbrance or other exception to title arises or is discovered after the delivery of the Preliminary Report (an "**Additional Encumbrance**"), the Party discovering such Additional Encumbrance will promptly give written notice to the other. Not later than five (5) Business Days after delivery of the notice of such Additional Encumbrance, Buyer will deliver a new Buyer's Title Notice to Seller specifying whether the Additional Encumbrance is a Title Objection or a Permitted Exception. If Buyer objects to the Additional Encumbrance, the Parties will proceed in the same manner as set forth above for Title Objections arising out of the Preliminary Report. If Buyer fails to deliver Buyer's Election Notice within the time specified in this Section 3.3.5, Buyer will be deemed to have elected to waive its right to raise any Title Objections and purchase the Real Property.

3.4 Review of Preliminary Documents and Physical Condition.

3.4.1 Due Diligence. Buyer's obligation to purchase the Property is expressly conditioned upon its approval, in its reasonable discretion, of the Preliminary Documents. Buyer will have until the Contingency Date to conduct such investigations as Buyer may chose ("**Due Diligence**") to determine, in its reasonable discretion, whether this contingency is met. On or before the Contingency Date, Buyer will deliver written notice to Seller accepting the condition of the Real Property or terminating this Agreement. If Buyer fails to give such notice on or before the Contingency Date, Buyer will be deemed to have elected to purchase the Real Property and not terminate this Agreement in accordance with this Section 3.4.1.

3.4.2 Access to Real Property. The Parties acknowledge that pursuant to the Ground Lease Buyer has possession of the Real Property. As part of its Due Diligence, where such right is not provided to Buyer under the Ground Lease, Seller agrees that Buyer may

investigate and conduct inspections, tests and studies with respect to the physical and environmental condition of the Real Property. Buyer and Buyer's consultants, agents, engineers, inspectors, contractors and employees ("**Buyer's Representatives**"), will be given reasonable access to the Real Property during regular business hours for the purpose of performing such Due Diligence. Buyer will undertake the Due Diligence at its sole cost and expense. Buyer will indemnify, defend with counsel reasonably acceptable to Seller and hold Seller harmless from all claims (including claims of lien for work or labor performed or materials or supplies furnished), demands, liabilities, losses, damages, costs, fees and expenses, including Seller's reasonable attorneys' fees, costs and expenses, arising out of the acts or activities of Buyer or Buyer's Representatives in, on or about the Real Property during or arising in connection with Buyer's inspections of the Real Property, except to the extent resulting from the gross negligence or intentional misconduct of Seller or Seller's employees or authorized contractors and agents. Buyer acknowledges that Buyer and Buyer's Representative have previously provided Buyer "Phase 1" and "Phase 2" environmental reports for the Real Property which Buyer may in its discretion and sole cost desire to update prior to Closing. If Buyer elects to conduct additional inspections for Hazardous Materials and Environmental Conditions beyond the scope of the "Phase 1" and "Phase 2" environmental reports in Buyer's possession regarding the Real Property, it shall do so at its sole cost and expense and shall provide Seller copies of all reports prepared for Buyer. Any damage occasioned to the Real Property as a result of any Due Diligence carried out by Buyer or Buyer's Representative shall be immediately repaired by Buyer at Buyer's cost and expense to Seller's reasonable satisfaction.

3.4.3 Assumption of Risk. Subject to the other provisions of this Agreement, Buyer agrees, that by its acceptance or waiver of the contingency contained in this Section 3.4, it assumes the risk that an adverse condition of the Real Property may not have been revealed by its own Due Diligence. Upon Buyer's acceptance or waiver of the contingency contained in this Section 3.4, Seller will have no obligation to repair, correct or compensate Buyer for any condition of the Real Property, including defects in the Improvements, noncompliance with applicable laws and regulations, including (without limitation) zoning laws, building codes and the Americans with Disabilities Act, whether or not such condition of the Real Property would have been disclosed by Buyer's Due Diligence. Buyer's waiver provided in Section 5.4 below expressly extends to adverse conditions of the Real Property described in this Section 3.4.3.

3.5 Financing Contingency Waived. Buyer's obligation to purchase the Property is not conditioned on Buyer obtaining, prior to the Contingency Date, a written commitment for a loan or any other financing to purchase the Property. Buyer expressly waives any right to claim financing contingency as grounds to terminate this Agreement.

3.6 Termination. If this Agreement is terminated on or after the Contingency Date due to a failure of a contingency set forth in this Article 3, or otherwise due to the default of a Party, then immediately upon written notice from either Party, Escrow Holder must release the Deposit to Seller (which Seller will credit toward Base Rent payable under the Ground Lease) and release these funds to Seller, without offset for any charges or claims; and any cancellation fee or other costs of the Escrow Holder or the Title Company due to such termination will be borne by the Party that was obligated to satisfy the contingency or that is in default.

If neither Party is in default hereunder, if this Agreement is terminated prior to the Contingency Date due to a failure of a contingency set forth in this Article 3 or otherwise due to Buyer's election, then immediately upon written notice from either Party, Escrow Holder must release the Deposit to Seller (which Seller will credit toward Base Rent payable under the Ground Lease) and release these funds to Seller, without offset for any charges or claims; and any cancellation fee or other costs of the Escrow Holder or the Title Company due to such termination will be divided in equal shares by the Parties.

3.7 Federal Requirements. Buyer and Seller acknowledge that Seller's acquisition of the Real Property was funded in part by a Federal Transit Administration ("FTA") grant number: CA-03-0402-01/CA-90-X741. Buyer and Seller acknowledge and agree that the Real Property is and will continue to be subject to FTA grant requirements related to real property with an FTA interest.

ARTICLE 4 SELLER'S PRECLOSING COVENANTS

4.1 No Amendment or Agreements. On and after the Effective Date, Seller will not (a) amend or waive any right under any Preliminary Document, or (b) enter into or renew, replace or modify any agreement regarding the use, sale, rental, management, repair, improvement, or any other agreement affecting the Real Property, (c) grant any easement affecting the Real Property, or (d) create or permit any liens, encumbrances, or easements to be placed on the Real Property or any part thereof that would survive the Closing Date, without Buyer's prior written consent. Buyer's consent shall not be unreasonably withheld, conditioned or delayed if the same relates to a revision required pursuant to the Federal grant and encumbrance described in Section 3.7 provided that such action does not materially and adversely affect the Real Property or Buyer's ability to develop and use the Real Property for the purposes described in the Ground Lease. Prior to the Contingency Date, Buyer may not unreasonably withhold its consent in accordance with this Section 4.1, however, after the Contingency Date, except as set forth in this Section 4.1, Buyer will have sole discretion as to all such matters.

4.2 Insurance. Through the Closing Date, Seller must maintain or cause to be maintained in full force and effect comprehensive general liability casualty and other insurance with respect to the Real Property in effect as of the Effective Date in the same amount prior to the Effective Date taking account of Seller's usual treatment of insurance for the Real Property.

4.3 Damage to Real Property. Buyer acknowledges and agrees that Seller will not be responsible for any damage, loss or other detrimental conditions caused to the Real Property by Buyer or Buyer's directors, officers, employees and authorized contractors, agents, licensee, invitees and Subtenant(s), as the tenant/"City" in possession of the Real Property under the terms and conditions of the Ground Lease. The foregoing Buyer release of Seller will not apply to any actual proven damage, loss or other detrimental condition resulting from the gross negligence or intentional misconduct of Seller.

4.4 Mechanic's Liens. On the Closing Date, Seller must deliver the Real Property to Buyer free and clear of all mechanic's liens. The Parties agree that the foregoing obligation of Seller will not apply to any lien recorded against the Real Property arising out of any materials, supplies or work performed pursuant to the Ground Lease or Buyer's inspection of the Land in

accordance with Section 3.4 by, or on behalf of, or for the benefit of, Buyer or Buyer's Subtenant(s), or their respective contractors at the Real Property, which lien release is acknowledged by the Parties as a Buyer or Buyer's Subtenant(s) obligation.

4.5 No Marketing. Seller agrees not to market, show or list the Real Property for sale and transfer (subject to the Ground Lease) to any other prospective buyer during the term of this Agreement.

4.6 Licenses and Permits. During the term of this Agreement, Seller will, at Seller's cost and expense, keep in full force and effect all Seller licenses and permits for the Real Property where the same are within Seller's reasonable control and ownership, except to the extent that Buyer will not be assuming the same at the Closing Date, or any license or permit is the responsibility of and maintained by Buyer or Buyer's Subtenant(s). Notwithstanding the foregoing, Seller will not be responsible for the cost and expense of obtaining or maintaining the licenses and permits for the Real Property to the extent that Buyer, or Buyer's Subtenant(s) are required to obtain and maintain the same in accordance with the terms and conditions of the Ground Lease.

ARTICLE 5 SELLER'S REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties. Seller hereby represents and warrants that to its actual knowledge and belief (which knowledge and belief standard is the actual knowledge and belief of the Seller's Director of Real Estate and Development following reasonable inquiry) that the statements set forth in this Section 5.1 are true and correct as of the Effective Date, and will be true and correct as of the Closing Date:

5.1.1 Authority; Due Execution; Enforceability. Seller has the full right, power and authority to execute, deliver, and perform all obligations of Seller under this Agreement. The persons executing this Agreement on behalf of Seller have been duly authorized to do so. This Agreement constitutes a valid and binding obligation of Seller, enforceable in accordance with its terms. Consent of Seller's administrative body has been obtained and no other consent is required for Seller to enter into this Agreement. Seller is a public benefit agency organized, validly existing and in good standing under the laws of the State of California and is qualified to do business in the State of California.

5.1.2 Condition of the Land; Hazardous Materials. The Land is free of any mechanic's liens, except with respect to any lien recorded against the Real Property arising out of any materials, supplies or work performed pursuant to the Ground Lease or Buyer's inspection of the Land in accordance with Section 3.4 by, or on behalf of, or for the benefit of, Buyer or Buyer's Subtenant(s), or their respective contractors at the Real Property. Except as set forth in any environmental reports or other written disclosure delivered to Buyer prior to the Effective Date, Seller, including Seller's Director of Real Estate and Transit-Orientated Development, has no knowledge of the existence of any Hazardous Materials in, on, under or otherwise affecting the Land.

5.1.3 Documents. All of the Preliminary Documents delivered or to be delivered to Buyer pursuant to Section 3.1, and all other documents and instruments delivered or to be

delivered to Buyer by or on behalf of Seller, are true, correct and complete copies of what they purport to be. The Preliminary Documents delivered or to be delivered to Buyer are all of the material documents and instruments concerning the Land in Seller's possession.

5.1.4 No Litigation or Other Proceeding. No litigation or other proceeding (whether administrative or otherwise) is outstanding against the Seller, which would prevent the ability of Seller to perform its obligations under this Agreement. No litigation is outstanding against the Real Property, except to the extent disclosed in writing to Buyer.

5.1.5 Condemnation. Seller has not received a notice of any presently pending or contemplated special assessments or proceedings to condemn, or demolish, the Real Property or any part of it, or proceedings to declare the Real Property or any part of it a nuisance.

5.1.6 Utilities. To the extent in Seller's sole control and where applicable, all water, sewer, gas, electric, telephone and drainage facilities, if any, and all other utilities, if any, located upon the Real Property, are adequate to service the Land and Seller's interest in the Real Property.

5.1.7 Licenses; Agreements Affecting the Land. Except to the extent that Buyer or Buyer's Subtenant(s) have obtained the same pursuant to the Ground Lease, where applicable to Seller's ownership interest in the Land and Seller's interest in the Real Property, Seller has all licenses, permits, easements and rights of way, which are required from any governmental authority having jurisdiction over the Real Property, in order to continue the present use of the Real Property. Except as disclosed in writing to Buyer, no written contracts, rental agreements, or leases regarding the maintenance or use of the Land or allowing any third-party rights to use the Land are in force that will remain in effect as of the Closing Date.

5.1.8 Development Rights. Seller, has not, sold, transferred, conveyed or entered into any agreement regarding "air rights," "excess floor area ratio" or other development rights or restrictions relating to the Real Property, except as otherwise expressly set forth in the Ground Lease, the Preliminary Report or this Agreement.

5.1.9 Government Compliance. Except as disclosed in writing to Buyer, Seller has not received notice from any Governmental Authority of any violation of governmental regulations concerning the Land that has not previously been corrected.

5.1.10 Title to the Property. Seller possesses fee simple title to the Land and Seller's improvements. Other than Buyer's and Buyer's Subtenant(s) interest in the Ground Lease and Improvements pursuant to the Ground Lease, no person or entity has any right, title or interest in or to the Land and Seller's improvements or any portion thereof, other than as disclosed in writing to Buyer.

5.1.11 Personal Property. Seller has no knowledge that anyone will, at the Closing Date, have any right to possession of any Personal Property included in the Purchase Price nor knowledge of any liens or encumbrances affecting such Personal Property, except as disclosed by this Agreement or otherwise in writing to Buyer.

5.1.12 No Conflict. Seller's execution, delivery and performance of its obligations under this Agreement will not constitute a default or breach under any contract, agreement or order to which Seller is a party, or by which Seller is bound, or that affects the Land or any part thereof.

5.1.13 No Bankruptcy. Seller is not the subject of a bankruptcy or insolvency proceeding.

5.1.14 Foreign Person. Seller is not a foreign person and is a "United States Person" as such term is defined in Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended.

5.2 Effect of Representations and Warranties. Each representation and warranty in this Article 5 (a) is material and being relied upon by Buyer; (b) is true in all respects as of the Effective Date; and (c) will be true in all respects on the Closing Date.

5.3 Survival of Representations and Warranties and Limitation on Liability. The Parties agree that: (a) Seller's warranties and representations contained in this Agreement, including without limitation, with respect to Seller's interest in the Real Property, will survive for twelve (12) months after the Closing Date, and (b) if Buyer fails to provide written notice to Seller of any breach of such warranties or representations within twelve (12) months after the Closing Date, Buyer will be deemed to have waived all claims for breach of any representations and warranties made by Seller in accordance with the terms of this Agreement.

5.4 "As Is" Purchase. Subject to the approval or waiver of the contingencies set forth in Article 3, Seller's pre-closing obligations under Article 4, Seller's representations and warranties in Article 5 and the closing conditions set forth in Article 6, and as a material inducement to Seller's execution and delivery of this Agreement and performance of its duties hereunder: EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, BUYER HAS AGREED TO ACCEPT POSSESSION OF THE PROPERTY ON THE CLOSING DATE ON AN "AS IS", AND "WITH ALL FAULTS" BASIS. SELLER AND BUYER AGREE THAT THE PROPERTY SHALL BE SOLD "AS IS, WHERE IS, WITH ALL FAULTS" WITH NO RIGHT OF SET-OFF OR REDUCTION IN THE PURCHASE PRICE, AND, EXCEPT AS SET FORTH IN SECTION 5.1, SECTION 5.2 and SECTION 5.3 (SELLER'S REPRESENTATIONS AND WARRANTIES), SUCH SALE SHALL OTHERWISE BE WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED FROM SELLER, (INCLUDING, WITHOUT LIMITATION, WARRANTY OF INCOME POTENTIAL, OPERATING EXPENSES, USES, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE) AND SELLER DOES HEREBY DISCLAIM AND RENOUNCE ANY SUCH REPRESENTATION OR WARRANTY NOT SET FORTH IN THIS AGREEMENT. Buyer acknowledges and agrees that Buyer has received the advice of counsel as of the interpretation and effect of the terms of this Section 5.4 and Section 5.5 below, and accordingly agrees to the Closing subject to all of the terms, covenants, conditions of this Agreement, including the provisions of this Section 5.4 "As-Is" Purchase and Section 5.5. The provisions of this Section 5.4 will survive the Closing in accordance with its terms.

5.5 Release. Except for the Seller's representations and warranties provided in Section 5.1 and their (post Closing) survival period set forth in Section 5.3, effective from and after the

Closing, Buyer hereby waives, releases, acquits, and forever discharges Seller, and Seller's agents, directors, officers and employees to the maximum extent permitted by law, of and from any and all claims, actions, causes of action, demands, rights, liabilities, damages, losses, costs, expenses, or compensation whatsoever, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way growing out of or connected with the condition of the Property (including without limitation, the condition of the Real Property and any Hazardous Materials in, on or under the Real Property, the condition of the Property disclosed in any Preliminary Documents or the Survey, if any, or the condition of the Property disclosed in Buyer's due diligence, if any), except matters arising from Seller's fraud or intentional misrepresentation. BUYER EXPRESSLY WAIVES ITS RIGHTS GRANTED UNDER CALIFORNIA CIVIL CODE SECTION 1542 AND ANY OTHER PROVISION OF LAW THAT PROVIDES A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT BUYER OR THE RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN ITS OR HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY IT OR HIM OR HER WOULD HAVE MATERIALLY AFFECTED ITS OR HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY, OR ANY AGREEMENT TO RELEASE SELLER.

Buyer has initialed this Section 5.5 to further indicate Buyer's agreement that it has been counseled by an attorney of its choosing as to the effect, of the terms of this Section 5.5. The provisions of this Section 5.5 **Mft** the Closing in accordance with its terms.

BUYER INITIALS:

ARTICLE 6 CLOSING CONDITIONS

6.1 Buyer's Closing Conditions. All obligations of Buyer under this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions ("**Buyer's Closing Conditions**"). Buyer's Closing Conditions are solely for Buyer's benefit and any or all of the Buyer's Closing Conditions may be waived in writing by Buyer in whole or in part without prior notice.

6.1.1 Title. It is a Buyer's Closing Condition that, on the Closing Date, Seller convey to Buyer marketable fee simple title to the Real Property, incorporating all FTA rights reservations including FTA approval of subsequent transfers of title, by execution and delivery of a Grant Deed substantially in the form attached hereto as Exhibit B (the "**Deed**") and cause to be delivered to Buyer from the Title Company a CLTA Form of Owner's Coverage Policy of Title Insurance, or at Buyer's election and cost of survey an ALTA Form of Owner's Coverage Policy of Title Insurance, each with liability in the full amount of the Purchase Price, insuring title to the Real Property in Buyer, subject only to the Permitted Exceptions, together with such endorsements described below or as may be reasonably requested by Buyer (the "**Title Policy**"). The Title Policy also must include such endorsements or guarantees as may be requested by Buyer. Seller must deliver to the Title Company such commercially reasonable instruments, documents, releases and agreements as Title Company may reasonably require in order to issue

the Title Policy. Indemnification of the Title Company to induce it to insure any otherwise unpermitted exception to title will not be allowed except with the prior written consent of Buyer after full disclosure to Buyer of the nature and substance of such exception and indemnity, which consent will not be unreasonably withheld by Buyer for exceptions not material to marketable title to the Real Property.

6.1.2 Liens. Buyer will have received a certified report, with copies of all documents, satisfactory to Buyer and Buyer's counsel, from the Title Company or a reputable lien search company indicating that there are no personal property liens of record on file with the Secretary of State of California, other than those which will be discharged at the Closing. Buyer will have received a verified report, satisfactory to Buyer and Buyer's counsel, from the Title Company or a reputable lien search company, indicating that there are no federal or state tax liens of record against the Real Property and on file with the respective agencies prior to the Closing Date.

6.1.3 Seller's Representations, Warranties and Covenants. The representations and warranties of Seller contained in this Agreement must be true on and as of the Closing Date. Upon Buyer's written request Seller will provide Buyer with Seller's certificate in commercially reasonable form at Closing certifying to the truth and accuracy of the Seller representations and warranties provided in this Agreement.

6.1.4 Seller's Performance. Seller must have performed all Seller's covenants and conditions of this Agreement required to be performed by Seller as of the Closing Date except to the extent performance by Seller has been waived in writing by Buyer.

6.1.5 Closing Documents. Seller must have delivered to Escrow the documents and funds specified in Section 7.3 it is required to deliver through Escrow at Closing and any other document reasonably required by the Title Company or Escrow officer in order to transfer the Property.

6.1.6 Physical Condition. The physical condition of the Real Property must be substantially the same condition as on the Effective Date, reasonable wear and tear and damage and loss of all forms to the Improvements made by Buyer or Buyer's Subtenant(s) pursuant to the Ground Lease excepted. Notwithstanding the foregoing, Seller will not be responsible for any diminution in the physical condition caused by Buyer, as tenant, pursuant to, or in connection with its tenancy under the Ground Lease, or caused by Buyer's Subtenant(s) in connection with its sub-tenancy under its Sublease from Buyer.

6.1.7 Adverse Actions. There must exist no actions, suits, arbitrations, claims, attachments, proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization or other proceedings, pending against Seller or respecting the Property that would materially and adversely affect the Seller's ability to perform its obligations under this Agreement or Buyer's title to the Property.

6.1.8 Hazardous Material. No Hazardous Materials will have been discovered on the Real Property after the Contingency Date that were not previously disclosed to Buyer or discovered by Buyer before the Contingency Date.

6.1.9 No Material Changes. No event shall have occurred, nor shall any condition have arisen after the Contingency Date that as of the Closing Date materially and adversely affects the Property, exclusive of events and/or conditions caused by Buyer, in connection with its tenancy under the Ground Lease, or Buyer's Subtenant(s) in connection with its sub-tenancy under its Sublease from Buyer.

6.1.10 Consents. All necessary agreements and consents of all parties to the consummation of the transaction contemplated by this Agreement will have been obtained and furnished by Seller to Buyer. The FTA (defined in Section 3.7) has received the Buyer's request for an estoppel certificate in commercially reasonable form to evidence the consent of the FTA to the development of the Land for the Improvement(s) and the FTA has either: (i) agreed to provide the estoppel certificate within a reasonable period of time or declined to provide the estoppel certificate, or (ii) has failed to respond to Buyer's request for such estoppel certificate prior to the Closing Date.

6.2 Seller's Closing Conditions. Seller's obligation to sell the Property is expressly conditioned upon the fulfillment of each of the following conditions precedent at or before the Closing ("**Seller's Closing Conditions**"). Seller's Closing Conditions are solely for Seller's benefit and any or all of Seller's Closing Conditions may be waived in writing by Seller in whole or in part without prior notice.

6.2.1 Approval of Contingencies. It is a Seller's Closing Condition that Buyer must have acknowledged its approval or waiver of all the contingencies as required under Article 3.

6.2.2 Purchase Price. Buyer must have delivered the Purchase Price by way of Deposit, credits and balance due to Escrow.

6.2.3 Delivery of Closing Documents and Funds. Buyer must have delivered to Escrow the documents and funds specified in Section 7.4 it is required to deliver through Escrow at Closing.

6.2.4 Buyer's Representations, Warranties and Covenants. As of the Effective Date and the Closing Date, the following representations and warranties by Buyer must be true: (a) this Agreement is a legal, valid and binding obligation of Buyer and has been duly authorized by all required actions of Buyer and (b) this Agreement is enforceable in accordance with its terms. The representations and warranties of Buyer contained in this Agreement must be true in all material respects on and as of the Closing Date with the same effect as if such representations and warranties had been made on and as of the Closing Date. Buyer must have performed and complied with all covenants, agreements and conditions required by this Agreement to be performed or complied with by Buyer prior to or on the Closing Date.

6.3 Termination for Failure of a Condition. If Buyer's Closing Conditions or Seller's Closing Conditions, as the case may be, have not been previously approved or waived, this Agreement may be terminated by the Party in whose favor the Closing Condition runs by written notice to the other. If this Agreement is so terminated, the Parties will have no further obligation or liability under this Agreement, except as provided in Article 9 and this Section 6.3. Upon such termination, Escrow Holder must deliver the Deposit to Seller and Seller will credit such Deposit

toward Base Rent payable under the Ground Lease. Any cancellation fee or other costs of the Escrow Holder and Title Company will be borne by the defaulting party.

ARTICLE 7 CLOSING

7.1 Escrow. The Escrow will be opened with the Escrow Holder upon the execution of this Agreement. Buyer and Seller will promptly upon request therefor execute such additional escrow instructions as are reasonably required to consummate the transaction contemplated by this Agreement and are not inconsistent herewith.

7.2 Closing.

7.2.1 Definition. The “**Closing**” means the exchange of money and documents as described herein, and will be deemed to have occurred when the Deed has been recorded, the Escrow Holder holds and can record (if applicable) and deliver the remaining documents described in this Article 7, the Title Company is irrevocably and unconditionally committed to issue the Title Policy to Buyer and Buyer has delivered the Deposit and the balance of the Purchase Price, if any after taking into consideration applicable credits, in immediately available funds to Escrow Holder.

7.2.2 Closing Date. Seller and Buyer agree that the Closing will occur on the “Closing Date.” The “**Closing Date**” will be a date which is five (5) Business Days after the Contingency Date. The Closing will be via Escrow administered by the Escrow Holder.

7.3 Seller’s Deposit of Documents and Funds. Seller must deposit into Escrow the following documents in form and substance satisfactory to Buyer:

7.3.1 The duly executed and acknowledged Deed conveying the Real Property to Buyer subject only to the Permitted Exceptions;

7.3.2 If applicable, a duly executed bill of sale, if any, in the form attached hereto as Exhibit D, conveying the Personal Property, if any, to Buyer free and clear of liens, encumbrances and restrictions of every kind and description (the “**Bill of Sale**”);

7.3.3 If applicable, a duly executed assignment, if any, in commercially reasonable form approved by Buyer assigning to Buyer the Seller’s interest in: (a) the Plans, if any, (b) all warranties of which Seller is the beneficiary with respect to the Improvements or Personal Property, if any, (c) all intangible assets of the Real Property, if any, and (d) such service contracts and other agreements as Buyer elects to assume, if any (the “**Assignment**”);

7.3.4 Certificates required by Section 1445 of the Internal Revenue Code of 1986, and the California Revenue and Taxation Code Section 18815, executed by Seller and in a form satisfactory to Buyer (the “**Non-foreign Certification**”), to relieve Buyer of any potential transferee withholding liability under such statutes; and

7.3.5 Such reasonable document as reasonably requested by the Title Company confirming Seller’s authority to execute the Deed.

7.3.6 Such additional documents, including written Escrow instructions consistent with this Agreement, as may be reasonably necessary for conveyance of the Property in accordance with this Agreement.

7.4 Buyer's Deposit of Documents and Funds. Buyer must deposit into Escrow:

7.4.1 The balance of the Purchase Price after taking into account the Deposit, the credits described in Section 2.2.2, any adjustment, if applicable, pursuant to Article 8, and any other sum due in accordance with the provisions of Article 2, plus or minus proration as provided in Section 7.6;

7.4.2 If applicable, a duly executed copy of the Bill of Sale and Assignment;

7.4.3 Such proof as reasonably required by Seller or the Escrow Holder of Buyer's authority and authorization to enter into this Agreement and perform hereunder, and such proof of power and authority of the individuals executing and/or delivering any instruments, documents or certificates on behalf of Buyer to act for and bind Buyer as may reasonably be required by Seller and the Escrow Holder; and

7.4.4 Such documents, including written Escrow instructions consistent with this Agreement, as may be necessary or desirable for conveyance of the Property in accordance with this Agreement.

7.5 Closing. When the Escrow Holder receives all documents and funds identified in Sections 7.3 and Section 7.4, and the Title Company is ready, willing and able to issue the Title Policy, then, and only then, the Escrow Holder will close Escrow by:

7.5.1 Recording the Deed;

7.5.2 Issuing the Title Policy to Buyer;

7.5.3 Delivering to Buyer, where applicable, the Assignment, the Bill of Sale, the Non-foreign Certification, copies of all recorded documents related to the transfer or encumbering of the Property in accordance with the terms of this Agreement, and a copy of Seller's Escrow instructions;

7.5.4 Paying to Seller the balance of the Purchase Price, after taking account of the Deposit, the credit described in Section 2.2.2, any adjustment, if applicable, pursuant to Article 8, and any other sum due in accordance with the provisions of Article 2, plus or minus proration as provided in Section 7.6.

7.5.5 Thereafter, Escrow Holder will deliver signed closing statements showing all receipts and disbursements to Buyer and Seller, and will file with the Internal Revenue Service (with copies to Buyer and Seller) the reporting statement required under Section 6045(e) of the Internal Revenue Code where obligated to do the same.

7.6 Prorations. All receipts and disbursements of the Real Property will be prorated as of 11:59 p.m. on the day immediately preceding the Closing Date and the Purchase Price will be adjusted on the following basis:

7.6.1 Real Property Rents.

(a) Collected Rents. Any rents collected by Seller due to commercial activities pursuant to Exhibit C of the Ground Lease which are due and paid to Seller on or before the Closing Date for any period after the Closing Date (the “**Collected Rents**”) will be prorated as of the Closing by charging Seller and crediting Buyer for any Collected Rents applicable to periods after the Closing (if any). The foregoing obligations of Seller will not apply to any Ground Lease Base Rents.

(b) Delinquent Rents. To the extent applicable, all unpaid rents described in paragraph (a) above which are due and owing to Seller under the Ground Lease as of the Closing Date (the “**Delinquent Rents**”) will not be prorated and will remain the property Seller. Buyer will deliver any Delinquent Rents received by Buyer to Seller. Seller will have the right to collect Delinquent Rents due Seller prior to the date of Closing, at Seller’s sole cost and expense.

7.6.2 Capital Expenditures and Accounts Payable. To the extent applicable, all capital and other improvements (including labor and material) which are performed or contracted for, by or on behalf of Seller prior to the Closing Date must be paid by Seller except as otherwise agreed to in writing by Buyer.

7.6.3 Property Taxes. Subject to the terms and conditions of the Ground Lease, as applicable, all real and personal property ad valorem taxes and special assessments, if any, whether payable in installments or not, including without limitation, all supplemental taxes attributable to the period prior to the Closing Date for the calendar year in which the Closing occurs, will be prorated to the Closing Date, based on the latest available tax rate and assessed valuation.

7.6.4 Utility Charges. Buyer, as the tenant under the Ground Lease, will be solely responsible for all utility charges incurred prior to the Closing Date, as set forth in the Ground Lease.

7.7 Closing Costs. Closing costs will be allocated as follows:

7.7.1 Seller will pay all costs associated with removing any Monetary Liens affecting the Land, except those monetary liens caused by Buyer or resulting from Buyer’s possession of the Land under Ground Lease; and Buyer will pay all costs associated with removing any monetary liens affecting the Real Property caused by Buyer, Subtenant(s) and Buyer’s and Subtenant(s) contractors and material suppliers;

7.7.2 Escrow costs will be shared equally by Seller and Buyer;

7.7.3 The cost of the Title Policy will be paid by Buyer;

7.7.4 The cost of recording the Deed will be paid by Buyer;

7.7.5 To the extent applicable, costs associated with obtaining any financing from any lender to Buyer and/or Buyer's Subtenant(s) will be paid by Buyer and/or Buyer's Subtenant(s) by way of separate agreement;

7.7.6 Any sales tax will be paid by Buyer; and

7.7.7 Documentary transfer tax, and any municipal transfer tax will be paid by Buyer.

7.8 Possession. Seller will deliver exclusive right of possession of the Property to Buyer on the Closing Date, subject only to the interest, if any, of Subtenant(s) under the Ground Lease and Seller's Retained Rights set forth in this Agreement.

ARTICLE 8 RISK OF LOSS

8.1 Condemnation. If before the Closing Date any action or proceeding is commenced for the condemnation or exercise of the rights of eminent domain of the Real Property or any portion thereof, or if Seller is notified by the duly authorized officer of a duly empowered condemning authority of the intent to commence such action or proceeding ("**Condemnation**") and if such Condemnation materially and adversely affects the use or operation of the Real Property, would have the effect of decreasing the square footage of the Improvements, or would reduce or eliminate access to the Real Property, then Buyer will have the option of (i) terminating this Agreement; or (ii) proceeding with the Closing without modifying the terms of this Agreement and without reducing the Purchase Price; provided that, Seller must assign and turn over, and Buyer will be entitled to keep, all awards for the Condemnation which accrue to Seller. Seller may not negotiate, resist or stipulate to any Condemnation without Buyer's written consent. Seller must notify Buyer of any notice of Condemnation of the Real Property or any portion thereof within five (5) Business Days after the receipt thereof, and Buyer must exercise its option(s) as provided in this Section 8.1 within ten (10) Business Days after receipt of such notice. If necessary, the Closing Date will be extended to give Buyer the full ten (10) business day period to make such election.

8.2 Damage and Destruction. If before the Closing Date any damage or destruction of the Real Property, or any portion thereof will have occurred that results in an Uninsured Loss of Fifty Thousand Dollars (\$50,000) or less, then at the Closing, Seller must assign to Buyer the right to collect any insurance proceeds with respect to the loss and give Buyer a credit against the Purchase Price in the amount of the Uninsured Loss. If such damage or destruction results in an Uninsured Loss of more than Fifty Thousand Dollars (\$50,000), then within five (5) days after determination of the amount of the insurance proceeds, Seller will elect to either: (a) give Buyer a credit for the entire amount of the Uninsured Loss and assign to Buyer the right to collect any Insurance Proceeds with respect to the loss, or (b) terminate this Agreement subject to Buyer's written consent to such termination which consent may be given or withheld in Buyer's sole discretion. Despite any such damage or destruction, the Purchase Price for the Real Property will not be reduced except by the credits referred to above. For the purposes of this Section 8.2, "**Uninsured Loss**" will mean the difference between (a) the sum of the actual cost necessary to

repair such damage and destruction as determined by a qualified insurance adjustor selected by the insurance carrier providing insurance covering the applicable loss and (b) the total amount of “insurance proceeds,” which will mean the proceeds from any and all insurance with respect to such Real Property and/or to such loss, including (without limitation) fire and casualty, liability and rental loss insurance. Uninsured Loss may arise by reason of self-insurance, deductible amounts under policies, proceeds of policies insufficient to cover the loss, risks not insured for or otherwise. If before the Closing Date any damage or destruction of the Real Property, or any portion thereof will have occurred that results in an insured loss, then Seller must assign to Buyer the right to collect any insurance proceeds with respect to the loss at the Closing.

ARTICLE 9

REMEDIES FOR DEFAULT

9.1 Buyer’s Default. Buyer will be deemed to be in default hereunder if Buyer fails, for any reason other than (i) Seller’s default hereunder, or (ii) the failure of a condition precedent to Buyer’s obligation to perform hereunder, to comply with or perform any covenant, agreement or obligation required on its part within the time limits and in the manner required in this Agreement, or there has occurred a material breach of any representation or warranty (made by Buyer) by reason of Buyer’s actual fraud or intentional misrepresentation; provided, however, no such default will be deemed to have occurred unless and until Seller has given Buyer written notice thereof, describing the nature of the default, and Buyer has failed to cure such default within thirty (30) days following the receipt of such notice (but in any event before the Closing Date).

9.2 REMEDIES FOR BUYER’S DEFAULT. IF THE CLOSING FAILS TO OCCUR BY REASON OF DEFAULT BY BUYER UNDER THE TERMS OF THIS AGREEMENT, BUYER SHALL BE RESPONSIBLE FOR ALL CANCELLATION CHARGES REQUIRED TO BE PAID TO ESCROW HOLDER AND ANY ESCROW CHARGES. IN ADDITION, THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES SHALL TERMINATE AND THE DEPOSIT SHALL BE IMMEDIATELY DELIVERED BY ESCROW HOLDER TO SELLER IN ACCORDANCE WITH THE TERMS OF SECTION 2.2.3. NOTHING HEREIN SHALL, HOWEVER, BE DEEMED TO LIMIT BUYER’S LIABILITY TO SELLER FOR BUYER’S INDEMNITY OBLIGATIONS UNDER SECTION 3.4.2. UPON THE TERMINATION OF THIS AGREEMENT THE GROUND LEASE SHALL REMAIN IN FULL FORCE AND EFFECT AND SELLER SHALL HAVE THE RIGHT, BUT NOT THE OBLIGATION, TO SEEK COMPENSATION FOR ACTUAL PROVEN DAMAGES RESULTING FROM THE TERMINATION OF THIS AGREEMENT, BUT SHALL HAVE NO RIGHT TO RECEIVE ANY COMPENSATION FOR CONSEQUENTIAL OR PUNITIVE DAMAGES FROM BUYER.

9.3 Seller’s Default. Seller will be deemed to be in default hereunder if Seller fails, for any reason other than Buyer’s default hereunder or the failure of a condition precedent to Seller’s obligation to perform hereunder, to comply with, or perform any covenant, agreement or obligation required on its part within the time limits and in the manner required in this Agreement, or there has occurred a breach of any representation or warranty (made by Seller); provided, however, no such default will be deemed to have occurred unless and until Buyer has given Seller written notice thereof, describing the nature of the default, and Seller has failed to cure such default within thirty

(30) days of receipt of such notice (but in any event before the Closing Date, unless such default occurs after Closing).

9.4 REMEDIES FOR SELLER'S DEFAULT. IF SELLER DEFAULTS IN ITS OBLIGATION TO SELL THE PROPERTY TO BUYER PURSUANT TO THIS AGREEMENT, SELLER SHALL BE RESPONSIBLE FOR ALL CANCELLATION CHARGES REQUIRED TO BE PAID TO ESCROW HOLDER AND ANY ESCROW CHARGES, AND BUYER WILL HAVE THE RIGHT, BUT NOT THE OBLIGATION, TO (I) SEEK AN ORDER OF SPECIFIC PERFORMANCE FROM A COURT OF COMPETENT JURISDICTION COMPELLING SELLER TO CONVEY THE PROPERTY TO BUYER, AND/OR (II) SEEK COMPENSATION FOR DAMAGES RESULTING FROM THE TERMINATION OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION LOSSES BUYER WILL INCUR AS A RESULT OF ANY REINSTATEMENT OR CONTINUATION OF THE GROUND LEASE. BUYER SHALL HAVE NO RIGHT TO SEEK AN AWARD OF CONSEQUENTIAL OR PUNITIVE DAMAGES FROM SELLER.

9.5 Resolution of Disputes. The Parties will attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly and initially by representatives of the Parties in the following manner:

(i) If a dispute should arise, an authorized representative for each of the Parties will meet or teleconference within fourteen (14) calendar days of written notification of the dispute to resolve the dispute. Prior to such meeting or teleconference, the Party bringing the dispute will draft and submit to the other Party a written description, including any factual support, of the disputed matter. After receiving this written description, the other Party will provide a written response to such written description within a reasonable period of time.

(ii) If no resolution of the dispute occurs at this meeting or teleconference, the issue will be elevated to an executive-level manager of each Party (i.e., executive level manager for Seller and Assistant City Manager or higher-level executive for Buyer). Each Party's executive-level manager will meet or teleconference as soon as practical, but, in no event, later than twenty-one (21) calendar days after the matter has been referred to them, with the initial meeting to occur at a location to be selected by the Parties.

(iii) If the dispute remains unresolved after forty-five (45) calendar days from their receipt of the matter for resolution, and either Party is not willing to continue negotiations, the Parties agree to submit the dispute to nonbinding mediation.

(iv) If the Parties are not able to agree on a mediator, either Party may request the American Arbitration Association or other acceptable mediation service to nominate a mediator. The Parties will share the cost of the mediator equally.

(v) In the event mediation is unsuccessful, either Party may pursue other remedies available at law including filing an action in Santa Clara County Superior Court.

ARTICLE 10

SELLER BUYBACK OPTION

10.1 Seller Buyback Option: Provided Buyer completes the acquisition of the Property upon the Closing Date, then upon such Closing Date Buyer grants Seller the option to purchase the Real Property (the “**Buyback Option**”) if Buyer or Buyer’s Subtenant(s), as the case may be, fails to obtain building permit(s) and commence construction of Improvements before the date that is the last day of the one hundred twentieth (120th) month following the Commencement Date of the Ground Lease (the “**Buyback Trigger Event Date**”). This Buyback Option may only be exercised with respect to any parcel or portion of the Land that Buyer or Buyer’s Subtenant(s) have failed to obtain building permits and commenced construction of Improvement prior to such Buyback Trigger Event Date as the same may be extended pursuant to Section 10.2 below. The Buyback Trigger Event Date may be delayed by Buyer, as owner, for a maximum period of up to twenty-four (24) months in the event that prior to such Buyback Trigger Event Date, Buyer delivers an Economic Force Majeure notice to Seller, in accordance with Section 11.6, at any time following the date this is seventy-two (72) months after the Commencement Date of the Ground Lease. Such Economic Force Majeure notice shall state the grounds upon which Economic Force Majeure is claimed and the number of days of Economic Force Majeure experienced by the Buyer.

10.2 If the conditions described in Section 10.1 have not been satisfied by the Buyback Trigger Event Date, Seller may provide written notice to Buyer of Seller’s election to exercise the Buyback Option. Buyer will have thirty (30) days following receipt of Seller’s notice to request an extension of the Buyback Trigger Event Date, which extension may not exceed two (2) years (the “**Buyback Trigger Extension Period**”). The Seller will grant such extension if the Seller reasonably determines that Buyer is making good faith efforts to develop the Property. If, following the expiration of the Buyback Trigger Extension Period, Buyer or Buyer’s Subtenant(s), as the case may be, has failed to obtain building permit(s) and commenced construction of Improvements then Seller will have the automatic right to exercise the Buyback Option with respect to any parcel or portion of the Land for which Buyer or Buyer(s) Subtenant(s) have failed to obtain building permits and commence construction of Improvements. For the purposes of this Section 10.2, “good faith efforts” means that Buyer or Buyer’s Subtenant(s), as the case may be, either has executed a development agreement with a developer obligating a developer to develop Improvements within a reasonable period of time, or that Buyer or Buyer’s Subtenant(s), as the case may be, has obtained a building permit for any portion of the Property that remains undeveloped as of the Buyback Trigger Event Date.

10.2.1 The Buyback Option shall terminate if Seller fails to exercise the Buyback Option within ninety (90) days following the date upon which Seller’s right to exercise the Buyback Option has matured as to any parcel or portion of the Land.

10.2.2 Upon Buyer or Buyer’s Subtenant(s) commencing construction of vertical Improvements on a parcel or portion of the Land, then the Buyback Option will automatically terminate as to that certain parcel or portion of the Land where construction of vertical Improvements has commenced.

10.2.3 Upon Buyer or Buyer's Subtenant(s) closing the financing of any construction loan for the vertical Improvements on a parcel or portion of the Land, then the Buyback Option will automatically terminate as to that certain parcel or portion of the Land.

10.2.4 Upon Buyer's written request, Seller will promptly execute, acknowledge and deliver in recordable form a commercially reasonable instrument evidencing the termination of the Buyback Option as to each parcel or portion of the Land for which the Buyback Option has expired in accordance with Section 10.2.1 or terminated in accordance with Section 10.2.2 or Section 10.2.3.

10.3 Buyback Terms. Upon Seller's exercise of the Buyback Option, Buyer and Seller will execute a purchase and sale contract substantially in the form of this Agreement, with Buyer as the "Seller" and Seller as the "Buyer" (the "**Seller Purchase Agreement**"). Notwithstanding the foregoing, terms and conditions in Sections 10.1 through Section 10.3 of the Agreement (i.e., the Buyback Option) will not be included in the terms and conditions of the Seller Purchase Agreement. The Purchase Price for the Seller Purchase Agreement for the Property (the "**Buyback Purchase Price**") will be the amount that is calculated as the sum of Thirteen Million and 00/100th Dollars (\$13,000,000.00) pro-rated on a per land square foot basis for the portion of the Land to be acquired, less the amount of Retained Rent (calculated as set forth below), and will be payable at the closing of the transfer. In the event that Buyer has subdivided the Land and/or a portion of the Land has been developed, or in the event a condemnation or casualty exists, then in each case where the Seller Purchase Agreement applies to only a parcel or a portion of the Land the Buyback Purchase Price will be equitably pro-rated on a square foot basis for the balance of the Property that can be sold to Seller. The parties agree that for the purpose of calculating the Buyback Purchase Price, the total square footage of the Land is equal to 87,556 square feet. The Seller Purchase Agreement will entitle the fee owner to sell the portion of the Property acquired free and clear of any Option right to Ground Lease or any Ground Lease encumbrance. The foregoing terms, covenants and conditions of this Article 10 shall expressly survive any termination or expiration of this Agreement at the Closing Date upon conveyance of the Property to Buyer. The Buyback Purchase Price will be adjusted as follows:

(A) if Seller will acquire all of the Property, then the Buyback Purchase Price will be reduced by the amount determined in accordance with the following table; or

(B) if Seller will acquire a portion of the Property, then (i) the Buyback Purchase Price will be prorated on a per square foot basis, and (ii) the Buyback Purchase Price will be reduced by the amounts set forth in the following table, prorated on a per square foot basis.

Period during which Buyback Option is Exercised	Amount of Base Rent to be deducted from the Buyback Purchase Price ("Retained Rent")
Commencement Date to end of the thirty-sixth (36 th) month following the Commencement Date.	\$0.00 (Note: Buyback Option is not exercisable during this period.)
The period commencing upon the first day of the thirty-seventh (37 th) month	Three Hundred Ninety Thousand Dollars (\$390,000.00) for each year commencing

<p>following the Commencement Date and ending on the last day of the seventy-second (72nd) month following the Commencement Date.</p>	<p>upon the date that is the first day of the thirty-seventh (37th) month following the Commencement Date and ending on the date the Property is acquired.</p> <p>(Note: Buyback Option is not exercisable during this period.)</p>
<p>The period commencing on the first day of the seventy-third (73rd) month following the Commencement Date.</p>	<p>Three Hundred Ninety Thousand Dollars (\$390,000.00) for each year commencing upon the date that is the first day of the thirty-seventh (37th) month following the Commencement Date and ending on the date that is the last day of the seventy-second (72nd) month following the Commencement Date, plus the sum of Seven Hundred Eighty Thousand Dollars (\$780,000.00) for each year commencing upon the date that is the first day of the seventy-third (73rd) month following the Commencement Date and ending on the date the Property is acquired.</p>

ARTICLE 11

GENERAL

11.1 Notices. Any notices relating to this Agreement will be given in writing and will be deemed sufficiently given and served for all purposes when delivered personally, by generally recognized overnight courier service, by facsimile provided that sender retains a printed confirmation of delivery to the facsimile number provided below, or three (3) days after deposit in the United States mail certified or registered - return receipt requested, with postage prepaid, addressed as follows:

SELLER: Santa Clara Valley Transportation Authority
 3331 North First Street
 Building C, Second Floor
 San Jose, CA 95134
 Attn: Deputy Director Real Estate & Joint Development

with a copy to Santa Clara Valley Transportation Authority
 3331 North First Street
 Building C, Second Floor
 San Jose, CA 95134
 Attn: Office of the General Counsel

BUYER: City of Mountain View
500 Castro Street
Mountain View, CA 94041
Attn: City Attorney's Office

With a
Copy to Public Works Director
500 Castro Street
Mountain View, CA 94041

ESCROW
HOLDER: First American Title Insurance Company
333 W. Santa Clara Street
Suite 220
San Jose, CA 95113
Attn: Carol Herrera Commercial Escrow Officer

Either Party may change its address by written notice to the other Party and Escrow Holder given in the manner set forth above.

11.2 Entire Agreement. The terms of this Agreement are intended by the Parties as a final expression of their agreement with respect to such terms as are included in this Agreement and may not be contradicted by evidence of any prior or contemporaneous agreement. This Agreement specifically supersedes any prior written or oral agreements between the Parties with respect to the subject matter of this Agreement. The language in all parts of this Agreement will be construed as a whole in accordance with its fair meaning, and without regard to California Civil Code Section 1654 or similar statutes.

11.3 Amendments and Waivers. No amendment to or modification of this Agreement will be effective unless set forth in writing and signed by the Parties. No waiver of any Party rights set forth in this Agreement will be effective unless set forth in writing and signed by the Party against whom the waiver is sought to be enforced. The Party benefited by any condition or obligation may waive the same, but such waiver will not be enforceable by the other Party unless made in writing and signed by the waiving Party.

11.4 Invalidity of Provision. If any provision of this Agreement as applied to either Party or to any circumstance is adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same will in no way affect (to the maximum extent permissible by law) any other provision of this Agreement, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Agreement as a whole.

11.5 No Merger. This Agreement, and each of the provisions hereof and all warranties and representations contained herein, will survive the Closing and will not merge in any instrument conveying title to Buyer. All representations, warranties, agreements and obligations of the Parties

will, notwithstanding any investigation made by any Party hereto, survive Closing, and the same will inure to the benefit of and be binding upon the respective successors and assigns of the Parties.

11.6 References. Unless otherwise indicated, (a) all Article and Section references are to the articles and sections of this Agreement, and (b) except where otherwise stated, all references to days are to calendar days. Whenever under the terms of this Agreement the time for performance of a covenant or condition falls upon a Saturday, Sunday or a federal or California State holiday, such time for performance will be extended to the next business day. “**Business Days**” means days other than Saturday, Sunday and federal or California State holidays. The headings used in this Agreement are provided for convenience only and this Agreement will be interpreted without reference to any headings.

11.7 Governing Law. This Agreement will be governed by the laws of the State of California applicable to contracts made by residents of the State of California and to be performed in California.

11.8 Confidentiality and Publicity. Prior to the Closing, the Parties will at all times keep this transaction and any documents received from each other confidential, except to the extent necessary to (a) comply with applicable law and regulations, or (b) carry out the obligations set forth in this Agreement. Any such disclosure to third parties will indicate that the information is confidential and should be so treated by the third party. Prior to the Closing, no press release or other public disclosure may be made by either Party or any of its agents concerning this transaction without the prior written consent of the other Party.

11.9 Time. Time is of the essence in the performance of the Parties’ respective obligations under this Agreement.

11.10 Assignment. This Agreement will inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns. Buyer, by written notice given to Seller no later than ten (10) days prior to the Closing Date, shall have the right to assign its rights hereunder to one or more nominees in Escrow so long as each such nominee is an affiliate of Buyer. An “affiliate” of Buyer is any party that controls Buyer, is controlled by Buyer, or is an affiliate of Buyer or that is under common control with Buyer. Except as provided above in this Section 11.10, Buyer may not assign its rights hereunder without the prior written consent of Seller. In any event, no such assignment shall be effective unless the assignee assumes the obligations of Buyer hereunder in a writing delivered to Seller.

11.11 No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the Parties and their respective permitted successors and assigns, nor is anything in this Agreement intended to relieve or discharge any obligation of any third person to any Party hereto or give any third person any right of subrogation or action over against any Party to this Agreement.

11.12 Remedies Cumulative. Except as may be otherwise provided in this Agreement, the remedies set forth in this Agreement are cumulative and not exclusive to any other legal or equitable remedy available to a Party.

11.13 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

11.14 No Brokers. Each Party represents and warrants to the other Party that no person or entity can properly claim a right to a real estate commission, brokerage fee, finder's fee, or other compensation with respect to the transactions contemplated by this Agreement. Each Party agrees to defend, indemnify and hold harmless the other Party from any claims, expenses, costs or liabilities arising in connection with a breach of this representation and warranty. The terms of this Section 11.15 shall survive the Closing or earlier termination of this Agreement.

11.15 Legal Fees. Each Party agrees to pay their own out-of-pocket legal fees, costs and expenses related to the negotiation, implementation, and/or termination of this Agreement.

11.16 Force Majeure; Extension of Times of Performance. Performance by either Party hereunder shall not be deemed to be in Default, and all performance and other dates specified in this Agreement, including without limitation, the time periods specified in Section 10.1, shall be extended, where delays are due to: war; insurrection; strikes and labor disputes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; acts of terrorism; epidemics; quarantine restrictions; freight embargoes; governmental restrictions or priority; (except that acts or failures to act of Buyer shall not excuse performance by Buyer and acts or failures to act of Seller shall not excuse performance by Seller) (each a "**Force Majeure Delay**"). An extension of time for any such Force Majeure Delay shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if Notice by the party claiming such extension is sent to the other party within sixty (60) days of the commencement of the cause. Times of performance under this Agreement may also be extended in writing by the mutual written agreement of the Parties. For the purposes of this Agreement, "**Economic Force Majeure**" shall mean a delay arising due to any one or more of the following economic metrics: (i) an increase in construction costs of fifteen percent (15%) or more over the prior year; (ii) an elimination or a reduction of fifteen percent (15%) or more in the State of California's authority to issue or allocate tax-exempt private activity bonds as compared to the prior year as announced by the California Debt Limit Allocation Committee ("CDLAC"); (iii) an elimination or a reduction of fifteen percent (15%) or more in the State of California's authority to allocate federal Low-Income Housing Tax Credits ("LIHTC") as compared to the prior year as announced by the California Tax Credit Allocation Committee ("TCAC"); (iv) the elimination of the State or Federal LIHTC program that is not replaced with an equivalent financing program for affordable housing; (v) a decrease in the average price (market value) of federal LIHTC of four percent (4%) or more as compared to the prior year, or a decline in the average price (market value) per credit to below \$0.93 as published by Novogradac & Company, LLP; (vi) a decrease in the LIHTC Applicable Percentage of four percent (4%) or more as compared with the prior year as published by Novogradac & Company, LLP per Internal Revenue Service bulletins; (vii) a pandemic is declared by the World Health Organization or an epidemic is declared by the State of California or Santa Clara County and quarantine orders are issued by the State of California or the Santa Clara County Public Health Office for the period of time determined by such entity. In any instance of Economic Force Majeure, the Buyer shall be entitled to seek a day for day delay to the Seller's Buyback Option rights set forth in Article 10 above.

CONSENT OF ESCROW HOLDER

First American Title Insurance Company (the “**Escrow Holder**”) accepts the foregoing Purchase and Sale Agreement and Joint Escrow Instructions as escrow instructions, agrees to act as escrow holder and agrees to be bound by the provisions therein applicable to it as Escrow Holder.

- EXHIBIT DOCUMENT DO NOT EXECUTE -

ESCROW HOLDER:

First American Title Insurance Company,
a California corporation

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

LEGAL DESCRIPTION OF LAND

The land referred to is situated in the County of Santa Clara, City of Mountain View, State of California, and is described as follows:

All that certain property situated in the City of Mountain View, County of Santa Clara, State of California, and being all of Lots 2 and 3, and a portion of Lot 1, as said lots are shown on that certain Map entitled "Miramonte", filed in Book "G" of Maps, Pages 14 and 15, Records of Santa Clara County, California, and more particularly described as follows:

Beginning at the Northeasterly corner of said Lot 3, and said point being the point of intersection of the Southwesterly line of Evelyn Avenue (formerly Louise Avenue and being a 25.00 foot half-street) and the Northwesterly line of Pioneer Way (formerly Alice Avenue and being a 25.00 foot half-street) as said Louise Avenue and Alice Avenue are shown on said Map of "Miramonte", thence Northwesterly along the said Southwesterly line of Evelyn Avenue North $62^{\circ} 36' 45''$ West 401.54 feet to the Northeast corner of that certain parcel of land described as Parcel Two in that Individual Quitclaim Deed, recorded in Book L340, Pages 1523 and 1524, Official Records of Santa Clara County, California; thence Southwesterly along the Southeasterly line of said Parcel Two South $27^{\circ} 23' 15''$ West 279.98 feet to the Northeasterly line of Lot 4, as said lot is shown on said Map of "Miramonte"; thence Southeasterly along said Northeasterly line South $62^{\circ} 36' 45''$ East 401.70 feet to the said Northwesterly line of Pioneer Way; thence Northeasterly along the said Northwesterly line North $27^{\circ} 21' 15''$ East 279.99 feet to the point of beginning.

EXCEPTING THEREFROM that portion deeded to the City of Mountain View, a municipal corporation by Grant Deed recorded May 24, 1999, Official Records as Instrument No. 14826210, described as follows:

All of that certain property situated in the City of Mountain View, County of Santa Clara, State of California, and being a portion of Lots 1, 2 and 3, of Block "I", as said lots and block are shown on that certain Map entitled "Miramonte", filed in Book "G" of Maps, Pages 14-15, Records of Santa Clara County, California, and more particularly described as follows:

Beginning at the Northeasterly corner of said Lot 3, said corner also being the point of intersection of the Southwesterly line of Evelyn Avenue (formerly Louise Avenue and being a 25.00 foot half street) with the Northwesterly line of Pioneer Way (formerly Alice Avenue and being a 25.00 foot half street) as said Louise and Alice Avenues are shown on said Map of "Miramonte", thence Northwesterly along said Southwesterly line of Evelyn Avenue (formerly Louise Avenue) North $62^{\circ} 36' 45''$ West 491.54 feet to the Northeasterly corner of that certain parcel of land described as Parcel Two in that certain Quitclaim Deed, recorded in Book L340, Pages 1523-1524, Official Records of Santa Clara County; thence leaving said Southwesterly line of Evelyn Avenue and proceeding Southwesterly along the Southeasterly line of said Parcel Two South $27^{\circ} 23' 15''$ West 36.55 feet; thence leaving said Southeasterly line of said Parcel Two South $62^{\circ} 24' 56''$ East 60.44 feet; thence South $52^{\circ} 34' 28''$ East 108.25 feet; thence South $62^{\circ} 24' 56''$ East 55.00 feet; thence South $68^{\circ} 25' 02''$ East 100.43 feet; thence South $62^{\circ} 24' 56''$ Page 2 of 2 East 49.70 feet to the

beginning of a curve concave Westerly with a radius of 20.00 feet; thence Southerly along said curve (with radius 20.00 feet) through a central angle of 89° 46' 11" and an arc length of 31.34 feet to the Northwesterly line of that certain Easement to the City of Mountain View recorded in Book J097, Page 656, Official Records of Santa Clara County, thence Southerly along said Northwesterly line of said Easement South 27° 21' 15" West 214.17 feet to the Southwesterly line of said Lot 3; thence Southeasterly along said Southwesterly line of Lot 3, South 62° 36' 45" East 10.00 feet to the Southeasterly line of said Lot 3, (Northwesterly line of Pioneer Way and formerly Alice Avenue per said Map of "Miramonte"); thence Northeasterly along said Southeasterly line of Lot 3, (Northwesterly line of Pioneer Way and formerly Alice Avenue per said Map of "Miramonte") North 27° 21' 15" East 279.99 feet to the point of beginning.

APN: 160-65-008

EXHIBIT B

FORM OF GRANT DEED

- EXHIBIT DOCUMENT DO NOT EXECUTE -

RECORDING REQUESTED BY:

First American Title Insurance Company
333 W. Santa Clara Street, Suite 220
San Jose, CA 95113
Escrow and Order No. NCS 1176047SC

WHEN RECORDED MAIL TO:

City of Mountain View
500 Castro Street
Mountain View, CA 94041
Attn: City Attorney's Office.

APN(s): 160-65-008

EXEMPT FROM RECORDING FEES PER GOVT. CODE §27383
EXEMPT FROM DOCUMENTARY TRANSFER TAX PER REV. & TAX CODE §11922

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **Santa Clara Valley Transportation Authority**, a California special district, successor by merger with Santa Clara County Transit District, ("**Grantor**") does hereby GRANT and CONVEY to **City of Mountain View**, a California Charter City and municipal corporation ("**Grantee**") the real property located in the City of Mountain View, County of Santa Clara, State of California, more particularly described the legal description attached as Exhibit "A" incorporated herein by this reference, subject to all restrictions, easements and encumbrances, including those certain rights granted to the Federal Transit Administration pursuant to grant number: CA-03-0402-01/CA-90-X741.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed on the date set forth below.

- EXHIBIT DOCUMENT DO NOT EXECUTE -

GRANTOR:

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
a California special district

By: _____
Name: Carolyn. Gonot
Title: General Manager
Date: _____

CERTIFICATE OF ACCEPTANCE
(Government Code Section 27281)

This is to certify that the interest in real property conveyed by this Grant Deed to the undersigned **City of Mountain View**, a California Charter City and municipal corporation (“**Grantee**”), is hereby accepted by the undersigned officer on behalf of Grantee pursuant to authority conferred by the _____, _____ on _____, and the Grantee consents to recordation thereof by its duly authorized officer.

Description/ identification of real property: 87 East Evelyn Avenue, Mountain View, CA 94041
APN: 160-65-008

- EXHIBIT DOCUMENT DO NOT EXECUTE -

CITY OF MOUNTAIN VIEW
a California Charter City and municipal corporation

By: _____
Name: Kimbra McCarthy
Title: City Manager
Date: _____

EXHIBIT "A"

**LEGAL DESCRIPTION OF REAL PROPERTY
[APN 160-65-008]**

The land referred to is situated in the County of Santa Clara, City of Mountain View, State of California, and is described as follows:

All that certain property situated in the City of Mountain View, County of Santa Clara, State of California, and being all of Lots 2 and 3, and a portion of Lot 1, as said lots are shown on that certain Map entitled "Miramonte", filed in Book "G" of Maps, Pages 14 and 15, Records of Santa Clara County, California, and more particularly described as follows:

Beginning at the Northeasterly corner of said Lot 3, and said point being the point of intersection of the Southwesterly line of Evelyn Avenue (formerly Louise Avenue and being a 25.00 foot half-street) and the Northwesterly line of Pioneer Way (formerly Alice Avenue and being a 25.00 foot half-street) as said Louise Avenue and Alice Avenue are shown on said Map of "Miramonte", thence Northwesterly along the said Southwesterly line of Evelyn Avenue North $62^{\circ} 36' 45''$ West 401.54 feet to the Northeast corner of that certain parcel of land described as Parcel Two in that Individual Quitclaim Deed, recorded in Book L340, Pages 1523 and 1524, Official Records of Santa Clara County, California; thence Southwesterly along the Southeasterly line of said Parcel Two South $27^{\circ} 23' 15''$ West 279.98 feet to the Northeasterly line of Lot 4, as said lot is shown on said Map of "Miramonte"; thence Southeasterly along said Northeasterly line South $62^{\circ} 36' 45''$ East 401.70 feet to the said Northwesterly line of Pioneer Way; thence Northeasterly along the said Northwesterly line North $27^{\circ} 21' 15''$ East 279.99 feet to the point of beginning.

EXCEPTING THEREFROM that portion deeded to the City of Mountain View, a municipal corporation by Grant Deed recorded May 24, 1999, Official Records as Instrument No. 14826210, described as follows:

All of that certain property situated in the City of Mountain View, County of Santa Clara, State of California, and being a portion of Lots 1, 2 and 3, of Block "I", as said lots and block are shown on that certain Map entitled "Miramonte", filed in Book "G" of Maps, Pages 14-15, Records of Santa Clara County, California, and more particularly described as follows:

Beginning at the Northeasterly corner of said Lot 3, said corner also being the point of intersection of the Southwesterly line of Evelyn Avenue (formerly Louise Avenue and being a 25.00 foot half street) with the Northwesterly line of Pioneer Way (formerly Alice Avenue and being a 25.00 foot half street) as said Louise and Alice Avenues are shown on said Map of "Miramonte", thence Northwesterly along said Southwesterly line of Evelyn Avenue (formerly Louise Avenue) North $62^{\circ} 36' 45''$ West 491.54 feet to the Northeasterly corner of that certain parcel of land described as Parcel Two in that certain Quitclaim Deed, recorded in Book L340, Pages 1523-1524, Official Records of Santa Clara County; thence leaving said Southwesterly line of Evelyn Avenue and proceeding Southwesterly along the Southeasterly line of said Parcel Two South $27^{\circ} 23' 15''$ West 36.55 feet; thence leaving said Southeasterly line of said Parcel Two South $62^{\circ} 24' 56''$ East 60.44 feet; thence South $52^{\circ} 34' 28''$ East 108.25 feet; thence South $62^{\circ} 24' 56''$ East 55.00 feet; thence

South 68° 25' 02" East 100.43 feet; thence South 62° 24' 56" Page 2 of 2 East 49.70 feet to the beginning of a curve concave Westerly with a radius of 20.00 feet; thence Southerly along said curve (with radius 20.00 feet) through a central angle of 89° 46' 11" and an arc length of 31.34 feet to the Northwesterly line of that certain Easement to the City of Mountain View recorded in Book J097, Page 656, Official Records of Santa Clara County, thence Southerly along said Northwesterly line of said Easement South 27° 21' 15" West 214.17 feet to the Southwesterly line of said Lot 3; thence Southeasterly along said Southwesterly line of Lot 3, South 62° 36' 45" East 10.00 feet to the Southeasterly line of said Lot 3, (Northwesterly line of Pioneer Way and formerly Alice Avenue per said Map of "Miramonte"); thence Northeasterly along said Southeasterly line of Lot 3, (Northwesterly line of Pioneer Way and formerly Alice Avenue per said Map of "Miramonte") North 27° 21' 15" East 279.99 feet to the point of beginning.

APN: 160-65-008

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

STATE OF CALIFORNIA)
)
COUNTY OF _____)

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

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

WITNESS my hand and official seal.

Signature: _____ (SEAL)

EXHIBIT "A"

**LEGAL DESCRIPTION OF REAL PROPERTY
[APN 160-65-008]**

The land referred to is situated in the County of Santa Clara, City of Mountain View, State of California, and is described as follows:

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EXCEPTING THEREFROM that portion deeded to the City of Mountain View, a municipal corporation by Grant Deed recorded May 24, 1999, Official Records as Instrument No. 14826210, described as follows:

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South 68° 25' 02" East 100.43 feet; thence South 62° 24' 56" Page 2 of 2 East 49.70 feet to the beginning of a curve concave Westerly with a radius of 20.00 feet; thence Southerly along said curve (with radius 20.00 feet) through a central angle of 89° 46' 11" and an arc length of 31.34 feet to the Northwesterly line of that certain Easement to the City of Mountain View recorded in Book J097, Page 656, Official Records of Santa Clara County, thence Southerly along said Northwesterly line of said Easement South 27° 21' 15" West 214.17 feet to the Southwesterly line of said Lot 3; thence Southeasterly along said Southwesterly line of Lot 3, South 62° 36' 45" East 10.00 feet to the Southeasterly line of said Lot 3, (Northwesterly line of Pioneer Way and formerly Alice Avenue per said Map of "Miramonte"); thence Northeasterly along said Southeasterly line of Lot 3, (Northwesterly line of Pioneer Way and formerly Alice Avenue per said Map of "Miramonte") North 27° 21' 15" East 279.99 feet to the point of beginning.

APN: 160-65-008

EXHIBIT C

SCHEDULE OF PERSONAL PROPERTY

NONE

EXHIBIT D

FORM OF BILL OF SALE

THIS BILL OF SALE FOR PERSONAL PROPERTY (“**Bill of Sale**”) is made as of **[***Insert Date Here***]** by and between SANTA CLARA VALLEY TRANSPORTATION AUTHORITY, a California special district (“**Seller**”), in favor of CITY OF MOUNTAIN VIEW, a California Charter City and municipal corporation (“**Buyer**”).

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller hereby sells, assigns transfers, conveys and delivers to Buyer all of Seller’s right, title and interest in and to the personal property described on the attached Exhibit A (the “**Personal Property**”).

Seller hereby sells, assigns, transfers, conveys and delivers the Personal Property to Buyer in its current condition and at its present location.

Seller makes no representations or warranties with respect to the Personal Property including as to (i) merchantability, (ii) fitness, for a particular purposes, (iii) design or condition, (iv) quality or capacity, (v) workmanship, or (vi) latent defects.

Buyer, by acceptance of this Bill of Sale, acknowledges that Seller has made no such representations or warranties and that Buyer is accepting the Personal Property “AS IS, WHERE IS, AND WITH ALL FAULTS.”

The Buyer hereby waives, releases, acquits, and forever discharges the Seller, and the Seller's respective agents, directors, officers, employees, shareholders, partners and members to the maximum extent permitted by law, of and from any and all claims, actions, causes of action, demands, rights, liabilities, damages, losses, costs, expenses, or compensation whatsoever, direct or indirect, known or unknown, foreseen or unforeseen, that the Buyer now has or which may arise in the future on account of or in any way growing out of or connected with the Personal Property or this Bill of Sale. The Buyer's waiver, release, acquittal and discharge above will extend to and bind all of the Buyer's respective agents, directors, officers, employees, shareholders, partners and members, and each of their successors, assigns and personal representatives. Furthermore, the Buyer has consulted with legal counsel of its choice as to the meaning and consequences of waiving the benefits conferred by California Civil Code Section 1542, which states that:

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

The Buyer hereby waives all rights under California Civil Code Section 1542 and agrees that its waiver, release, acquittal and discharge above extends to claims the Buyer did not know or expect to exist in its favor at the time of executing this Bill of Sale.

Initials: _____

CITY OF MOUNTAIN VIEW
a California Charter City and municipal corporation

- EXHIBIT DOCUMENT DO NOT EXECUTE -

IN WITNESS WHEREOF, this Bill of Sale has been executed as of the day and year first above written.

SELLER:

SANTA CLARA VALLEY TRANSPORTATION
AUTHORITY,
a California special district

By: _____
Name: _____
Title: _____
Date: _____

BUYER:

CITY OF MOUNTAIN VIEW
a California Charter City and municipal corporation

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT E

CONTINGENCY DATE AND CLOSING DATE ADDENDUM

- EXHIBIT DOCUMENT DO NOT EXECUTE -

This Contingency Date and Closing Date Addendum (“**Addendum**”) is made as of _____, 2023, by and between **Santa Clara Valley Transportation Authority**, a California special district (“**Seller**”), and **City of Mountain View**, a California Charter City and municipal corporation (“**Buyer**”), each of which a “**Party**” and together the “**Parties**” with reference to the following facts:

RECITALS

A. WHEREAS, Seller and Buyer entered into to that certain Purchase and Sale Agreement dated _____, 2023 (the “**Agreement**”), for Property further described in Section 1.2 of the Agreement.

B. WHEREAS, the Contingency Date defined in Section 3.2 of the Agreement, has occurred and, pursuant to the Agreement, Seller and Buyer desire to confirm various dates and information related to the Agreement.

C. WHEREAS, Capitalized terms not otherwise defined in this Addendum shall have the meaning given them in the Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the above Recitals and other good and valuable consideration the receipt and sufficiency of which the Parties hereto acknowledge and agree as follows:

1. Pursuant to Section 3.2 of the Agreement, the date of delivery of the last Preliminary Document was November 8, 2021, subject to any revision in accordance with the terms of Section 3.2 of the Agreement.

2. Notwithstanding the procedures set forth in Section 3.2 and Section 7.2.2 of the Agreement for setting the Closing Date, the Parties agree that the Closing Date is June 15, 2023, subject to any revision in accordance with the terms of Section 3.2 of the Agreement.

3. All of the terms, covenants and conditions of the Agreement, except as revised, amended and modified by this Addendum are expressly ratified by the Parties and in full force and effect.

- EXHIBIT DOCUMENT DO NOT EXECUTE -

IN WITNESS WHEREOF, the Parties have executed this Addendum as of the day and year set forth above.

SELLER:

SANTA CLARA VALLEY TRANSPORTATION
AUTHORITY,

a California special district

By: _____

Name: Greg Richardson

Title: Assistant General Manager/CFO

BUYER:

CITY OF MOUNTAIN VIEW,

a California Charter City and municipal corporation

By: _____

Name: Kimbra McCarthy

Title: City Manager _____



To: **First American Title Insurance Company National Commercial Services**
Carol M. Herrera, Escrow Officer
Re: **87 East Evelyn Avenue, Mountain View, CA 94041 ("Property")**
Seller: **Santa Clara Valley Transportation Authority**

File No.: **NCS-1176047-SC (cmh)**
Date:

Give form to requestor. Do not send to the IRS.

INFORMATION REQUEST FORM – For IRS 1099-S Reporting For Real Estate Transactions

Print or type – follow all instructions carefully	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above Santa Clara Valley Transportation Authority	
	Check appropriate box: <input type="checkbox"/> Individual / Sole proprietor <input type="checkbox"/> Corporation (exempt from 1099-S reporting) <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. For LLC, enter the tax classification (D=disregarded entity, C=corporation, S=S Corporation, P=Partnership) ▶ _____	
	<input checked="" type="checkbox"/> Other (i.e. Bankrupts, etc. – see instructions) ▶ _____ A Public Entity	
Forwarding Street Address (your address after closing) Percentage Owned		
3331 North First Street		<input checked="" type="checkbox"/> 100% <input type="checkbox"/> Other: _____ %
City, State, and Zip code San Jose, CA 95134		Number of sellers including you

Part I Taxpayer Identification Number (TIN)

Enter your taxpayer identification number ("TIN") in the appropriate box. The TIN provided must match the name given on Line 1 to avoid the imposition, under the Internal Revenue Code, of civil or criminal penalties for failing to furnish a correct TIN and to insure the TIN passes the IRS's Name/TIN matching software's TIN matching process which we utilize. For individuals, this is your social security number (SSN). However for a resident alien, sole proprietor, or disregarded entity, see "Specific Instructions" below. For other entities, it is your employer identification number (EIN). **Note:** If multiple sellers are involved, see "General Instructions" below.

	Social security number
	or
	Employer identification number
	94 2186907

Part II Certification of U.S. Person - **IMPORTANT SIGN HERE IF YOU ARE A U.S. PERSON**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am a U.S. citizen or other U.S. person (defined below).

Sign Here Date ▶ 6/15/2023

U.S. person ▶ 18AYC55F42334AB

Part III Certification of Foreign Person - **IMPORTANT SIGN HERE IF YOU ARE FOREIGN; SIGN ABOVE IF YOU ARE A U.S. PERSON**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am a Foreign Person (defined below).

Sign Here Date ▶

Foreign person ▶

<p>GENERAL INSTRUCTIONS</p> <p>Section references are to the Internal Revenue Code unless otherwise noted.</p> <p>Purpose of Form</p> <p>A person who is required to file an information return on real estate with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer number (ITIN), adoptive taxpayer identification number(ATIN) or employer identification number (EIN).</p> <p>Definition of a U.S. Person. For federal tax purposes, you are considered a U.S. person if you are:</p> <ul style="list-style-type: none"> An individual who is a U.S. citizen or U.S. resident alien, A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, An estate (other than a foreign estate), or A domestic trust (as defined in Regulations section 301.7701-7). <p>Definition of a Foreign Person.</p> <p>A foreign person includes a nonresident alien individual, foreign corporation, foreign partnership, foreign trust, foreign estate, and any other person that is not a U.S. person. It also includes a foreign branch of a U.S. financial institution if the foreign branch is a qualified intermediary. In most cases, the U.S. branch of a foreign corporation or partnership is treated as a foreign person.</p> <p>Requirement to Furnish TIN & Penalties for Failure</p> <p>You are required by law to provide us with your correct taxpayer identification number ("TIN"). If you do not provide us with your correct taxpayer identification number ("TIN"), you may be subject to civil or criminal penalties imposed by law. If we disclose or use your TIN in violation of federal law, we may be subject to civil or criminal penalties imposed by law.</p>	<p>Multiple Sellers</p> <p>Each seller must complete a separate form. Spouses who hold title as tenants in common, joint tenants, tenants by the entirety, or community property will be treated as a single seller unless we are instructed otherwise.</p> <p>SPECIFIC INSTRUCTIONS</p> <p>Please review chart "What Name and Number to Give" on page 2.</p> <p>Individuals. You must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.</p> <p>If more than one name is listed, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.</p> <p>Note. ITIN Applicant: Enter your individual name as it was entered on your form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.</p> <p>Limited liability company (LLC). Check the "Limited liability company" box only and enter the appropriate code for the tax classification ("D" for disregarded entity, "C" for corporation, "P" for partnership) in the space provided and follow the instructions on the next page.</p> <p style="text-align: center;"><i>(Specific Instructions Continued on Next Page)</i></p>
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For Escrow Use Only – Additional File Information			
<input type="checkbox"/> Change	No. of 1099-S Forms required for this file?	Is Name/Entity Party a 'Non-Record' Seller? <input type="checkbox"/>	Is Property part of an Exchange?
<input type="checkbox"/> Void		Type is: <input type="checkbox"/> H/W or Individual <input type="checkbox"/> Trust/Business	<input type="checkbox"/> YES <input type="checkbox"/> NO
<input type="checkbox"/> Delete			
For Escrow Use Only – Required for 1099-S Data Entry Only (No entry in FAST)			
<input type="checkbox"/> Add	Contract Sales Price	Buyer's Part of Real estate Tax	Actual Settlement Date
<input type="checkbox"/> Change	\$13,000,000.00	\$	
<input type="checkbox"/> Delete			



INFORMATION REQUEST FORM – For IRS 1099-S Reporting (Continued)

Specific Instructions (Continued)

Limited liability company (LLC) (Continued)

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Regulations section 2301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name/disregarded entity name" line.

For an LLC classified as a partnership or a corporation, enter the LLC's name on the "Name" line and enter "same" on the "Business name/disregarded entity name" line.

Other entities. Enter the name as shown on required federal tax documents on the "Name" line. This name should match the agreement, charter, order, or other document creating the entity.

Sole proprietor. Enter your individual name as shown on your 1040/1040A/1040EZ on the "Name" line. You may enter your business, trade, or "doing business" (DBA) name on the Business name/disregarded entity name line.

Note: Check the appropriate box for your status (Individual/Sole Proprietor, Corporation, etc.)

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see "How to get a TIN" below.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see "Limited liability company (LLC)" on page 1), enter the owner's SSN (or EIN, if you have one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See the chart below for further clarification of name and TIN combinations.
How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for a SSN, get Form SS-5, "Application for a Social Security

Card," from the local Social Security Administration office, or online at www.ssa.gov or by calling 1-800-772-1213. Use form W-7, "Application for IRS Individual Taxpayer Identification Number", to apply for an ITIN, or Form SS-4, "Application for Employer Identification Number," to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under "Starting a Business." You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676). **If you are asked to complete this Information Request Form but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to us.**

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon. **Note:** A TIN is required if withholding is required under FIRPTA.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to us that you are a U.S. person, or resident alien, sign this form. For property owned by spouses as tenants in common, joint tenants, tenants by the entirety, or community property, only the spouse whose TIN is shown first on the Name line or is circled should sign.

Signature requirements: You must sign the certification.

What Name and Number to Give

For this Type of Owner:	Give Name and Social Security Number (SSN) of:
1. Individual 2. Spouses (who hold title as tenants in common, joint tenants, tenants by the entirety, or community property) 3. Custodian account of a minor (Uniform Gift to Minors Act) 4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law 5. Sole proprietorship or disregarded entity owned by an individual. 6. Disregarded entity or Sole proprietorship owned by an individual	The individual Show both spouses, with the name of the spouse whose SSN is used shown first and circled ¹ The minor ² The grantor-trustee ¹ The actual owner ¹ The owner ³ The owner ³
For this Type of Owner:	Give Name and Employer Identification Number (EIN) of:
7. Disregarded entity not owned by an individual 8. A valid trust, estate, or pension trust 9. Corporate or LLC electing corporate status on Form 8832 10. Association, club, religious, charitable, educational, or other tax-exempt organization 11. Partnership or multi-member LLC 12. A broker or registered nominee 13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments 14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 filing Method 2 (See Regulations section 1.671-4(b)(2)(i)(B))	The owner Legal entity ⁴ The corporation or LLC electing corporate status The organization The partnership or multi-member LLC The broker or nominee The public entity The trust

¹List first and circle the name of the person whose number you furnish. If only one person has an SSN, that person's number must be furnished.

²Circle the minor's name and furnish the minor's SSN.

³You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity name" line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

CONTINGENCY DATE AND CLOSING DATE ADDENDUM

This Contingency Date and Closing Date Addendum (“**Addendum**”) is made as of June 15, 2023, by and between **Santa Clara Valley Transportation Authority**, a California special district (“**Seller**”), and **City of Mountain View**, a California Charter City and municipal corporation (“**Buyer**”), each of which a “**Party**” and together the “**Parties**” with reference to the following facts:

RECITALS

A. WHEREAS, Seller and Buyer entered into to that certain Purchase and Sale Agreement dated June 15, 2023 (the “**Agreement**”), for Property further described in Section 1.2 of the Agreement.

B. WHEREAS, the Contingency Date defined in Section 3.2 of the Agreement, has occurred and, pursuant to the Agreement, Seller and Buyer desire to confirm various dates and information related to the Agreement.

C. WHEREAS, Capitalized terms not otherwise defined in this Addendum shall have the meaning given them in the Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the above Recitals and other good and valuable consideration the receipt and sufficiency of which the Parties hereto acknowledge and agree as follows:

1. Pursuant to Section 3.2 of the Agreement, the date of delivery of the last Preliminary Document was November 8, 2021, subject to any revision in accordance with the terms of Section 3.2 of the Agreement.

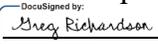
2. Notwithstanding the procedures set forth in Section 3.2 and Section 7.2.2 of the Agreement for setting the Closing Date, the Parties agree that the Closing Date is June 15, 2023, subject to any revision in accordance with the terms of Section 3.2 of the Agreement.

3. All of the terms, covenants and conditions of the Agreement, except as revised, amended and modified by this Addendum are expressly ratified by the Parties and in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Addendum as of the day and year set forth above.

SELLER:

SANTA CLARA VALLEY TRANSPORTATION
AUTHORITY,
a California special district

By:  _____
Name: Greg Richardson
Title: Assistant General Manager/CFO

BUYER:

CITY OF MOUNTAIN VIEW,
a California Charter City and municipal corporation

By: _____
Name: Kimbra McCarthy
Title: City Manager _____

FIRST AMERICAN TITLE INSURANCE COMPANY

STATEMENT REQUIRED FOR THE ISSUANCE OF ALTA OWNERS AND/OR LOAN POLICIES

Commitment No. NCS-1176047-SC

Date: June 05, 2023

To the best knowledge and belief of the undersigned, the following is hereby certified with respect to the land described in the above commitment:

1. That, except as noted at the end of this paragraph, within the last six (6) months (a) no labor, service or materials have been furnished to improve the land, or to rehabilitate, repair, refurbish, or remodel the building(s) situated on the land; (b) nor have any goods, chattels, machinery, apparatus or equipment been attached to the building(s) thereon, as fixtures; (c) nor have any contracts been let for the furnishing of labor, service, materials, machinery, apparatus or equipment which are to be completed subsequent to the date hereof; (d) nor have any notices of lien been received, except the following, if any:

None

2. That there are no unrecorded contracts or options to purchase the land, except the following, if any:

The City of Mountain View has an option to purchase the site
through the Ground Lease between the parties dated 9/21/21.

3. That there are no unrecorded leases, easements or other servitudes to which the land or building, or portions thereof, are subject, except the following, if any:

None

4. That there are no rights of first refusal or options to purchase all or any part of the Property except:

The City of Mountain View has an option to purchase the site
through the Ground Lease between the parties dated 9/21/21.

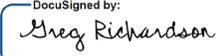
(enter "None" or "N/A" if such is true)

5. That there are no unpaid real estate taxes or assessments except as shown on the current tax roll. That the undersigned has not received any supplemental tax bill which is unpaid.
6. That the undersigned is authorized to execute this affidavit, has the ability to execute all instruments necessary to mortgage or convey the Land pursuant to authority, and that the owner was properly created and is in good standing in its state of origin and is properly authorized to do business in the state where the Land is located.
7. That the undersigned has not received any written notice of violation of any covenants, conditions or restrictions, if any, affecting the Land.

8. In order to induce First American Title Insurance Company (the "Company") to issue its policy(ies) of title insurance with full knowledge that the Company will rely upon the accuracy of same, the undersigned hereby agrees as follows:
- (a) The undersigned does hereby agree to indemnify and hold the Company harmless of and from any and all loss, cost, damage and expense of every kind, including attorneys' fees, which the Company shall or may suffer or incur or become liable for under its said policy or policies directly or indirectly, due to its reliance on the accuracy of the foregoing statements or in connection with its enforcement of its rights under this statement.
 - (b) The undersigned does hereby agree to indemnify and hold the Company harmless during the gap period between the last title examination of the Land that was conducted by, for and/or on behalf of the Company, and the time when the deed, assignments and any other documents creating priority of title are recorded in connection with the sale and/or transfer of the Land.

Seller / Owner

Santa Clara Valley Transportation Authority, a
California special district formerly known as the
Santa Clara County Transit District,

By: 
IDAT/C55F42534P6
Name: > Greg Richardson
Title: Assistant General Manager/CFO

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 _____)SS

COUNTY OF _____)

On _____ before me, _____, Notary Public, personally appeared

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

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

WITNESS my hand and official seal.

Signature

This area for official notarial seal.

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 _____)SS

COUNTY OF _____)

On _____ before me, _____, Notary Public, personally appeared

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

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

WITNESS my hand and official seal.

Signature

This area for official notarial seal.



COUNCIL REPORT

DATE: September 26, 2023
CATEGORY: New Business
DEPT.: Housing
TITLE: **Selection of Preferred and Alternate Development Teams for 87 East Evelyn Avenue Affordable Housing Project**

RECOMMENDATION

That Council:

1. Select Affirmed Housing as the preferred development team for the 87 East Evelyn Avenue affordable housing residential development.
2. Authorize the City Manager or designee to negotiate and execute an Exclusive Right to Negotiate Agreement (ERNA) with the selected development team and commence the negotiation process for the lease disposition, development, and loan agreement (LDDLA) and ground lease for the 87 East Evelyn Avenue site.
3. Authorize the City Manager or designee to execute an amendment to the ERNA to extend the initial 90-day term for an additional 90 days if negotiations are not completed in the initial term but are progressing.
4. If, after selection of Affirmed Housing as the preferred development team, the City and Affirmed Housing are unable to come to an agreement, authorize with the City Manager or designee to enter into an ERNA and commence negotiations with Charities Housing as the alternate development team.
5. Adopt a Resolution of the City Council of the City of Mountain View Declaring the City-Owned Site at 87 East Evelyn Avenue to be Exempt Surplus Land Pursuant to the Surplus Land Act, to be read in title only, further reading waived (Attachment 1 to the Council report).

BACKGROUND

For the past few years, the City and the Santa Clara Valley Transportation Authority (VTA) have worked together to advance affordable housing on VTA's former park and ride lot located at 87 East Evelyn Avenue (the "Evelyn lot"). On May 7, 2019, Council unanimously authorized the

City Manager to negotiate and execute with VTA a long-term ground lease with an option to purchase the VTA property located at the southwest corner of East Evelyn Avenue and Pioneer Way (APN 160-65-008) for use as future affordable housing. The ground lease with purchase option terms was executed on September 19, 2021. The City's exercise of its purchase option was completed on June 16, 2023, when the City took title to the property.

In 2022, the City Council held a Study Session to determine development priorities for the Evelyn lot and issued and completed the Request for Qualifications (RFQ) as part of the City's developer selection process. In 2023, the City issued the Request for Proposals (RFP) for the Evelyn lot and received proposals from five development teams. Council selection of the preferred and alternate development teams at this meeting will conclude the RFP process.

Site Location

The Evelyn lot is a 2.1-acre, rectangular site bordered by Pioneer Way, East Evelyn Avenue, and office buildings at 57-67 East Evelyn Avenue and 82 Pioneer Way. It is located near the Caltrain railroad tracks and State Route 85, approximately 0.5 mile from the Mountain View Transit Center and 0.2 mile from the Stevens Creek Trail. The site is currently zoned as High-Density Residential (R4), a result of the Zoning Map Amendments adopted by the City Council earlier this year as part of the Housing Element process.



Figure 1: Evelyn Lot (Blue) and Charities Lot (Orange)

As shown in Figure 1 above, Charities Housing owns 57-67 East Evelyn Avenue (the “Charities lot”), which is directly adjacent (to the west) of the Evelyn lot. Charities Housing intends to redevelop its lot with affordable housing, independent of the results of the RFQ/RFP process for the City’s Evelyn lot. The Charities lot and RFP proposal are discussed later in this report as it relates to the City’s intention for a master site plan process including both sites.

Evelyn Lot Development Priorities

On May 10, 2022, the City Council held a Study Session to provide input on development priorities for the Evelyn lot (See Attachment 1). The priorities were included in the Request for Qualifications (RFQ)/Request for Proposals (RFP) process and summarized below:

1. **Residential Population:** Achieve an affordable housing development providing 30% or more of the total units with affordability restrictions for extremely low-income households (i.e., incomes up to 30% of the Santa Clara County Area Median Income (AMI)). Include a significant number of rapid rehousing (RRH) and/or permanent supportive housing (PSH) units.
2. **Density and Height:** Provide a project density of 80 to 110 DU/acre, although there was Council support for a project greater than 110 DU/acre. A project height that exceeds seven to eight stories is supported if the applicant can demonstrate that the proposed project height and density is financially feasible, that an appropriate level of community amenities can be accommodated, and that the developer has the experience building and operating similar high-density residential projects.
3. **Parking:** Include a parking plan that balances proposed parking with other project features. If the proposal includes a lower ratio than is typical in City affordable projects of similar size/type or what would be allowed under the State Density Bonus Law, the applicant shall include a rationale supported by a proposed TDM plan and acknowledge a parking study may be required.
4. **Design and Placemaking:** Demonstrate excellent design and appropriate transitions with the adjacent uses and well-designed circulation plans that account for vehicle, pedestrian, and bicycle circulation needs and safety along all project frontages. Implement a balanced approach that allows for maximizing the number of units while realizing high-quality design, services, and community space. Incorporate placemaking and community building elements in their proposal and are encouraged to propose a range of amenities that would appropriately serve the resident population mix, such as child-care space, playground space, and space to provide mobile food distributions or health services.

5. **Collaboration with Adjacent Affordable Housing Site:** As noted above, Charities owns the adjacent site at 57-67 East Evelyn Avenue. The RFP noted: “Master planning the two sites in a coordinated effort could yield a development that is greater than the sum of their parts. The sites could be developed more efficiently due to shared infrastructure, utilities, open space, amenities, parking, and other design elements.” Applicants were required to describe how their schedule will incorporate a timeline for the collaborative master site planning process.
6. **Pathways for Safe Parking Participants:** Applicants were asked to provide a narrative in the RFP submittal for potential pathways for safe parking participants or Mountain View households who have been or may be displaced from their homes to live in the Evelyn lot development once completed, subject to compliance with applicable State and Federal fair housing laws.
7. **Continuing FTA interest:** The VTA originally purchased the property with a grant from the Federal Transit Administration (FTA), which included certain Federal requirements regarding the use of the site. The City-VTA ground lease and purchase option, which incorporate FTA’s continuing Federal interest and were reviewed and approved by the FTA, include the following provisions: (1) development of the site as affordable housing; (2) minimum density of 75 DU/acre; and (3) subject to compliance with State and Federal fair housing law, and if there is a tenant selection or marketing preference for persons who live or work in Mountain View, the City must also include VTA employees in this preference if legally feasible. All proposals meet the FTA interest and requirements for redeveloping the site into affordable housing.

Request For Qualifications (RFQ) and Request For Proposals (RFP) Process

In 2022, the City initiated the two-step process for selecting a development team to propose residential redevelopment of the 87 East Evelyn Avenue site. The first step involved City issuance of an RFQ, to which the following five development teams submitted responses: Affirmed Housing (Affirmed), Charities Housing (Charities), Alta Housing (Alta), Bridge Housing (Bridge), and The Core Companies (Core). A City review panel met in November 2022 to review the qualifications of each development team and invited all five teams to participate in the second step of the developer selection process—the RFP stage.

The City released the RFP on January 27, 2023, with a submittal deadline of April 27, 2023 (see Attachment 2 for the RFP). A mandatory presubmittal conference was held on February 27, 2023, to address questions from interested respondents. All five development teams from the RFQ process were invited to submit responses to the RFP, and each team did submit a response. Note that between the RFQ and RFP, Eden Housing joined Core and submitted a joint proposal for the RFP. City staff evaluated the submissions and conducted interviews with each team on May 11,

2023. The results of the evaluation process and staff recommendation for the preferred and alternate development teams are summarized in the Analysis section below.

Note that selection of a development team for the Evelyn site does not imply approval of the proposal identified in the RFP submittal(s). While the intent of the RFP is for each team to put its best foot forward and submit what they believe to be the most competitive proposal, the selected developer will still need to negotiate and execute deal terms with the City, which would include funding amounts, prepare more detailed project plans, including a collaborative master site plan (described further below), and submit a formal development application for review and approval through the City's entitlement process.

ANALYSIS

Staff recommends Affirmed Housing as the preferred developer. If Council selects Affirmed Housing as the preferred developer, staff will initiate the process to enter into an Exclusive Right to Negotiate Agreement (ERNA) with the developer.

In the event that Affirmed Housing is unable to meet the requirements of the ERNA or City priorities for the project, staff recommends that Council select Charities as the alternate developer. This will allow the process to move forward without needing to return to Council to select another developer.

The remainder of this Analysis section provides a summary of the RFP evaluation process, criteria, and details of each submittal.

RFP Evaluation Process and Criteria

As mentioned, five development teams responded to the RFP: Affirmed, Charities, Alta, Bridge, and Core/Eden. Each team has a strong reputation and history of building/managing high-quality affordable housing developments, and staff believes each team generally has the financial ability and relevant experience to deliver an affordable housing project at the Evelyn lot. However, staff's evaluation of each submittal focused on the overall quality, responsiveness, completeness, and clarity of the teams' submittals to the RFP requirements specific to the Evelyn lot priorities, with particular focus on the following evaluation criteria (described in detail in Attachment 2—Evelyn Lot RFP):

1. Development Team Description and Qualifications (10 points max.)
2. Relevant Development Experience (30 points max.)
3. Proposed Development Concept (40 points max.)
4. Financial Capability (20 points max.)

Additionally, interviews were held with all of the development teams on May 11, 2023, where each development team presented its submittal and responded to questions by an interdepartmental City team composed of staff from the Community Development Department's Housing and Planning Divisions, and the Public Works Department's Land Development Engineering and Real Property Divisions (hereafter "City team"). The City's economic advisory consultant Seifel Consulting assisted with the evaluation process but did not score/rank the submittals. Additionally, per the City-VTA ground lease, one VTA employee attended the interviews to observe and provide input but did not participate in the quantitative scoring/ranking of the submittals.

Recommendation of Preferred and Alternative Developer

This evaluation process resulted in the following final rankings:

1. **Affirmed Housing (Preferred Developer)**
2. Charities Housing (Alternate Developer)
3. Alta Housing
4. Bridge Housing
5. The Core Companies/Eden Housing

While Alta and Bridge are very capable developers, Affirmed and Charities had stronger proposals overall. Core/Eden, although ranking fifth, are also very capable developers who submitted a competent proposal in a highly competitive group of applicants.

Table 1 below provides a summary comparison of the submittals. Overall, all submittals include at least 200 units, with 100 percent of the units affordable to households between 30% and 60% AMI. Residential densities across the submittals range from approximately 95 DU/ac to 128 DU/ac. Each of the teams also articulated that the design and financing strategy in their submittals are a starting point, and, if selected, intend to work closely with the City to ensure City input is thoughtfully considered and incorporated to the extent possible into the final project. All teams noted their commitment to participating in a master plan process. Staff recommendations for this master plan process and outcome is discussed in more detail below.

Table 1: Summary of Evelyn RFP Submittals and Recommendations

Rank	1 Preferred Developer	2 Alternate Developer	3	4	5
Development Team	Affirmed Housing	Charities Housing	Alta Housing	Bridge Housing	Core Co./Eden Housing
DEVELOPMENT CONCEPT					
Total Number of Units	268	391 Total <small>*265 on City Site</small>	201	238	208
Number of RRH / IDD/PSH	42 RRH / 15 PSH for unhoused households	59 RRH / 39 PSH	29 RRH / 22 at risk senior	62 PSH / 17 IDD	42 PSH / 35 IDD
Populations Served:	Family	Family	Family/Seniors (not an RFP priority)	Family	Family/Seniors (not an RFP priority)
Stories	Phase 1: 7 Stories Phase 2: 12 Stories	Phase 1: 8 Stories Phase 2: 5 Stories Phase 3: 5 Stories	Phase 1: 7 Stories Phase 2: 6 Stories	Phase 1: 6 stories Phase 2: 6 stories	Phase 1: 7 stories Phase 2: 7 stories
Total Unit Mix	Studio: 38 (14%) 1 Bedroom: 89 (33%) 2 Bedroom: 71 (27%) 3 Bedroom: 70 (26%)	Studio: 76 (19%) 1 Bedroom: 105 (27%) 2 Bedroom: 105 (27%) 3 Bedroom: 105 (27%)	Studio: 0 (0%) 1 Bedroom: 135 (67%) 2 Bedroom: 36 (18%) 3 Bedroom: 30 (15%)	Studio: 21 (9%) 1 Bedroom: 94 (40%) 2 Bedroom: 79 (33%) 3 Bedroom: 44 (18%)	Studio: 0 (0%) 1 Bedroom: 152 (73%) 2 Bedroom: 30 (14%) 3 Bedroom: 26 (13%)
Total Residential Parking/	140 (incl. 10 unassigned)	287 (incl. 23 unassigned)	254 (0 unassigned)	238 (incl. 22 unassigned)	183 (0 unassigned)
NON-RESIDENTIAL AMENITIES					
Childcare Center	7,000 sf.	2,580 sf.	6,100 sf.	3,450 sf.	6,200 sf.
Other	3,150 sf. Flexible Community Resource Space- TBD via outreach	8,640 sf. CSA satellite warehouse for food distribution and nutrition services	2,460 sf. CSA Food Dist. Program 15,000 sf. Urban Farm	968 sf. Multipurpose Community Room	1,130 sf. ea. Two Community Rooms. Possible Food Bank Partnership
TOTAL DEVELOPMENT COST					
Total Development Cost (Excluding land)	\$224,800,000	\$360,000,000	\$183,800,000	\$251,100,000	\$184,900,000
Total Development Cost/Unit	\$839,000	\$915,000	\$1,055,000	\$921,000	\$889,000
Total Development Cost/Bedroom	\$469,311	\$509,915	\$618,855	\$620,000	\$637,586
CITY SUBSIDY REQUEST					
City Subsidy	\$8,000,000	\$30,875,000	\$30,000,000	\$17,728,715	\$17,935,073
City Subsidy/Unit	\$29,851	\$78,964	\$149,254	\$74,490	\$86,226
City Subsidy/Bedroom	\$16,701	\$43,732	\$101,010	\$43,774	\$61,845
<small>*The Charities proposal assumes a merged project site with proposed buildings crossing existing property lines. As such, a precise estimate of units on the Evelyn lot cannot be provided for comparison. Per the Charities submittal, there would be 265 units in buildings proposed on the Evelyn lot (including some units in building area on the Charities lot).</small>					

Summaries of Each Submittal

Affirmed Housing—Ranked 1st/Recommended Preferred Developer

Affirmed Housing is recommended as the preferred developer for several key reasons:

1. Most responsive to the City priorities outlined in the RFP including achieving a site and building plan that best balances multiple objectives.
2. Meets the Council objectives of providing larger units to serve families and units that serve both extremely low-income households and those qualifying for PSH Housing units and had the best overall unit mix.
3. Overall lowest development cost per unit supported by a detailed construction cost estimate from Cahill Contractors.
4. Lowest requested City subsidy in total and on a per unit basis, and greatest leveraging of external funding.
5. Creative yet flexible approach to site development with the Phase 2 building envisioned to be 12 stories (to maximize the number units) but adjustable to eight to nine stories if there is a preference or necessity for less height.
6. Thoughtful site plan facilitating integrated circulation and effective master planning with the Charities site, high-quality open space, and a finer grain network of connections through the site.
7. Incorporation of both private and publicly accessible nonresidential uses and open space.
 - Only proposal to include both a letter of intent from a child-care provider, Kids-Konnect Childcare, and a funding commitment of \$2 million toward the development cost of the child-care center from The Low Income Investment Fund (LIIF).
 - Demonstrated a firm commitment to engage in a community-led effort to program their community flex space, with past experience programing space for mobile health clinics, training centers, and for community gathering areas.
8. Strong commitment to incorporating safe parking participants into the development and was the only team to include an opinion from their legal counsel on how to accomplish a preference program for those households.



Figure 2: Affirmed Housing Proposal—Conceptual Design

The project showcases strong development and financial capabilities. If selected, staff will work closely with Affirmed to advance the proposed project as well as evaluating the potential impact on the housing program if Phase 2 of the development needed to be scaled down to eight to nine stories and refinements to the circulation design concept to ensure emergency vehicle and solid waste access needs are fully addressed. Furthermore, the project’s parking proposal will be assessed to confirm appropriate parking as well as transportation demand management (TDM) options for future residents, and project financing will be assessed to determine if additional subsidies are necessary to finance the proposed project as outlined in the submission. Below is a summary of the proposal’s key components.

The Affirmed Housing team consists of:

Architect:	Van Meter William Pollack LLP
General Contractor:	Cahill Contractors
Property Management:	Solari Enterprises
Resident Services:	Not Stated

Key Components of Affirmed Housing RFP Submittal:

1. **Residential and Nonresidential Proposal:** The Affirmed Housing proposal would construct 268 affordable units in two phases/buildings:
 - Phase 1: The West Building would have 27 studios, 50 one-bedroom, 42 two-bedroom, and 42 three-bedroom units. Out of these 161 units, 30 units will be set

aside for Santa Clara County’s Rapid Rehousing (RRH) Program and assigned to ELI individuals and families. Parking for both phases would be provided in the West Building, most of which would be provided on its ground floor.

- Phase 2: The East Building would have 11 studios, 39 one-bedroom, 29 two-bedroom and 28 three-bedroom units. Of these 107 units, 12 units will be set aside for Santa Clara County’s RRH Program for ELI individuals and families and 15 PSH units reserved for unhoused households utilizing project-based vouchers.
- Nonresidential programming includes approximately 7,000 square feet of both indoor and outdoor space for a community day-care facility and 3,150 square feet of community resource space, open to both residents and the community, which they intend to program following feedback and consideration via a comprehensive community outreach effort. The space is intended to satisfy the Council goal for creating an amenity serving the broader community. Community space in other Affirmed developments are programmed to serve mobile health clinics, training centers, and community gathering spaces.



Figure 3: Affirmed Housing Proposal—Site Plan

2. **Site Plan:** The Affirmed Housing site plan features an “L-shaped” planted entry drive and emergency vehicle access (EVA), between Pioneer Way and East Evelyn Avenue, along with an open pedestrian mews between the two proposed buildings and connecting to a corner

plaza along the Phase 2 building frontage. The Phase 1 building entrance is also situated toward East Evelyn Avenue with a public plaza. Interior community/flex spaces are oriented towards different open space and street frontages, and the developer also plans for a jogging path along the planted EVA/entry drive. This design allows for potential on-site day care drop-off—between the Evelyn and Charities sites—as well as flexibility for different configurations of shared EVA and open spaces between the two sites. It is proposed that the rear entry drive could also potentially be shared with Charities, reducing the number/type of required on-site roadways and public street curb cuts. The overall landscape concept seeks to prioritize nonvehicle movement through the site and connections to the adjacent Charities development, sustainability, and elements relating to the history of the site and area.

3. **Design:** The West buildings (Phase 1) are seven stories and create a distinctive presence at the Evelyn/Pioneer corner. The East building (Phase 2) is proposed to be 12 stories. Affirmed noted it could be reduced to eight to nine stories as needed based on City and community feedback or for financing purposes.

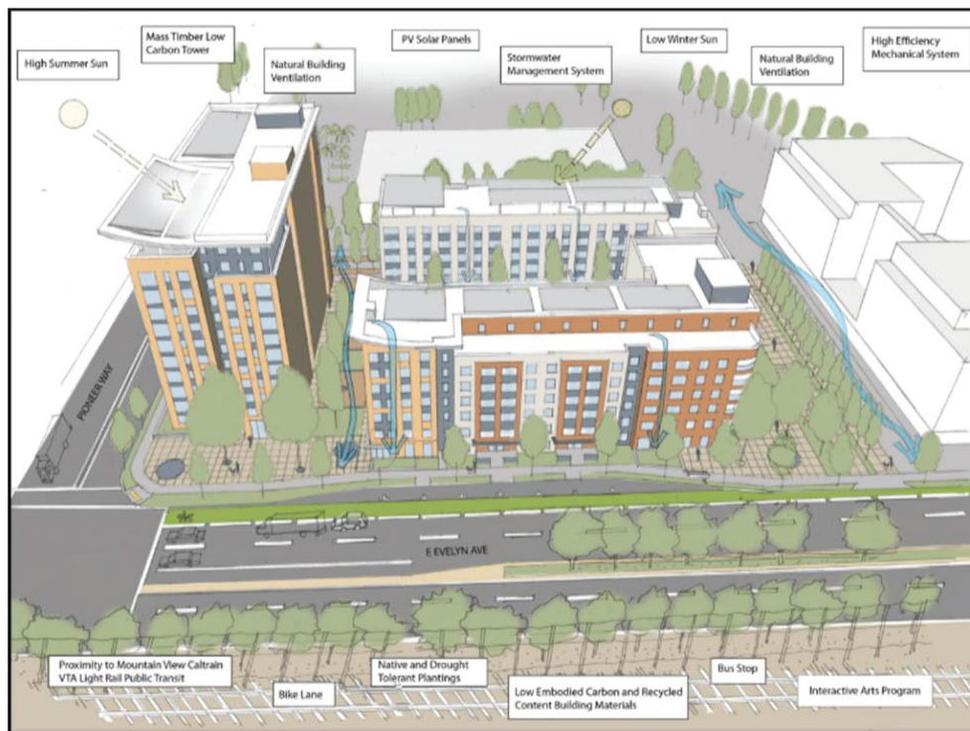


Figure 4: Affirmed Housing Proposal—Design and Sustainability Plan

4. **Master Site Planning:** Affirmed Housing and their architect have demonstrated their experience and willingness to work with other developer/architect teams, particularly on residential/mixed use master plans. They have highlighted early collaborative design

processes as an important opportunity to identify options and priorities for potential shared approaches to site access (as mentioned above), street frontage improvements, program overlap and consolidation (i.e. one child care center etc.) and possible joint activities: community gardening, teen center, after school programs, health services, expanded open space located jointly between the development sites, as well as potential savings on infrastructure improvements.

5. **Parking:** The efficient provision of 140 parking spaces for both phases in the West Building (Phase 1) allows flexibility in assigning parking spaces and a smaller East Building footprint and excavation. The design includes a bike storage room, and the rear drive from Pioneer Way is meant to promote pedestrian/bicycle circulation through the site along with active recreation and emergency/service vehicle access. Limited surface parking is proposed for day care pick-up and drop-off purposes. The low proposed parking ratio will need to be evaluated through a parking study. Securing funding to build all parking spaces in Phase 1 will also need to be evaluated. The development will encourage the use of alternate modes of transportation through convenient on-site bicycle storage, access to nearby Caltrain station and other transit options, and improved sidewalks at the nearby bus stop.
6. **Pathways for Safe Parking Participants:** Affirmed included with their submittal a letter from their counsel, Kattan, regarding their proposed preference program and its permissibility under Federal fair housing laws. Affirmed proposes to offer two occupancy preferences in the tenant selection procedures at the proposed project: (1) a preference for Safe Parking participants who are living on the Property immediately prior to the Property being cleared for construction (the “Safe Parking Preference”); and (2) a preference for employees of the child-care center (the “Employee Preference”). Preferences will be used in evaluating a potential tenant’s ability to occupy a unit in addition to other criteria, including tenant income. If selected, the City will review these preferences and permissibility under State and Federal fair housing laws.
7. **Subsidy Request:** Affirmed Housing is requesting a City subsidy of \$4,000,000 for each phase of the project. The project’s funding structure includes 4% Federal and State Credits, Santa Clara County funds, State HCD funds, Developer Equity, City funds, and conventional construction and permanent debt financing. These funding sources will cover the acquisition, predevelopment, development, and operations of the 87 East Evelyn Avenue site in two phases. Additionally, if there is agreement from the City to have an on-site child-care center, the project has secured a \$2,000,000 permanent financing Letter of Intent from Low Income Investment Fund (LIIF) to support the construction of the child-care facility.

Summary of Charities Submittal—Ranked 2nd/Recommended Alternate Developer

Charities submitted a strong and highly ranked proposal and staff recommends the team as the alternate developer. Their proposal included the following:

1. Master planned development between the Charities lot and the Evelyn lot, allowing consideration and proposal of design concepts beyond the City-owned parcel boundaries.
2. Merging the Charities lot with the Evelyn lot, creating a 391-unit affordable housing development across the combined 4.3-acre site.
3. Development with four residential structures is planned in three phases, showcasing a development option that blends resources between the Evelyn and Charities sites, and a freestanding parking garage in the first phase that would provide parking for the entire project.
4. Proposed density is 90 units per acre.
5. Letter of support from Catalyst Kids child care expressing willingness to collaborate with Charities Housing if selected.
6. Committed to exploring fair housing-compliant options to prioritize existing safe parking participants.
7. Included a memorandum of understanding (MOU) with Community Services Agency (CSA) to operate a satellite warehouse for food distribution and an on-site food pantry for low-income individuals and families facing food insecurity.
8. Thorough and reasonable financial proposal, with a subsidy request that, while not the lowest, is comparable to other developments in terms of subsidy cost per unit.



Figure 5: Charities Housing Proposal—Conceptual Community Plaza

Although the submittal showcased strong design elements, such as higher density situated away from existing lower density neighborhoods, ground-level nonvehicle circulation and potential shared open space areas, providing amenities for both tenants and the community, there were concerns from staff regarding how architectural variety would be accomplished as well as livability and convenience. In particular, the distance between the stand-alone garage and the residential units on the City-owned parcel raised issues. Moreover, Charities Housing was unclear about their ability to finance the construction of the stand-alone parking garage in Phase 1—which is intended to provide parking for all of the affordable housing units—well before the completion of the remaining units in Phases 2A, 2B, and 3. While the team expressed willingness to assess site options and parking plans based on City input, their plan assumes buildings that straddle parcel lines; however, the feasibility of straddling parcel lines would require further evaluation as part of the master plan process in coordination with VTA and Charities due to the continuing FTA interest on the Evelyn lot.

The Charities Housing team consists of:

Architect:	David Baker Associates
General Contractor:	Nibbi Brothers General Contractors
Property Management:	Charities Housing
Resident Services:	Charities Housing

Key Components of the Charities Housing Proposal:

1. **Residential and Nonresidential Proposal:** The Charities Housing proposal would construct 391 affordable units in three phases/buildings:
 - Phase 1 (Charities lot): The Phase 1 area would feature one residential building with 23 studios, 28 one-bedroom, 39 two-bedroom and 36 three-bedroom units. Out of these 126 units, 13 units will be designated as PSH units, 19 set aside for Santa Clara County's RRH Program, which will be assigned to ELI individuals and families and 33 units reserved for households utilizing project-based vouchers. Charities is proposing to request 46 project-based vouchers in this phase. Phase 1 also includes a parking garage serving all three phases of housing.
 - Phase 2 (Evelyn lot): Phase 2 would feature two, connected residential building areas containing 27 studios, 33 one-bedroom, 32 two-bedroom and 33 three-bedroom units. Out of the 125 units in Phase 2, 12 units will be designated as PSH Housing units and 19 set aside for Santa Clara County's RRH Program which will be assigned to ELI individuals and families and 42 units reserved for households utilizing project-based vouchers.
 - Phase 3 (Evelyn lot): Phase 3 would feature one residential building with 26 studios, 44 one-bedroom, 34 two-bedroom and 36 three-bedroom units. Out of the 140 units in Phase 3, 14 units would be designated as PSH units and, 19 set aside for Santa Clara County's RRH Program which will be assigned to ELI individuals and families, and 51 units reserved for households utilizing project-based vouchers.
 - Proposed nonresidential programming includes approximately 10,820 square feet of commercial space for childcare and a food distribution pantry. Charities intends to partner with CSA to operate the warehouse and pantry, which would serve individuals and households experiencing food insecurity.
2. **Site Plan:** The Charities Housing proposal is essentially a master site plan concept, combining their adjacent site at 57-67 East Evelyn Avenue with the Evelyn lot. The three-phase approach includes centralized parking in a garage structure at the south corner of the Charities lot, accessed via an access drive (with cul-de-sac turnaround) from Pioneer Way, through the Evelyn site. A food warehouse and pantry facility will be situated along Pioneer Way, creating a smooth transition to adjacent light industrial uses. Along East Evelyn Avenue, five- to eight-story residential buildings front the street, with "paseos" between the buildings providing a range of open space and nonvehicle circulation through the site. The site design prioritizes multi-modal transit, emphasizing pedestrian, bicycle, and alternative modes of transportation over personal automobiles.

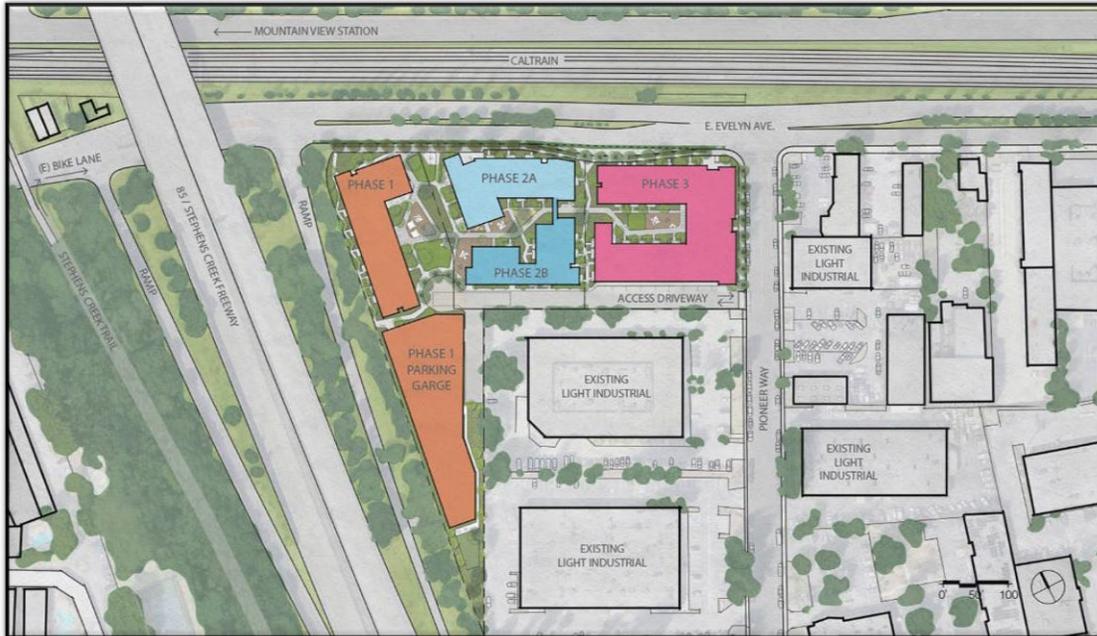


Figure 6: Charities Housing Proposal—Site Plan

3. **Design:** In Phase 1, an eight-story residential building and a stand-alone parking garage will be located at the western edge of the Charities lot, serving as a buffer between State Route 85 and the freeway ramp and the open spaces and other development on the Evelyn site (to the east). In Phases 2 and 3 (predominantly on the Evelyn lot), three 5-story building areas are situated on the northerly portion of the site. Through all three phases, exclude driveways along the entire East Evelyn Avenue frontage to enhance the pedestrian experience along with widened sidewalks, landscaped setbacks with residential entrances and stoops, and shared common amenity spaces facing a large, shared plaza. These ground-floor elements along East Evelyn Avenue facilitate connections to nearby residential areas and can help create a more vibrant streetscape.
4. **Master Site Planning:** Charities stated it would collaborate with the selected developer of the Evelyn lot even if they are not selected as the preferred developer (as staff recommends). Charities' commitment to a master plan process was also noted in the May 2022 Study Session report. In either case, the master site plan proposed by Charities would be revised to reflect the potential for shared resources across property lines, address staff's concerns with parking feasibility/convenience for the residents, other opportunities to provide enhanced shared resources, and to account for input received through the required community outreach process.



Figure 7: Charities Housing Proposal—Conceptual Design

- Parking:** Phase 1 includes 287 parking spaces in a stand-alone, above-grade garage structure. This approach eliminates the need for podium parking in the residential buildings, achieving the desired unit count and density in more compact buildings. Charities has indicated this parking strategy would also reduce construction costs due to less site excavation and because it allows primarily Type V (wood) construction for the residential buildings. However, as noted, staff has concerns about how Charities would fund the Phase 1 garage upfront, which is intended to provide for all of the parking across the three master plan phases. The parking proposal also does not appear feasible or convenient for residents who would live farther away from the parking garage, particularly residents in Phase 3 and especially if they have special needs. Verifying if the site plan accommodates emergency vehicle access will also be needed. The development will have bicycle infrastructure, with each building featuring ample secured bike parking for residents. The parking site will include additional guest spaces distributed throughout the landscape design. Additionally, a bike “fix it” station will be included as an amenity in the shared plaza. The current proposal assumes vehicle access through Pioneer Way and includes options for repurposing of the existing, unused East Evelyn Avenue bus duck-out. The pedestrian- and bike-oriented pathways throughout the site extend to the nearby bike lane on East Evelyn Avenue, the Caltrain station one-half mile away, and the nearby Stevens Creek Train network.

6. **Pathways for Safe Parking Participants:** Charities Housing is actively exploring ways to incorporate a Safe Parking Participant preference into the development's regulatory agreements, ensuring compliance with fair housing laws. Additionally, their proposal aims to provide 187 units that can be directly allocated using the City of Mountain View live/work preference.
7. **Subsidy Request:** Charities is requesting approximately \$30 million from the City of Mountain View for all three phases. Additionally, Charities intends on applying for HCD Infill Infrastructure Grant (IIG) funding for Phase I, considering the eligible expense of the parking garage. The proposal also includes a plan to obtain 100 project-based vouchers (PBVs) from the Santa Clara County Housing Authority. For Phase III, \$31 million in funding is proposed to be allocated from the HCD Multifamily Housing Program (MHP) loan through the State's "Super NOFA" funding process.

Summary of Alta Housing Submittal—Ranked 3rd

The Alta proposal included the following:

1. Two phases: Phase 1 includes a -story family-oriented building, while Phase 2 consists of a six-story senior housing building.
2. 201 units and includes a stand-alone garage.
3. Plans to integrate support services into the community by partnering and providing space for the Community Services Agency for food services.
4. Incorporates an on-site child-care facility.
5. Unique experience with safe parking, including at its Terra Bella project, and transitioning safe parking residents in a project outside of Mountain View.
6. Significant amount of ground-level open space along with a 15,000 square foot urban farm on the top floor of the proposed stand-alone garage, which will provide residents with opportunities to plant and grow food and flowers.



Figure 8: Alta Housing Proposal—Aerial View of Project

Despite the commendable quality and effort demonstrated by Alta, its proposed affordable housing program was less responsive to the development priorities specified in the RFP when compared with Affirmed’s proposal. The RFP emphasized the importance of family-sized units, including both RRH and PSH units; however, the Alta proposal included a significant number of one-bedroom units for senior housing and PSH units. While the proposal showcased a high level of design detail and an innovative sustainability approach, there were areas of incompleteness and inconsistency throughout its RFP submittal. Finally, Alta’s request for City subsidy (\$30,000,000) was by far the highest on a per-unit (\$149,254/unit) and per-bedroom (\$101,010/bedroom) basis. Although the stand-alone garage was presented as a cost-effective development solution, it did not appear to positively impact the amount of requested City subsidy as compared to other submittals with parking integrated into the buildings (which are typically considered to be more costly to build).

The Alta Housing team consists of:

Architect:	Pyatok
General Contractor:	Not Identified
Property Management:	Alta Housing
Resident Services:	Alta Housing

Key Components of the Alta Housing Proposal:

1. **Residential and Nonresidential Proposal:** The Alta Housing proposal would construct 201 affordable units in two phases/buildings:
 - Phase 1: The Phase 1 building is programmed for individuals and families. It proposes 49 one-bedroom, 36 two-bedroom, and 29 three-bedroom units. Out of these 114 units, 29 units will be set aside for Santa Clara County's RRH Program.
 - Phase 2: The Phase 2 building is programmed for senior housing. It proposes 86 one-bedroom units and 1 three-bedroom manager unit. Of these 87 units, there would be 22 units set-aside for at risk seniors.
 - The nonresidential programming includes an on-site child-care facility in their development plans for the site in Phase 1. The proposal also includes a community room that will serve as a multi-functional space for resident activities and as a location for a food distribution program in collaboration with the Community Services Agency (CSA). The roof of the garage will be an urban farm, coordinated and managed by Farmscapes.
2. **Site Plan:** The Alta Housing design proposes its Phase 1 building at the corner of East Evelyn Avenue and Pioneer Way; the Phase 1 residential building connects to a stand-alone garage, which contains all the parking for their proposed development and has direct access from Pioneer Way. The Phase B building is positioned over 30 feet back from Evelyn Avenue, creating space for a landscape buffer, stormwater treatment zones, and paved pathways that encircle the entire property, including an east-west bicycle/pedestrian connection between the Charities site and Pioneer Way. The site plan accommodates entry plazas, visually connected private and publicly-accessible open spaces, and community rooms oriented toward on-site pathways. In Phase 2, ground-level units and an extended entry plaza along East Evelyn Avenue provide opportunities for integrating the Evelyn site development with the Charities site to the west. Courtyard open spaces are configured to maximize daylight throughout the year.



Figure 9: Alta Housing Proposal—Site Plan

3. **Design:** The Phase 1 building is a seven-story, “L-shaped” structure along Evelyn Avenue and Pioneer Way, which helps to buffer interior open spaces from road and train noise to the north. It is connected to the six-level above-grade parking garage, which is proposed to be covered with a tensile fabric mesh and features a rooftop “urban farm.” Facing East Evelyn Avenue, ground-floor unit entries, main building entries and a large community room (flexibly planned to serve on-site residents and house the CSA food distribution program) activate the street edge of Phase 1. Phase 2, located on the west side of the site, is slightly shorter at six stories, allowing for increased western solar access to resident open spaces. The proposed building setback preserves two larger existing trees, and ground-level unit entries are intended to create an integrated building interface with the Charities site.
4. **Master Site Planning:** Alta is willing to collaborate on a master site plan to create cohesive and active sites. Its submittal includes a conceptual design that emphasizes street-level interaction and includes a proposed “woonerf” (traffic calming) vehicular passageway that could connect the open spaces and pedestrian pathways on both properties while also providing for vehicle access for the Charities project. Ground floor stoops are intended to promote social interaction between the sites. The design would evolve through mutual consultation between the owners. If selected, a few particular areas of master site planning focus would be studying options to reduce curb cuts on East Evelyn Avenue, review for adequacy of emergency vehicle access, and improvements to the east-west bicycle and pedestrian environment along the southerly property line.



Figure 10: Alta Housing Proposal—Conceptual Design

5. **Parking:** Phase 1 will include a proposed stand-alone parking garage with 254 covered spaces for residents, staff, and guests. Alta suggests reducing parking due to the site’s proximity to the Downtown Transit Center. Each parking space will be equipped for future electric vehicle Level 2 charging. Additionally, the garage will accommodate 150 bicycle parking spaces for Phase 1 residents, including provisions for electric bicycle charging and a “fix it” station for bicycle repairs. A transportation demand management program for the entire site would include Green Trip certification, transit passes, and car-share programs. A parking and traffic study may be required during the entitlement phase to validate or update this program element.

6. **Pathways for Safe Parking Participants:** Alta has relevant experience from their involvement in Casa Esperanza, a rehabilitation project in Redwood City with State Project Homekey funding. During this project, Alta collaborated with Redwood City and San Mateo County staff, community leaders, and stakeholders. While adhering to State and Federal fair housing laws, Alta prioritized the development of pathways for Redwood City’s safe parking program. They worked closely with LifeMoves case managers to facilitate the transition of families and individuals into units. This unique experience sets Alta Housing as the only developer in the RFP process with this specific expertise. They have expressed their commitment to collaborate with Move MV and City staff to establish similar pathways for safe parking participants to transition into permanent housing.

7. **Subsidy Request:** Project financing assumes a \$30 million City contribution for the entire project, which will be primarily front-loaded \$27 million for Phase 1, and a smaller \$3 million contribution for Phase B. The project also assumes one-quarter of the units could receive PBVs, subject to availability from the Santa Clara County Housing Authority. In addition to the City of Mountain View, Low-Income Housing Tax Credits, and PBV rental subsidy, Alta will also pursue local, State, and Federal funding for both phases. Among those considered include MHP, IIG, and an anticipated regional measure in 2024 by the Bay Area Housing Finance Authority (BAHFA), which may reduce City or HCD funding requests if passed by the voters.

Summary of Bridge Housing Submittal—Ranked 4th

The Bridge Housing proposal included the following:

1. Includes a large family and permanent supportive housing building, exceeding the requested number of PSH units requested.
2. Two 6-story buildings, providing a total of 238 dwelling units, surrounded by ample open space that will be carefully programmed and designed.
3. The plan aims to preserve 57% of the site as open area and offer 0.84 acre of common open space.
4. Showcased a unique and inviting design concept and housing program that closely aligned with the development priorities outlined in the RFP.
5. Total and per-unit City subsidy request that is among the lowest of the submittals and greater leveraging of external funding.



Figure 11: Bridge Housing Proposal—Conceptual Design

The Bridge Housing proposal showcased notable qualities and merits, including a strong emphasis on deeper affordability levels and serving individuals with developmental disabilities. Some of the concerns raised about the overall proposal were that the project was enclosed, providing less permeability for bike and pedestrian circulation through the site and fewer overall master planning opportunities than some more highly ranked proposals.

The Bridge Housing team consists of:

Architect:	Seidel Architects
General Contractor:	L&D Construction
Property Management:	Bridge Housing
Resident Services:	Abode Services

Key Components of the Bridge Housing Proposal:

1. **Residential and Nonresidential Proposal:** Bridge Housing is proposing a total of 238 apartments in two phases/buildings.
 - Phase 1: The East Building is programmed for 163 family units that would include 24 PSH units and 17 units for individuals with developmental disabilities (IDD). The unit mix would include 10 studios, 45 one-bedroom, 64 two-bedroom, and 44 three-bedroom units.

- Phase 2: The West Building is programmed for 38 PSH units and would have 11 studios, 49 one-bedroom, and 15 two-bedroom units.
 - Each of the two buildings provide common spaces and resident-serving facilities. The East Building dedicates approximately 9,850 square feet to the following uses, including, but not limited to: bike storage and maintenance (1,700 square feet) and a community room at the ground level available to both residents as well as the larger Mountain View community (968 square feet). In addition, a 1,200 square foot child-care space (with 2,250 square foot outdoor play area) has been located at grade. Among the many outdoor use areas in the over one acre of open area on the site will be a children’s play area of at least 1,300 square feet as well as outdoor areas for socializing, cooking and dining, and outdoor recreation and exercise areas.
2. **Site Plan:** The site plan places two building areas (East and West Buildings, respectively) above ground-level podium parking wrapped by active building areas along the public street and Charities site frontages of the project. Garage access is taken directly from Pioneer Way and includes an on-site loading zone. Road improvements along East Evelyn Avenue entail widened public sidewalks and street trees; ground-level stoops and the main building entry are oriented towards this frontage, capitalizing on the street improvements and public transit options to encourage alternative transportation. A secondary entry is located at the public street corner with a corner plaza and linear open space in the building setback providing active frontage areas for the community room and child-care facility. Podium courtyards open toward East Evelyn Avenue and the southerly property line. Tree preservation and planting feature heavily into planned outdoor spaces.



Figure 12: Bridge Housing Proposal—Site Plan

- Design:** The Bridge team plans to incorporate a variety of design elements to achieve an attractive and welcoming residential architectural character, including ground-level stoops and common amenity rooms, a regular pattern of vertical bays, modulating the building with setbacks and residential roof forms, and incorporating variation in high-quality building materials and colors. The six-story buildings are designed to be wood frame construction over a one-level concrete podium. The developer believes the PSH housing component could lend itself to modular construction for economy of scale.



Figure 13: Bridge Housing Proposal—East Evelyn Elevation

4. **Master Site Planning:** The Bridge team proposes open space along the westerly edge of the proposed development as a primary means to develop a strong connection with the Charities site. The proposal includes potential collaboration with Charities to create a shared central “paseo” roughly 80 feet wide between the sites, to promote healthy living with flexible lawns, workout stations, and edible gardens and provide opportunities for dining, recreation uses, and stormwater management. The design benefits of this concept would be impacted by the necessary vehicle access to the Charities project, which is not otherwise considered in Bridge’s site plan concept. The team confirmed their willingness to collaborate with Charities Housing through a master site plan process.
5. **Parking:** The project proposes 238 parking spaces. Parking is in a single level above-grade podium structure for efficiency and economy. The garage is “encased” by active street-facing uses so that it is effectively fully screened from view from any public vantage point. The proposed parking is intended to provide for both residential and nonresidential uses as well as potentially to provide parking for safe parking participants to assist with their transition to other housing options, including at the Evelyn lot development once completed.
6. **Pathways for Safe Parking Participants:** Bridge plans to work with the Safe Parking service providers and agencies to conduct outreach to Safe Parking participants, ensuring that they are aware of the housing opportunity. Outreach includes distributing flyers, holding community meetings, and other communication avenues appropriate to the population. Bridge will also make clear in the tenant selection policies that homelessness is not a barrier to entry. In addition, the Bridge compliance staff will determine if a housing preference can be established for safe parking participants and/or VTA staff to the extent feasible under applicable State and Federal fair housing laws.
7. **Subsidy Request:** Bridge proposes to construct the project with 4% Federal Tax Credits paired with State HCD SuperNOFA sources (MHP/IIG) and with contributions from Santa Clara County and the City of Mountain View. The anticipated City subsidy is \$17,728,715 with a per unit subsidy of \$74,490. Bridge also plans to conduct due diligence and meet HCD’s Multifamily Housing Program and Infill Infrastructure Grant standards.

Summary of The Core Companies/Eden Housing Submittal—Ranked 5th

The Core Companies and Eden Housing partnered together on this RFP submittal. Their proposal included the following:

1. Two separate, yet connected, buildings: a 101-unit building would prioritize units for large families with more than 50% of the units designated as two- and three-bedroom units.

2. A second, 107-unit building would be an independent living senior community.
3. A total for the entire site of 208 homes or 99 homes/acre.
4. Includes a 30-child day-care center of 3,200 square feet interior area and 3,000 square feet exterior play area.
5. Experience of both Eden Housing Management, Inc. (EHMI) and Eden Housing Resident Services, Inc., as both the residential service provider and the property manager for the development.



Figure 14: Core/Eden Housing Proposal—Conceptual Design

The Core/Eden affordable housing development proposal, despite being competitive, did not fully align with the City’s priorities and goals, resulting in its fifth-place ranking. The RFP prioritized family-sized units and units for RRH/PSH, which were not adequately addressed in the Core/Eden proposal, given its focus on fully affordable senior housing in Phase 2. Furthermore, the site plan was more closed off and less conducive for master planning than the other submittals, and their community spaces were designed primarily for residents rather than the broader community. Although their submission had strengths, it fell short in addressing the priorities outlined in the RFP when compared to other proposals.

The Core Companies and Eden Housing team consists of:

Architect: HKIT
General Contractor: Core Builders
Property Management: Eden Housing
Resident Services: Eden Housing

Key Components of the Core Companies and Eden Housing Proposal:

1. **Residential and Nonresidential Proposal:** The proposed CORE/Eden development includes 208 apartments in two phases/buildings:
 - Phase 1: The affordable housing building for large families would have 49 one-bedroom, 26 two-bedroom, and 26 three-bedroom units. Out of these 101 units, 42 will be designated as PSH units and 20 as IDD units.
 - Phase 2: The independent senior housing development would have 103 one-bedroom and 4 two-bedroom units. The 107 total units will consist of affordable units between 20% to 60% AMI and include 15 IDD units.
 - Both buildings include amenities and support spaces for residents. Included in the design for each building are large community rooms that include an open kitchen with an island for community events as well as cooking classes. The community rooms include storage rooms for food pantries and distribution to assist with food insecurities that residents face from time to time. A 30-child day-care center (3,200 square feet) is proposed with a 3,000 square foot exterior play area.



Figure 15: Core/Eden Housing Proposal—Site Plan

- Site Plan:** The proposed site plan is designed around two separate yet connected buildings, each with ground-level podium parking wrapped by active uses on each street frontage and the interface with the Charities site. The seniors building is situated on the west side of the Evelyn site (next to the Charities site) and the family-oriented building on the east side, with a ground-level day-care facility along Pioneer Way. The seniors building features a larger setback to the west, providing for an enhanced landscape buffer with the Charities site. Pedestrian and biking access is provided for along all sides of the building, including a new street along the south property line, which provides access to project parking and facilitates connectivity and multi-modal access between the Core/Eden community/Pioneer Way and the Charities site to the west.
- Design:** The proposed design concept is to connect families to seniors, connecting on-site residents to each other, the broader neighborhood and the Charities development. The proposed buildings are seven stories, with five stories of wood-framed Type III construction over a two-story concrete podium. The buildings step down one story in height to the south and feature a wider south-facing opening (between the buildings) to increase solar access to the interior podium courtyard. Each building also features an upper-floor “portal” providing a break in the building walls accented by decorative stair/corridor improvements that are intended to provide a “window” between on-site courtyard improvements and the neighborhood and Charities site, respectively.



Figure 16: Core/Eden Housing Proposal—Aerial View of Project

4. **Master Site Planning:** The Eden/Core development team indicated they would participate in a joint master-planning process with Charities Housing and acknowledged the potential to achieve savings for either site through further collaboration. The proposed development includes an access drive that would facilitate vehicle access to the Charities site, which they highlight as a means to connect the two developments and create a unified neighborhood, but the podium parking configuration creates fewer opportunities for more permeable bike and pedestrian circulation through the site and less accessible ground-level shared open space than other more highly-ranked proposals.
5. **Parking:** The design provides a total of 183 parking spaces, which will be shared by the families and seniors building. This will allow for an approximate ratio of 1.2 cars/unit for the families and 0.6 cars/unit for the seniors. The development team anticipates incorporating a Transportation Demand Management Plan and studying strategies to formulate alternative and varied methods of transportation to serve the residents.
6. **Pathways for Safe Parking Participants:** Eden/Core indicate that they will plan for the inclusion of permanent homes for Safe Parking participants. They propose to begin outreach and preplanning immediately with the Safe Parking participants on the site to identify both short-term and long-term housing solutions. As such, they will comply with Federal fair housing laws to devise a preference category to any user of the City of Mountain View's Safe Parking Program, provided they are otherwise qualified by either age, income, or household size.

7. **Subsidy Request:** The Eden/Core team propose financing Phase 1, the large family apartment building, with a bank loan, 42 project-based Section 8 vouchers, 4% tax credits, County of Santa Clara (Special IDD allocation), HCD State Sources (AHSC, IIG and MHP), and City of Mountain View contribution of \$9 million. Phase 2, the senior apartment building will be financed with a bank loan, 52 project-based Section 8 vouchers, 4% tax credits, HCD State Sources (AHSC, IIG and MHP), and a City of Mountain View subsidy of \$8.9 million and County of Santa Clara Special IDD allocation of \$3 million.

MASTER SITE PLAN PROCESS

As noted above, the RFP required all developers to provide their approach to a coordinated master planning effort for both sites. This requirement is based on Council direction from the May 2022 Study Session, during which the potential benefits of a master plan were articulated, including: connected open spaces; shared amenities, infrastructure, and utilities; construction staging coordination; coordinated land use processes; or collaborative efforts to seek outside funds. In turn, the coordinated approach would increase the efficient use of land, reduce the cost of development, increase the number of housing units, and enhance site design and functionality. The primary objective of this collaborative design work is to recognize possibilities for coordination, enabling the two lots to form a unified and coherent development that surpasses the outcomes of separate projects developed on each site.

Once the preferred developer is selected for the Evelyn site, staff will incorporate the collaborative process into the typical NOFA/informal application review for affordable housing projects. The collaborative approach would integrate the site plan process for the Evelyn and Charities projects; however, each could then move forward with project details based on their own timeline. In other words, the collaborative process would not delay development of affordable housing on the two sites.

Master Site Plan—Process and Expectations

The following general process will be used to achieve a master site plan for both parcels:

1. *Project Kickoff and Schedule:* A kickoff meeting will be held with the developers shortly following selection of the preferred developer for the Evelyn site to discuss project objectives, next steps, and schedule for the collaborative master site plan and project design.
2. *Master Site Plan Development and Informal Application Review:* The City and both development teams (Evelyn lot preferred developer and Charities) will collaborate to identify shared resources and integrated design options. The master site plan and

preliminary development plans for each project will undergo the typical informal development application review process for affordable housing projects. The master site plan will incorporate shared amenities, resources, and phased delivery of key features so that each project can move forward on its own timeline. Due consideration will be given to the implications of FTA interest in the Evelyn lot.

3. *Community Outreach:* As the two projects move forward, Affirmed and Charities will be required to conduct community outreach on the master site plan and their project designs. Outreach for each project proposal can be coordinated or separate based on each developer’s timeline.
4. *City Endorsement:* The master site plan and project design for each project will be presented to Council for review and input as part of the standard City funding process. City funding for the Evelyn lot will be determined through Council approval of the key deal terms. Funding authorization for the Charities lot would be determined separately through the City’s NOFA process.

NEXT STEPS

After Council selects the preferred development team, the City and developer will enter into an Exclusive Right to Negotiate Agreement (ERNA), begin the 90-day negotiation period, proceed with design and the master site plan process, and develop the lease disposition, development, and loan agreement (LDDLA) per the timeline below. As stated in the RFP, the selected developer shall submit a good-faith deposit of \$50,000 to offset costs associated with developing the ground lease/DDA prior to entering into the ERNA with the City. Should the process take longer than 90 days, a 90-day extension may be considered if there is forward progress, and an additional \$25,000 good-faith deposit would be required. These terms were included in the RFP, and each of the recommended development teams have already agreed to these terms as part of their submittals. After the execution of the LDDLA, the selected team will submit a formal planning application, currently targeted for Q1 2025.

Below is the anticipated development timeline included in the RFP:

TIMELINE	ACTIVITY
2023	
Q3 2023	City and selected developer commence negotiations regarding ENA, which will form the foundation for the LDDLA.
Q4 2023	City and selected developer enter into ENA.

TIMELINE	ACTIVITY
2024	
Q1 2024	Develop master site plan and provide informal application review.
Q2/Q3 2024	City Council Study Session—Design.
Q3/Q4 2024	City Council Meeting: Closed Session—Key Deal Terms; Open Session—Approval of Key Deal Terms.
2025	
Q1 2025	City and developer execute a ground lease and LDDLA.
Q1 2025	Developer submits SB 35 development application.
Q2 2025	Entitlements and environmental review complete.
Q3 2025	Submit construction drawings and apply for building permit.
Q4 2025	Building permit approval.
2026	
Q1 2026	Construction begins.
2028	
Q1 2028	Project complete/issuance of final Certificate of Occupancy.

EXEMPT SURPLUS LAND

Prior to the disposition of City-owned land through a long-term ground lease with a developer, the City must declare the property as exempt surplus land, pursuant to the Surplus Land Act set forth in Government Code Section 54220, *et seq.* Local agencies are required to follow certain procedures to dispose of “surplus land” or declare land to be “exempt surplus land” at a regular public meeting prior to disposition. Surplus land that is transferred pursuant to Government Code Section 37364, which authorizes cities to sell, lease, or otherwise dispose of real property to provide housing affordable to persons and families of low or moderate income, qualifies as “exempt surplus land.” Staff recommends the City Council adopt a resolution declaring the Evelyn lot to be exempt surplus land under Government Code Section 54221(f)(1)(A) as property transferred pursuant to Government Code Section 37364. Because the City intends to ground-lease the property for the development of a 100% affordable housing project, the property meets the criteria for “exempt surplus land” under Government Code Section 54221(f)(1)(A).

FISCAL IMPACT

The selection of a preferred developer will have no fiscal impact. However, the project will require City funding, as discussed below. On May 7, 2019, the City Council approved a long-term lease and option to purchase the property at 87 East Evelyn Avenue from the Santa Clara Valley

Transportation Authority. The lease cost, totaling \$11,000,000, was prepaid, and the purchase option was approximately \$2,010,000, resulting in a total purchase price of \$13,010,000. The City completed the purchase of the property on June 16, 2023. The total value of the land will serve as an indirect financial contribution to the project.

It is anticipated that the 87 East Evelyn Avenue project will require an additional City contribution. The City currently has approximately \$36 million of total unencumbered housing funds available, with projected housing impact fee revenues anticipated in Fiscal Year 2023-24 of approximately \$13 million. Estimated funding for this site and the adjacent Charities site was factored into the August 2022 affordable housing strategy Study Session. Therefore, sufficient City funding is expected to be available for the 87 East Evelyn Avenue lot based on the staff recommendation of Affirmed as the preferred developer. As noted above, funding commitments for the Evelyn lot will be part of the ground lease/development agreement negotiations with the selected developer.

CONCLUSION

In conclusion, staff recommends that the City Council select Affirmed Housing as the preferred development team for the 87 East Evelyn Avenue affordable housing residential development and to select Charities Housing as the alternate developer should negotiations with Affirmed not progress. In addition, staff recommends authorization to execute the ERNA agreement and to proceed with the master site plan process. Finally, staff recommends that the City Council adopt a resolution declaring the Evelyn lot exempt surplus land pursuant to the Surplus Land Act.

ALTERNATIVES

1. Select a different preferred development team and/or alternate development team.
2. Do not select a preferred development team and/or alternate development team.
3. Provide other direction.

PUBLIC NOTICING

The City Council’s agenda is advertised on Channel 26, and the agenda and this report appear on the City’s website. The meeting was also announced on the City’s 87 East Evelyn Avenue residential project webpage.

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DT/6/CAM
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- Attachments:
1. Resolution Declaring the City-Owned Site at 87 East Evelyn Avenue Exempt Surplus Land
 2. May 10, 2022 Council Study Session Report
 3. Request for Proposals