WEST MIDWAY TERM SHEET – BROOKFIELD/CATELLUS

This term sheet outlines the proposed Disposition and Development Agreement ("DDA") between an entity to be formed by Brookfield and Catellus (such to-be-formed entity, "Developer") and the City of Alameda ("City"). This term sheet is non-binding on the parties and until a DDA is approved by the City Council and executed by both parties, the City has no obligation to convey property to Developer.

Project Description:

- The "West Midway Project" is collectively a 33-acre mixed-use development project which was initially contemplated by the City's Request for Qualifications ("RFQ") to include (a) approximately 23 acres entitled for up to 291 residential units (the "Market-Rate Project") to be developed by Developer, and (b) approximately 10 acres entitled for 267 units of supportive affordable housing (the "RESHAP Project") to be developed by an entity consisting of the Alameda Point Collaborative ("APC"), Building Futures with Women and Children ("BFWC"), Operation Dignity ("OD") and Mid Pen Housing ("MidPen") as described below (collectively, the "Collaborating Partners"). The initial 291 units in the Market-Rate Project were to include 260 market-rate units and 31 moderate-income units. The market-rate units were to include 26 (10% x 260) "affordable by design" units designed to be attainable for purchase by households with incomes in the range of 120% to 180% of AMI with homebuyer income qualification requirements to be negotiated by the City and the Developer as part of the DDA (the "Affordable by Design" units). Commercial and light industrial development was also permitted in the Market-Rate Project.

- Subsequent to the RFQ, in an effort to meet ABAG/MTC Regional Housing Needs requirements, the City encouraged Developer to add additional housing units to the West Midway Project by increasing the allowable number of market-rate units to 429. The additional market rate units require corresponding additional affordable units. For example, if the total market rate units increase to 429, then the West Midway Project will need to add, in order to maintain compliance with the Renewed Hope Settlement Agreement that requires 25% of the units be affordable to low and moderate income households, 14 very-low income units (to be built as part of the RESHAP Project), 22 low income units (in addition to the 67 net new very-low and low income units included in the RESHAP Project), and 20 moderate income units (to be built as part of the Market-Rate Project). In this example, the Market-Rate Project would include the 429 market-rate units and 51 total moderate-income units, for a total of 480 units. A minimum of 43 of the market-rate units (429 x 10%) would need to be Affordable by Design units sold to income qualified homebuyers. Furthermore, in this example, the RESHAP Project would need to include a minimum of 92 net new very-low and low income units, not including replacement units, of which at least 35 would need to be very-low income to maintain compliance with the Renewed Hope Settlement Agreement. Developer acknowledges that compliance with the Renewed Hope Settlement Agreement is based on the combined West Midway Project and that the number of market rate units in the Market-Rate Project would need to be reduced if the required minimum number of net new affordable units is not provided within the RESHAP Project, and that such minimum number of units requires an

amendment to the RESHAP Project DDA. The table below summarizes the proposed West Midway Project.

West Midway Project					
	Phase 1	Phase 2	Phase 3	Total	
Market Rate Project					
Market Rate	119	193	50	362	units
Affordable by Design Units (1)	0	14	53	67	units
Moderate Income	3	12	36	51	units
Subtotal Market Rate Project	122	219	139	480	units
RESHAP Project (2)					
Alameda Point Collaborative	112		45	157	units
Building Futures with Women and Children		66		66	units
Operation Dignity	86			86	units
Subtotal RESHAP Project	198	66	45	309	units
Total West Midway Project	320	285	184	789	units
(less) existing collaborating partner units				(200)	units
Net New Residential Units				589	units
Commercial	10,000				Square Feet

(1) A minimum of 43 Affordable by Design units are required to be sold to income-qualified households.

(2) RESHAP units to be restricted to Extremely Low, Very Low and Low Income households, or used for transitional housing, with the exception of four manager units. Phase 1 includes completion by the Developer of the RESHAP pad 1F & 1G and Phase 2 includes completion by the Developer of the RESHAP pad 2F and 2G as referenced on Exhibit D.

- During the Developer's preliminary planning processes, the City requested that the Collaborating Partners and the Developer consider moving the RESHAP site from the east side of the West Midway Project to the west side of the West Midway Project, adjacent to Pan Am Way. The City, the Collaborating Partners, and the Developer are finalizing an agreement on a new Market-Rate Project and RESHAP Project boundaries within the West Midway Project.

- The Market-Rate Project Developer will provide the infrastructure required to develop the RESHAP Project. The City has deemed development of the West Midway Project a critical piece of the initial phase of Alameda Point's Main Street Neighborhood.

- The State of California has determined that the state is in a housing crisis due to low housing production and the growing homeless population. The RESHAP Project is a

critical component of the Alameda Point development and provides meaningful progress towards mitigating the homelessness crisis.

Background Information:

- The West Midway Project will be developed consistent with the Main Street Specific Plan, Alameda Point Zoning Ordinance Amendment, Master Infrastructure Plan, as amended ("MIP") and Transportation Demand Management Plan ("TDM"), approved by City Council in 2014. The Main Street Specific Plan was approved in 2017.

- In 2015 the City selected MidPen to be the developer of the RESHAP Project, an important step forward toward providing housing for formerly homeless households and to ensure that the existing supportive housing accommodations are replaced with new housing within a new cohesive community.

- On May 15, 2018, a Disposition and Development Agreement was approved for the RESHAP Project ("RESHAP DDA") with the Collaborating Partners with MidPen acting as the developer on behalf of the Collaborating Partners. The RESHAP Project will consolidate 200 existing supportive housing units in the Main Street Neighborhood (currently spread across 34 acres) onto 10 acres and add new supportive housing units for a total of 309 supportive housing units, which exceeds the minimum required assuming that the Market Rate Project Developer constructs 429 market rate and Affordable by Design units. The Collaborating Partners consist of:

    - Alameda Point Collaborative (APC) - APC is a nonprofit organization founded in 1999 that transformed vacant military housing on Alameda Point into a supportive housing community for formerly homeless families. APC operates 172 units of housing for approximately 500 formerly homeless residents, including more than 300 children and youth. APC specializes in supportive training and provision of job opportunities through environmentally sustainable social enterprise businesses and offers instruction about health, nutrition, and horticulture through Ploughshares Nursery, and the APC farm. APC also operates an after school academic and life skills program for children and youth.

    - Building Futures with Women and Children (BFWC) – BFWC is a nonprofit organization founded in 1988 that operates programs throughout Alameda County providing resources, programs, and services to help residents build futures free from homelessness and family violence. BFWC's program includes a permanent supportive housing project at Bessie Coleman Court operated by APC.

    - Operation Dignity (OD) – OD is a nonprofit organization founded in 1993 that assists homeless veterans and their families in Alameda County by providing emergency, transitional, and permanent housing. OD offers comprehensive support services, nutritious meals, and a strong peer community. OD's goal is to provide veterans with the tools needed to live a self-sufficient and stable life.

The RESHAP DDA tasks the Developer with the construction of the improvements shown on Exhibit "A", attached hereto. The City, the Collaborating Partners, and Developer will agree on a project schedule ("Project Schedule") that will include a schedule for the construction of all of the West Midway infrastructure. Developer's ability to deliver infrastructure on a timely basis will depend on the Collaborating Partners' progress. Accordingly, the Project Schedule will include deadlines by which the Collaborating Partners shall vacate currently occupied facilities located on the West Midway Project site. Pursuant to Section 7.14 of the RESHAP DDA, the Collaborating Partners are responsible for releasing their existing leases on the West Midway Project site and relocating any residents residing on the site pursuant to a relocation plan subject to the City's discretionary approval. In the event the Collaborating Partners do not have new facilities available as of the deadlines set forth in the Project Schedule, the Collaborating Partners shall be responsible for the costs and logistics of any temporary facilities and/or accommodations to house displaced residents.

- The West Midway Project site is environmentally cleared for unrestricted use except for a 1.9-acre area referred to as Corrective Action Area 7 ("CAA-7"). CAA-7 is situated within the southeast corner of the site. The Navy has remediated CAA-7's soil, however, based on recent sampling data, additional remedial action may be necessary to achieve an unrestricted use clearance. The Navy and the Regional Water Quality Control Board are assessing if additional remedial actions are feasible, or if unrestricted use may be achieved with vapor-intrusion mitigation.

- Developer will be required to comply with the Site Management Plan ("SMP") prepared by the City and approved by the Navy and environmental regulators. All areas within the Main Street Neighborhood are within the Marsh Crust area that has semi-volatile organic compounds in the fill material in the top ten feet of soil used in the building of Alameda Naval Air Station. Excavation activities within the Marsh Crust area are governed by the SMP and the City's Marsh Crust Ordinance.

- The MIP incorporates the latest sea level rise projections consistent with the City's 2019 Climate Action and Resiliency Plan. The minimum elevations for newly constructed buildings at Alameda Point will be an elevation of 6.9 (City Datum), which is three feet above the current 100-year flood plain elevations. Once this minimum elevation is achieved, a Letter of Map Revision ("LOMR") prepared by the Developer will need to be approved by the Federal Emergency Management Agency documenting the areas that have been elevated above the 100-year flood plain. Developer will be responsible for obtaining FEMA approval of the LOMR.

Developer Responsibilities:

- Overview: The DDA shall provide for the terms and conditions under which the City will convey a portion of the West Midway Project property to the Developer for the development and construction of infrastructure to support the Market Rate Project and the development and construction of the 480 residential units and approximately 10,000 square feet of commercial development. Developer will be responsible for planning, entitling,

financing, developing, and constructing the Market Rate Project and the infrastructure for the RESHAP Project. The Developer intends to assign the obligation to construct the vertical improvements that are a part of the Project to vertical developers which may include Developer or affiliates of the Developer. The parties agree that the revenues, costs and profits of the vertical construction and sales ("Vertical Costs and Revenues") are not part of Developer's financial transaction described in this term sheet. As part of any assignment of the vertical obligations, the Developer shall convey infrastructure-served building sites to residential and commercial vertical developers who will assume the vertical construction obligations set forth in the DDA for the Market Rate Project. Developer (or its affiliate(s)) may elect to purchase some or all of the building sites pursuant to the Fair Market Value Determination Process based on a land residual calculation consistent with Exhibit "B" attached to this term sheet ("FMVDP"). The DDA will include assignment and assumption provisions, including requirements for City approval of assignment of the vertical construction obligations in the DDA.

- Approvals: Developer will be required to obtain approval of a development plan, design review plan for the proposed improvements, phasing plan, Project Schedule, density bonus, subdivision maps, permitted infrastructure plans and the LOMR from the City and other relevant local, state, and federal agencies. Approval of the development plan will occur prior to or concurrently with the approval of the DDA.

- Financing Plan: Developer will prepare a financing plan and project pro forma for the Market-Rate Project and the West Midway Infrastructure Improvements (described on Exhibit "A"), including the timing, source, and character (equity/debt) of all required funding for such work. The financing plan may include the formation of special tax districts, grants or other initiatives which may require the City and the Collaborating Partner's cooperation, provided such cooperation shall be at no cost to the City or the Collaborating Partners. Developer shall be responsible for managing the implementation of the financing plan. The financing plan will include projections of the Vertical Costs and Revenues for informational purposes only and the parties agree that such costs and revenues will not be included in Project Costs and Project Revenues as described below.

- Infrastructure: Developer shall be responsible for the design, construction and cost of the infrastructure described on Exhibit "A" in accordance with the MIP, including, as required by the MIP, cost contributions to infrastructure. For the avoidance of doubt, such cost contributions shall include the Main Street Adaptation Cost Participation described in Section XII of the MIP as amended on August 2020. The West Midway Infrastructure Improvements include the backbone infrastructure improvements identified in the West Midway Project RFQ as well as infrastructure improvements subsequently identified by the City and the Developer as necessary for the development of the West Midway Project.

- Site Planning: Developer understands that the final approved development plan will be subject to a public approvals process, including obtaining City Council and Planning Board approvals and that approval of the development plan prior to or concurrently with the DDA is required.

- Other: Developer will implement and adhere to the requirements of the Alameda Municipal Code, the policies of the General Plan, the Main Street Specific Plan and the regulatory documents listed in the RFQ as applicable to the West Midway Project, including but not limited to the SMP. The Developer will maintain, or cause third-party contractors to maintain, insurance for work performed, which insurance will be acceptable to the City. Developer will create a homeowners' association to maintain any private improvements constructed in the West Midway Project, which applicable CC&R's will be subject to the City's approval. The HOA-maintained private improvements are generally shown on Exhibit "C", attached hereto.

- Universal Design. The West Midway Project will include 49% universal design units and 80% visitable units. Developer will be required to obtain a waiver related to the visitable units from the City requirements of 100% visitable.

- Parking Ratio. The Market Rate Project shall provide a parking ratio not to exceed 1.5 spaces per unit.

- Village of Love. Developer shall give no less than 18 months' notice to the City before commencing work on the portion of the Project which contains the Alameda Village of Love facility to give adequate time for the City to relocate any occupants or users.

City Responsibilities:

- Entitlements: The City will make reasonable efforts to assist the Developer in navigating the required entitlement, permitting, and review processes applicable to the Market Rate Project. City will accept, make completeness determinations, and process, promptly and diligently, to completion all applications for approvals for the Project.

- Horizontal Site Improvements; Conveyance: Subject to the conditions precedent in the DDA, the City will convey the Market-Rate Project property in phases to Developer or, upon Developer's request, will directly convey such phases to the applicable vertical builder of such land. To the extent necessary to accommodate the Project Schedule and allow the Developer to complete the West Midway Infrastructure Improvements, the City shall provide access to City-owned property pursuant to a mutually agreed upon access agreement as needed to allow timely development of the West Midway Project. The pre-conveyance access provided for herein shall be provided for the purpose of site demolition, earthwork, infrastructure construction, onsite construction of "in-tract" improvements and other tasks as necessary to accommodate the Project Schedule.

- Site A Infrastructure: Construction of West Midway will be dependent on the Site A Developer completing certain contiguous street improvements, street connections, and "downstream" utilities (collectively the "Site A Improvements") on a timely basis. The Site A Improvements will be defined in an exhibit to be attached to the DDA and are limited to those improvements necessary to achieve a certificate of occupancy for the West Midway Project. Developer will provide written notice to the City on the date that Developer believes, in its reasonable discretion, is one hundred eighty (180) days prior to

the date construction of the Site A Improvements must commence to avoid a delay to the West Midway Project Schedule (the "Required Commencement Date"), provided, however, the Required Commencement Date shall not be earlier than May 1, 2024. Within thirty (30) days of the Developer's notice, the City will provide Developer with (i) current copies of the approved improvement plans for the Site A Improvements, (ii) written confirmation from the Site A Developer that it will be prepared to start the Site A Improvements by the Required Commencement Date, and (iii) written confirmation that the Site A Developer will, by the Required Commencement Date, have funding committed to complete the Site A Infrastructure. If the City is unable to provide all three such items and to the extent the City has not yet entered into a public improvement agreement with the Site A developer for construction of the applicable Site A Improvements, the following terms and conditions shall apply:

a. The City will use its commercially reasonable best efforts to secure funding to pay for the Site A Improvements, provided, however, the City is not obligated to use or commit its general fund for such purpose.
b. If the City is unable secure such funding by the date which is thirty (30) days prior to the Required Commencement Date, Developer may elect to (i) terminate the DDA, or (ii) loan the City the required funds and use such funds to complete the Site A Infrastructure.
c. In the event Developer elects to provide the City a loan, the City shall execute a promissory note ("Note") in favor of Developer, the terms of which include:
    i. The City will classify the Site A Infrastructure as "infrastructure removed from the Site A scope" (as discussed in paragraph 5 of the Site A Term sheet, the "Removed Infrastructure") and require the Site A Developer, or successor, to pay the cost of the Removed Infrastructure in accordance with the terms of the Sixth Amendment to the DDA for Site A prior to receiving any further permits of any kind anywhere in the Site A project.
    ii. The Note will be secured by a pledge of, and payable only to the extent of, payments received by the City for the reimbursement of the cost of the Removed Infrastructure.
    iii. The Note shall accrue interest at the rate of three percent (3%) , compounded monthly, and have the same term as the Development Agreement for the Market Rate project with all principal and interest due upon maturity.
    iv. The funds Developer expends under the Note shall be considered Project Costs. The funds Developer receives as payments for principal and interest shall be considered Project Revenue.

- <u>Services CFD:</u> The Project will be included in CFD 17-1 for the purpose of funding Transportation Demand Management (TDM), flood control maintenance and reserves, park maintenance, administrative costs of the CFD, and/or other expenses so as to ensure that the Project is fiscally neutral to the City. The City will cooperate with the Developer during the annexation of the Project into CFD 17-1 to adopt a separate rate and method

specific to the West Midway Project. Changes to the scope of improvements to be publicly maintained, rather than by the HOA as contemplated in Exhibit C, may result in changes to the estimated service costs and may require an increase in the estimated special tax requirements for services identified above.

- Infrastructure Financing: Developer intends to form a community facilities district ("West Midway CFD") to fund a portion of the infrastructure costs of the West Midway Infrastructure Improvements. The City and the Developer agree to cooperate in the formation of such a West Midway CFD, provided that the maximum tax rate, inclusive of CFD 17-1, shall not exceed 1.8% without the Developer's approval.

- Pre-Development Funding: The City has agreed to fund a total of $305,000 to Developer to use for advancing design, planning, site investigation and testing related to the infrastructure requirements for the West Midway Project (the "Pre-Development Funding"), as described in the Service Management Agreements executed with Developer in October 2021.

- Existing Site Residents and Leases: The City will deliver to the Developer copies of the existing agreements applicable to Buildings 35, 459 and 522, so that the Developer can ensure that the terms and conditions of the agreements will not materially interfere with the development of the Market-Rate Project. The City agrees not to extend such leases upon their maturity without the reasonable approval of Developer, which if given, will stipulate that any extensions must be on a month-to-month basis.

- Conveyance of Completed Infrastructure: The City will timely accept completed public infrastructure at which time Developer's bonds or other security will be released other than any required warranty bonds.

- Fiscal Impact Study: The City will complete a fiscal impact study of the West Midway Project or update any existing study. The Developer recognizes that the West Midway Project must be fiscally neutral to the City and that the results of the Fiscal Impact Study may require changes in the proposed financing of the Market Rate Project, including determining the level of services that need to be funded by CFD 17-1 or the formation of a municipal services district ("MSD").

- Vesting: The City agrees to negotiate a development agreement with Developer which, among other things, is intended to vest the West Midway Project entitlements, protect the West Midway Project against moratoriums and other growth control measures, and may limit impact fees to those currently in place at the time the development agreement is entered into as adjusted by any applicable automatic index for inflation.

Financial Transaction:

- Project Costs: Project Costs will be defined to include, but are not limited to, all of Developer's predevelopment costs, entitlement costs, design costs, consultant costs, costs of constructing infrastructure improvements in Exhibit A, earthwork costs, marketing

costs, sales costs, reimbursement of the Pre-Development Funding, and Developer Fees as discussed below. Project Costs will not include the cost to construct vertical improvements such as residential units or commercial spaces or other site or in tract improvement costs that are the responsibility of a separate vertical developer. There shall be no double counting of Project Costs.

- Project Revenue: Project Revenue will be defined to include all revenue from the horizontal development of the Project including from the sale of infrastructure-served building sites to vertical developers (including any reimbursements from vertical developers), public financing revenues such as CFD proceeds, reimbursements for infrastructure or horizontal improvement costs, grants, or any other sources. Project Revenue will not include proceeds from the sale or lease of residential units or revenues associated with the leasing or sale of commercial buildings.

- Sales to Related Parties: The amount of Project Revenues from sales to the Developer or affiliates to the Developer or transactions involving the conveyance of building sites to a related entity of the Developer shall be determined according to the FMVDP.

- Developer Fees: To reimburse Developer for the cost of managing and staffing the Market Rate Project, Developer will be allowed to include as part of Project Costs a Development Sales and Management Fee in the amount of three percent (3%) of Project Revenue and a Construction Management Fee of five percent (5%) of Project Cost excluding the Developer Fees. The Development Sales and Management Fee shall be earned and accrued at the time Project Revenue is received by the Project. The Construction Management Fee shall be earned and accrued as Project Cost is incurred. Other than the Development Sales and Management Fee and Construction Management Fee, no developer fee, management fee, general and administration charges, or overhead reimbursements of any kind shall be charged to the Project or included as a Project Cost.

- Funding of Project Costs: Project Costs will be funded by a combination of Developer's capital and Project Revenues. The cumulative outstanding balance of capital expenditures by Developer will be referred to as "Developer's Capital Investment".

- Reimbursement of Pre-Development Funding: Developer will reimburse the City for the Pre-Development Funding in full concurrent with conveyance of the initial phase of Market-Rate Project property by the City to the Developer or any separate vertical developer, plus 3% annual interest compounded monthly from the date of expenditure.

- Park Contribution: Developer will make cash contributions totaling $2.5 million for construction of the new Central Gardens Park and / or other park improvements at Alameda Point. Payments will be made concurrent with conveyance of each phase of Market-Rate Project property by the City to the Developer. Of the total contribution, $1,1250,000 will be paid with conveyance of Phase 1, $900,000 will be paid with conveyance of Phase 2 and $475,000 will be paid with conveyance of Phase 3. Dollar amounts in this section shall be indexed for changes in the Engineering News Record Construction Cost Index for the San Francisco Bay Area following the date of the term sheet.

- Project Internal Rate of Return: (also referred to as Project IRR) means the annual percentage rate earned on each dollar of Project Costs, accounting for all Project Revenues and Project Costs. The annual percentage rate shall be calculated using the "XIRR" function of the Microsoft Excel software (or comparable successor software if Microsoft Excel software is discontinued) by solving for the annualized discount rate (with monthly compounding) at which the net present value of all such Project Revenues and Project Costs on a monthly basis is equal to zero.

- Distributions: Project Revenue, after Developer's payment of and reserves for all current and anticipated Project Costs ("Net Distributable Proceeds"), will be distributed as follows:

  - Developer's Minimum Return: 100% to Developer until it has received Net Distributable Proceeds sufficient for Developer to achieve the greater of (i) a 20% cumulative Project IRR on all Project Costs, or (ii) net profit equal to seventy-five percent (75%) of the peak amount of Developer's capital investment ("Peak Investment").

  - Profit Sharing Level 1: Thereafter, remaining Net Distributable Proceeds will be split 75% to Developer and 25% to the City. until Developer has received Net Distributable Proceeds sufficient for Developer to achieve the greater of (i) a 25% cumulative Project IRR on all Project Costs, or (ii) net profit equal to one hundred percent (100%) of the Peak Investment.

  - Profit Sharing Level 2: Thereafter, remaining Net Distributable Proceeds will be split 50% to Developer and 50% to the City.

- Term: The DDA shall have an initial term of ten (10) years but will be subject to an automatic extension, if necessary, for an additional five (5) years if the Developer at the time of such extension has completed the development pad necessary for the RESHAP project's first phase. The DDA will include a milestone Project Schedule related to the phasing described below to ensure progress continues within the term of the DDA period generally consistent with the Initial Milestone Schedule attached as Exhibit "E". Both the term and Project Schedule shall be subject to extensions due to force majeure.

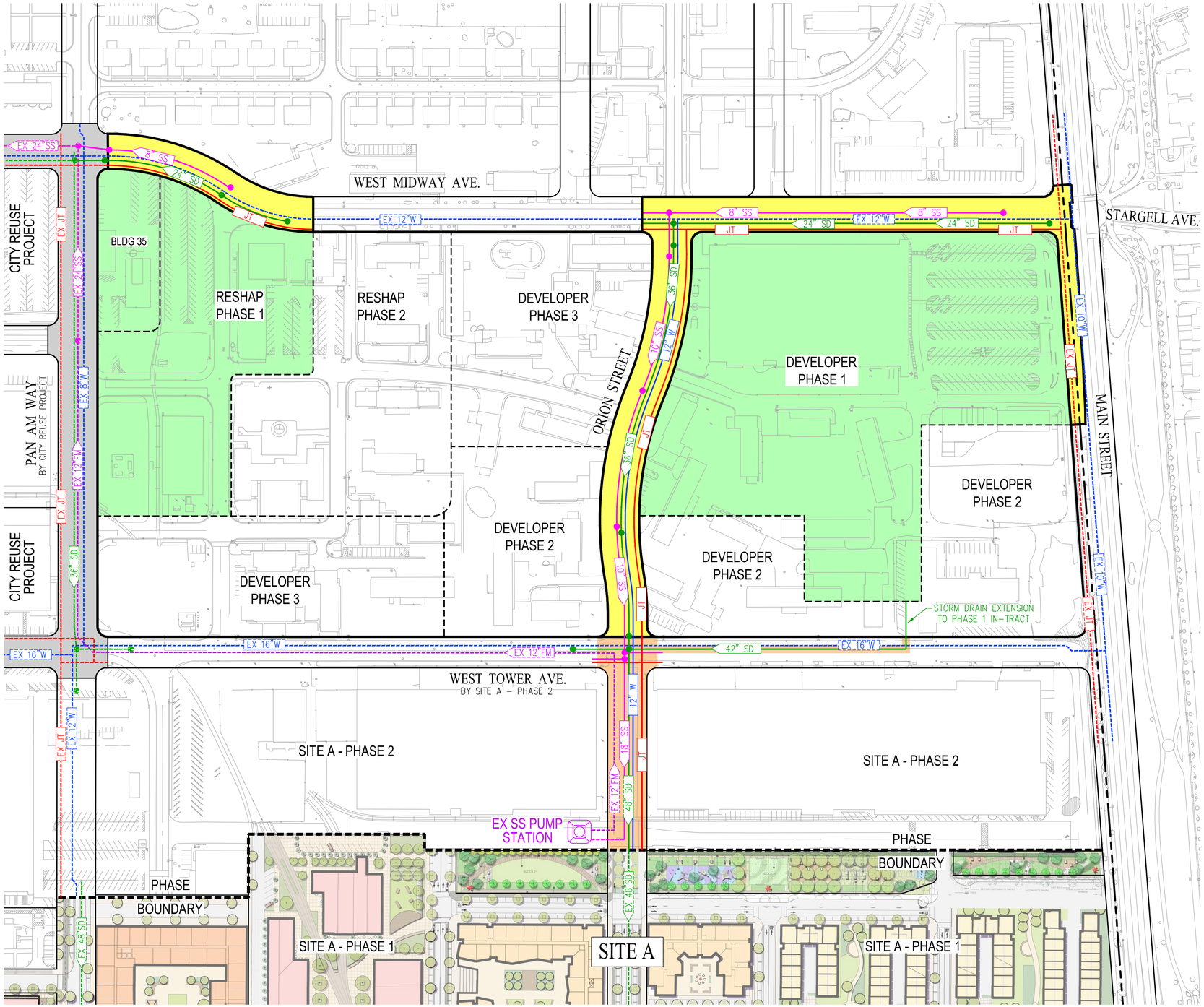
  Phasing: Developer will prepare a phasing plan to show the sequence of infrastructure construction, conveyance of infrastructure-served building sites and construction of the vertical improvements. City conveyance of the property to the Developer and Developer's obligation to construct any of the phases will be conditioned on mutually agreed upon conditions precedent, including, but not limited to, the phase's entitlement status, environmental status, availability of financing and the phases' financial feasibility. Developer's right to construct any of the phases will be conditioned on compliance with the terms of the DDA.

- Indemnification. Developer will fully defend, indemnify and hold harmless the City for all costs, fees, fines, and damage (included reasonable attorney's fee) relating to any legal challenge (administrative or judicial) to the approval of the proposed DDA or any of the

Project approvals, the Developer's breach of the DDA, or arising from the death of any person or any accident, injury, loss or damage whatsoever caused to any person or property damage which may occur on any portion of the Property then owned by Developer or caused by any acts or omissions of Developer or its agents, servants, employees, contractors, successor and assigns in Developer's construction of the Property. Developer's defense, indemnity and hold harmless obligations shall not apply to liability arising from the gross negligence or willful misconduct of any indemnified party, or from a City breach of the DDA.

- Project Labor Agreement: Developer agrees to use good faith efforts to negotiate a project labor agreement ("PLA") with the building trades; provided, however, City acknowledges that the Market Rate Project is exempt from the City's PLA requirements because the Market Rate Project was subject to an existing exclusive negotiating agreement at the time the City's PLA resolution went into effect.

Exhibit "A": Developer Improvement Responsibilities



LEGEND

- BOUNDARY OF WEST MIDWAY PARCELS
- STREET IMPROVEMENTS – BY OTHERS
- STREET IMPROVEMENTS – BY SITE A PHASE 2
- STREET IMPROVEMENTS – PHASE 1
- DEVELOPMENT AREA – PHASE 1

EXISTING	PROPOSED	
EX W	W	POTABLE WATER
EX JT	JT	JOINT TRENCH
EX SD	SD	STORM DRAIN & DIRECTION OF FLOW
EX SS	SS	SANITARY SEWER & DIRECTION OF FLOW
EX FM	N/A	SANITARY SEWER FORCE MAIN & DIRECTION OF FLOW
	N/A	SEWER PUMP STATION

ALAMEDA POINT
PHASE 1 INFRASTRUCTURE
WEST MIDWAY PARCELS

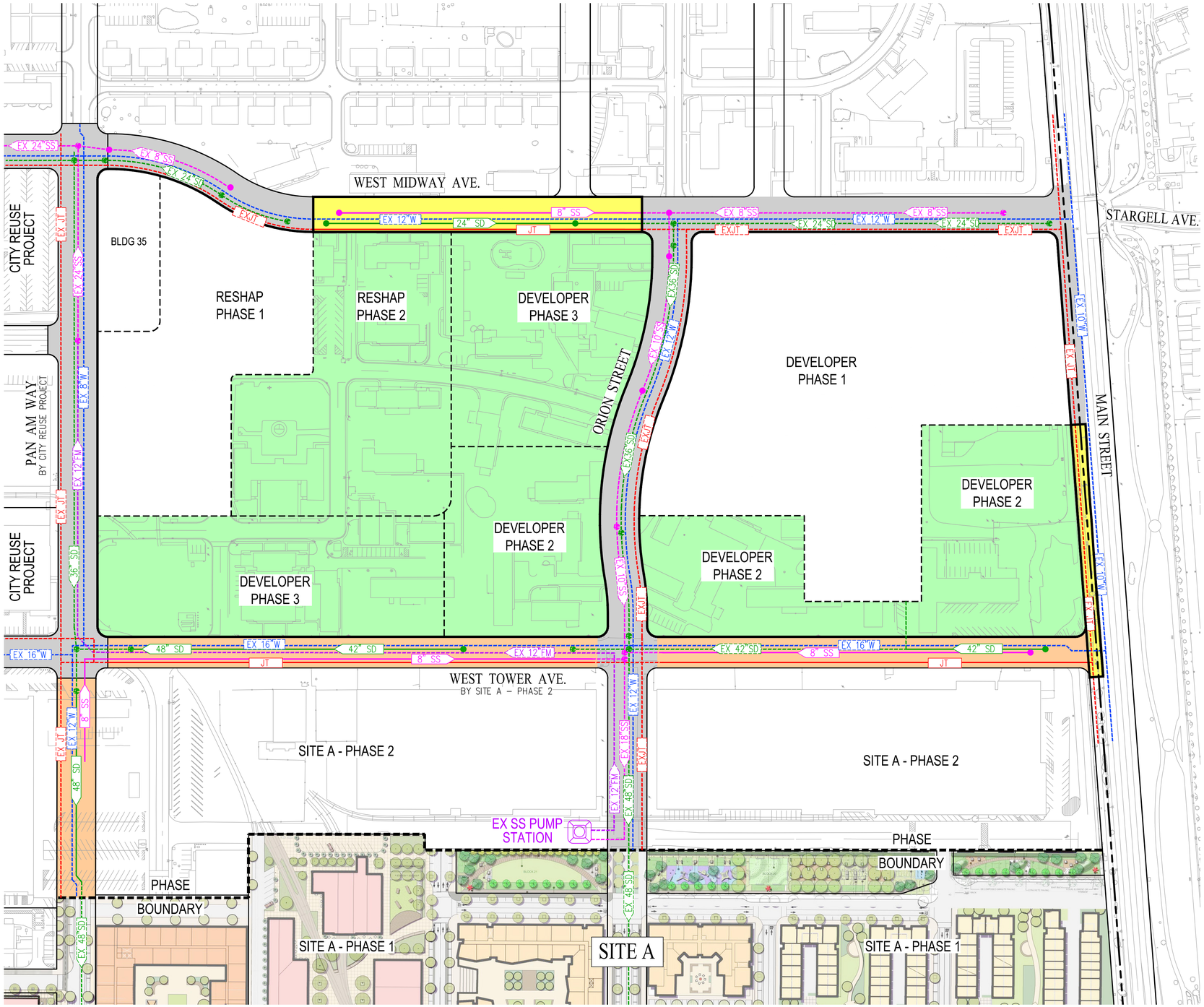
CITY OF ALAMEDA ALAMEDA COUNTY CALIFORNIA

SCALE: 1" = 100' DATE: MAY 10, 2022

0 100 200 300

cbg
CIVIL ENGINEERS ▪ SURVEYORS ▪ PLANNERS
SAN RAMON ▪ (925) 866-0322
SACRAMENTO ▪ (916) 375-1877
WWW.CBANDG.COM

G:\11087-022\ACAD\EXHIBITS\XB_INFRASTRUCTURE PHASING.DWG



LEGEND

- BOUNDARY OF WEST MIDWAY PARCELS
- STREET IMPROVEMENTS – BY OTHERS, PHASE 1 & SITE A PHASE 2
- STREET IMPROVEMENTS – BY SITE A PHASE 2
- STREET IMPROVEMENTS – PHASE 2
- DEVELOPMENT AREA – PHASE 2

EXISTING	PROPOSED	
EX W	W	POTABLE WATER
EX JT	JT	JOINT TRENCH
EX SD	SD	STORM DRAIN & DIRECTION OF FLOW
EX SS	SS	SANITARY SEWER & DIRECTION OF FLOW
EX FM	N/A	SANITARY SEWER FORCE MAIN & DIRECTION OF FLOW
	N/A	SEWER PUMP STATION

ALAMEDA POINT
PHASE 2
INFRASTRUCTURE
WEST MIDWAY PARCELS

CITY OF ALAMEDA ALAMEDA COUNTY CALIFORNIA

SCALE: 1" = 100' DATE: MAY 10, 2022

0 100 200 300

cbg
CIVIL ENGINEERS ▪ SURVEYORS ▪ PLANNERS
SAN RAMON ▪ (925) 866-0322
SACRAMENTO ▪ (916) 375-1877
WWW.CBANDG.COM

G:\1087-022\ACAD\EXHIBITS\XB_INFRASTRUCTURE PHASING.DWG

Exhibit B: Fair Market Valuation Determination Process ("FMVDP")

For building sites proposed to be purchased by Developer (or its affiliate(s)) Developer will propose a purchase price for each residential building site calculated in accordance with **Schedule 1**, which is a residual valuation based upon a homebuilder gross margin of eighteen percent (18%) of housing revenue. The residual valuation will be based upon then current estimated home prices and base home construction costs. Other cost and revenue line items will be determined in accordance with the basis specified in the right-hand column of **Schedule 1**.

The City may either agree or disagree with the purchase price. If the City agrees with the purchase price, then the price proposed by the Developer shall be the purchase price. If the City disagrees with the purchase price, then the Parties shall meet and confer and make good faith efforts to resolve the dispute. If the dispute is not resolved following good faith efforts within thirty (30) days, then such dispute shall be resolved via "baseball arbitration" (to be further detailed in the DDA).

SCHEDULE 1

West Midway
Sample Purchase Price Residual

4 Story Condos

	Per Unit	Total Project	% Revenue		Basis for Purchase Price Calculation
Number of Lots	1	51			
Average House SF	1,800	91,800			
Total Base Price / SF	$539	$563			
Base House Cost / SF	$190	$190			
Housing Revenue					
Base Home Price	$970,000	$49,470,000	98.1%		3rd party market study and calculated prices for moderate units
Option Income	$29,100	$1,484,100	2.9%		3% of Base Home Price
Lot Premium	$5,000	$255,000	0.5%		3rd party market study
Incentives	($15,000)	($765,000)	-1.5%		3rd party market study
Total Revenue	$989,100	$50,444,100	100.0%	**A**	
Land Improvements					
Bond, Permits & Fees	$2,500	$127,500	0.3%		Estimate - info received from City & districts
Impact Fees	$28,000	$1,428,000	2.8%		Estimate - info received from City & districts
Land Consultant	$5,255	$268,018	0.5%		7.7% of Land Development - Intracts
Land Development - Intracts	$65,000	$3,315,000	6.6%		Engineers estimate or actual bids
Contingency	$3,250	$165,750	0.3%		5% of Land Development - Intracts
Property Taxes	$8,000	$408,000	0.8%		Estimate based on tax rate and assessed value
Total Land Improvement Cost	$112,005	$5,712,268	11.3%	**B**	
Housing Costs					
Base House Cost	$342,000	$17,442,000	34.6%		Estimate & actual bids from trades >5% of base cost
Housing Options	$21,825	$1,113,075	2.2%		75% of option revenue
Housing Permits and Fees	$10,000	$510,000	1.0%		Estimate - info received from City & districts
Site Indirects, Consultants, Holding	$26,706	$1,361,991	2.7%		2.7% of Revenue
Contingency	$6,840	$348,840	0.7%		2% of Base House Construction Cost
Warranty/Insurance	$9,891	$504,441	1.0%		1.0% of revenue
Total Housing Cost	$417,262	$21,280,347	42.2%	**C**	
Financing Cost	$29,673	$1,513,323	3.0%	**D**	3% of revenue
Homebuilder Gross Margin*	$178,038	$9,079,938	18.0%	**E**	18% of revenue
Total Costs and Gross Margin	$736,978	$37,585,875	74.5%	**F**	=B + C + D + E
Purchase Price for Building Site	**$252,122**	**$12,858,225**	**25.5%**		**A - F = Purchase Price included as Project Revenue**

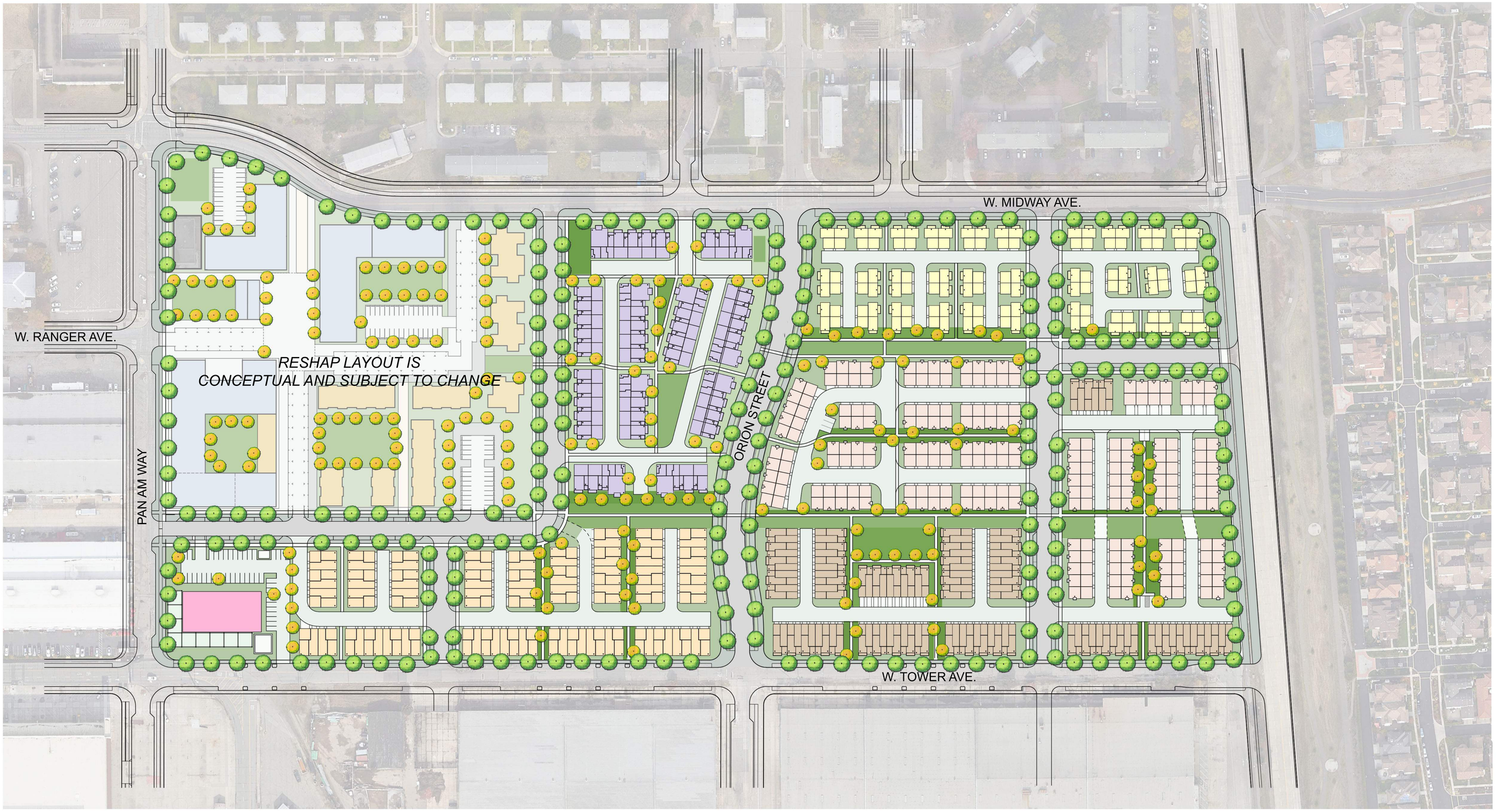
* Homebuilder gross margin includes costs associated with sales, marketing, commissions, general & administrative expenses, and homebuilder profit.

Exhibit "C": HOA-maintained Improvements

099999\14429476v12

676\05\3308055.2

Exhibit "D" – Site and Phasing Plan for West Midway Project



WEST MIDWAY PROJECT
ALAMEDA, CA # 2020-0831

CONCEPTUAL PLANNING
June 14, 2022

0 40 80 160

CONCEPTUAL SITE PLAN
(FOR INTERNAL USE ONLY)

SP1.0

CONCEPTUAL STUDY: 789 DU TOTAL

BROOKFIELD/CATELLUS

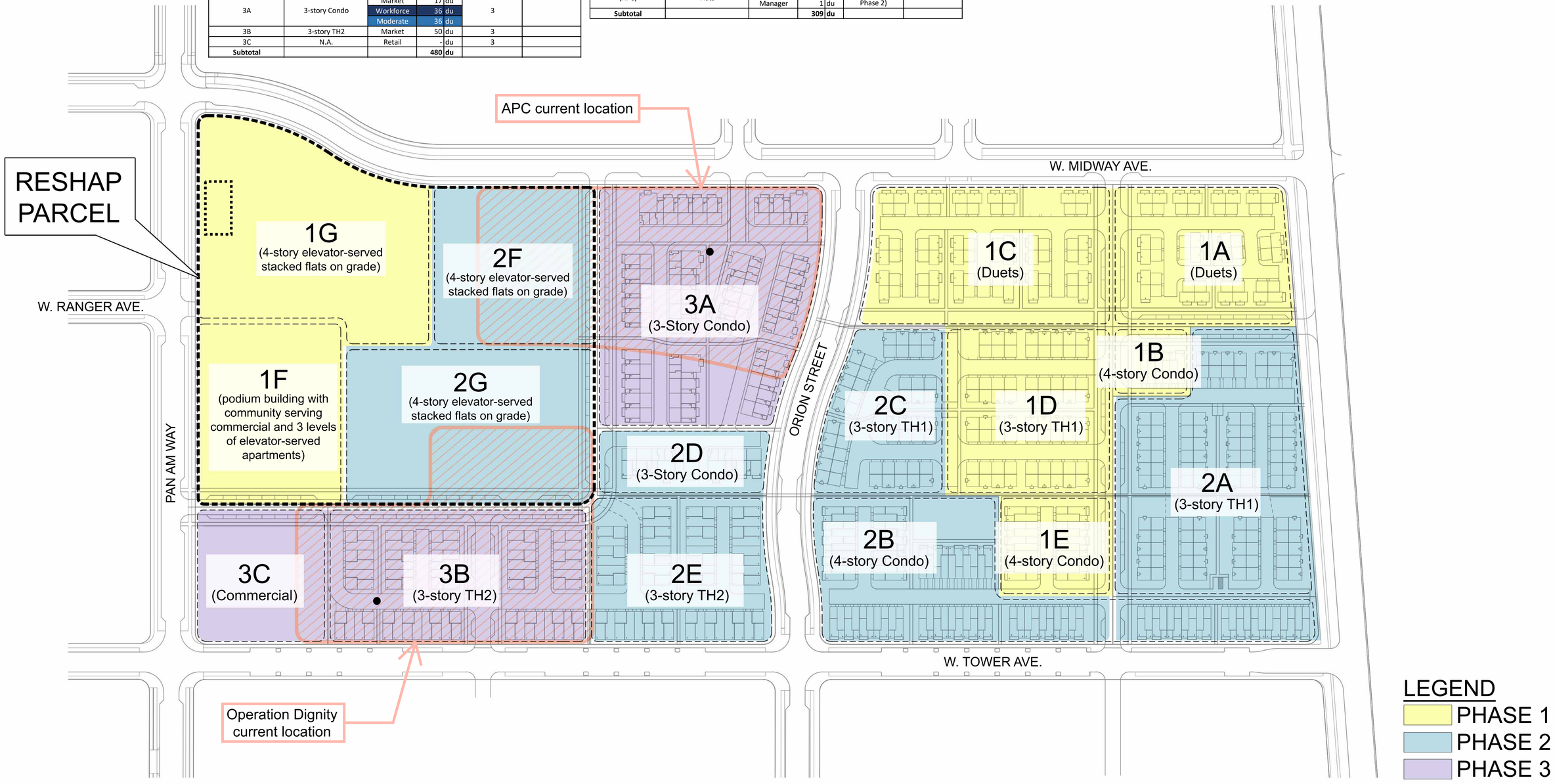
Developable Block	Building Typology	Market	Total Units (du)	Construction Phase	Notes
1A	Duet 60'x50' lot	Market	24 du	1	
1B	4-story Condo	Market	6 du	1	
1C	Duet 60'x50' lot	Market	36 du	1	
1D	3-story TH1	Market	36 du	1	
1E	4-story Condo	Market	17 du		
		Moderate	3 du		
2A	3-story TH1	Market	51 du	2	
2B	4-story Condo	Market	70 du	2	
		Moderate	12 du		
2C	3-story TH1	Market	26 du	2	
2D	3-story Condo	Market	7 du	2	
		Workforce	7 du		
2E	3-story TH2	Market	46 du	2	
3A	3-story Condo	Market	17 du	3	
		Workforce	36 du		
		Moderate	36 du		
3B	3-story TH2	Market	50 du	3	
3C	N.A.	Retail	- du	3	
Subtotal			**480 du**		

RESHAP

Developable Block	Building Typology	Market	Total Units (du)	Construction Phase	Notes
1F (APC)	Apartments	Very Low	68 du	1	*Note: RESHAP unit count and income level distribution is an estimate and is subject to further refinement*
		Low	26 du		
		Manager	1 du		
1G (Operation Dignity)	Elevator Served Stacked Flats	Very Low	16 du	1	
		Low	46 du		
		Transitional	23 du		
		Manager	1 du		
2F (Building Futures)	Elevator Served Stacked Flats	Very Low	31 du	2	
		Low	34 du		
		Manager	1 du		
2G (APC)	Elevator Served Stacked Flats	Very Low	43 du	3 (pad delivered in Phase 2)	
		Low	18 du		
		Manager	1 du		
Subtotal			**309 du**		

Subtotal	**BROOKFIELD/CATELLUS**	**480 du**		
Subtotal	**RESHAP**	**309 du**		
Total Units		**789 du**		

UNITS BY INCOME TYPE		
Very Low	158	20.0%
Low	124	15.7%
Transitional	23	2.9%
Manager	4	0.5%
Moderate	51	6.5%
Workforce	43	5.4%
Market Rate	386	48.9%
TOTAL UNITS	**789**	100.0%



ktgy | woodley architectural group,inc. | cbg | Brookfield Residential | CATELLUS

WEST MIDWAY PROJECT
ALAMEDA, CA # 2020-0831

CONCEPTUAL PLANNING
June 14, 2022

0 40 80 160

CONCEPT PHASING DIAGRAM
(FOR INTERNAL USE ONLY)

SP1.0

Exhibit "E"- Initial Milestone Schedule

WEST MIDWAY INTIAL MILESTONE SCHEDULE

Entitlements and Backbone Infrastructure Permitting:

July 5th, 2022:	Term Sheet approval by City Council
November 19th, 2022:	Planning Board approval of Development Plan and recommendation to City Council of the Development Agreement and Large Lot Tentative Map
	Delays in approval will have impacts on Milestone Dates below
December 20th, 2022:	City Council approval of Development Agreement, DDA and Large Lot Tentative Map
	Delays in approval will have impacts on Milestone Dates below
January 3rd, 2023:	City Council 2nd Reading
February 13th, 2023:	Permits issued for Demo, Surcharge, Environmental Site Management
	Permit issuance is subject to timely permit review/approval.
December 4th, 2023:	Permits issued for Backbone Infrastructure
	Permit issuance is subject to timely permit review/approval.

Horizontal Site Construction:

February 28, 2025:	Pan Am Way (W. Tower Avenue to West Midway Avenue) – constructed by City)
June 15th, 2025:	W. Tower Avenue Phase I Complete (Main Street to Orion Street) and Orion Street from Site A Phase I to W. Tower Avenue complete – constructed by Site A Developer
October 13th, 2025:	West Midway Avenue Complete (Pan Am Way to Main Street)
October 13th, 2025:	Orion Street Complete (West Midway Avenue to W. Tower Avenue)
October 1st, 2026:	W. Tower Avenue Phase II Complete (Orion Street to Pan Am Way) – constructed by Site A Developer

RESHAP Site Deliveries:

July 31st, 2023:	APC Phase 1 – Demolition, site preparation & pad delivery complete
	Note: APC Building 1 will be pile supported and not require surcharge
August 19th, 2024:	Operation Dignity – Demolition, surcharge & pad delivery complete
June 16th, 2025:	Building Futures – Demolition, surcharge & pad delivery complete

August 5th, 2025: APC Phase II – Demolition, surcharge & pad delivery complete

Market Rate Site Deliveries:

April 14th, 2025: Phase I Demolition, surcharge & pad delivery complete

March 23rd, 2026: Phase II Demolition, surcharge & pad delivery complete

December 21st, 2026: Phase III Demolition, surcharge & pad delivery complete including building pad delivery complete for Commercial parcel

Note: Vertical development to be phased based on market demand over 7 to 10 years following pad delivery.