

**EXHIBIT A**  
**DEFINITIONS**

“**2006 Development Plan**” shall have the meaning set forth in Recital K of the DDA.

“**Acquisition and Reimbursement Agreement**” shall have the meaning set forth in the Financing Plan.

“**Additional Transportation Subsidy**” shall have the meaning set forth in Section 13.3.2(g) of the DDA.

“**Adequate Security**” shall have the meaning set forth in Section 26.1 of the DDA.

“**Administrative Delay**” shall have the meaning set forth in Section 24.1.3 of the DDA.

“**Affiliate**” means any Person that directly or indirectly Controls, is Controlled by or is under Common Control with, a Party (or a partner or managing or other member of a Party, as the case may be).

“**Affordable Housing Units**” shall have the meaning set forth in the Housing Plan.

“**Agreement**” shall have the meaning set forth in the Introductory Paragraph of the DDA.

“**Allocated Parking**” shall have the meaning set forth in Section 4.2.1(a)(ii) of the DDA.

“**Amendment Action**” shall have the meaning set forth in Section 12 of the DDA.

“**Annual Authority Budget**” shall have the meaning set forth in Section 19.1.1 of the DDA.

“**Annual Authority Draft Budget**” shall have the meaning set forth in Section 19.2 of the DDA.

“**Annual Preliminary Budget**” shall have the meaning set forth in Section 19.2 of the DDA.

“**Annual Transportation Subsidy**” shall have the meaning set forth in Section 13.3.2(a) of the DDA.

“**Annual Transportation Subsidy Maximum Amount**” shall have the meaning set forth in Section 13.3.2(b) of the DDA.

“**Annual Transportation Subsidy Payment**” shall have the meaning set forth in Section 13.3.2(a) of the DDA.

“**Applications**” shall have the meaning set forth in the DRDAP.

“**Applicable Regulations**” shall have the meaning set forth in the Development Agreement.

“**Appraisal Process**” shall have the meaning set forth in Section 17.4 of the DDA.

“**Approval**” shall have the meaning set forth in Section 28.24(a) of the DDA.

“**Approved DDA/LDDA Form**” has the meaning set forth in Section 4.1 of the DDA.

“**Approved Vertical DDA Form**” shall have the meaning set forth in Section 4.1 of the DDA.

“**Approved Vertical LDDA Form**” shall have the meaning set forth in Section 4.1 of the DDA.

“**Arbiter**” shall have the meaning set forth in Section 15.3.1 of the DDA.

“**Arbiter’s Qualifications**” shall have the meaning set forth in Section 15.3.1 of the DDA.

“**Arbitration Matter**” shall have the meaning set forth in Section 15.1.1 of the DDA.

“**Architect**” means the licensed architect of record, if any, for any Vertical Improvement as selected by a Vertical Developer.

“**Architect’s Certificate**” means a certificate issued by the Architect in accordance with Section 9.2 that is in the form attached hereto as Exhibit Z with only such changes as may be Approved by Vertical Developer and the Authority Director.

“**Art Fee**” shall have the meaning set forth in the Development Agreement.

“**Associated Public Benefits**” shall have the meaning set forth in Section 1.8(b) of the DDA.

“**Assignment and Assumption Agreement**” means an assignment and assumption agreement between Developer and a Transferee for a Transfer of rights and corresponding obligations under this DDA, consistent with the requirements of this DDA and, to the extent required under this DDA, in the form Approved by the Authority Director.

“**Attachments**” means, individually or collectively as the context requires, each of the attachments to this DDA listed on the List of Attachments, including any attachments thereto, as they may be amended or supplemented from time to time in accordance with the terms thereof and of this DDA.

“**Auction**” shall mean the process of offering Lots for sale or ground lease to qualified bidders at the minimum bid price and selling the Lot to the highest qualified bidder, in accordance with Article 17.

“**Authority**” means the Treasure Island Development Authority, a California non-profit public benefit corporation, or any successor public agency designated by or under law, which may include the City and County of San Francisco or the San Francisco Port Commission, authorized as the Authority’s successors under the terms of the Conversion Act.

“**Authority Housing Units**” shall have the meaning set forth in the Housing Plan.

“**Authority Board**” means the Board of Directors of the Authority, or any successor governing body of the Authority designated by or under law.

“**Authority Costs**” shall have the meaning set forth in Section 19.1.1 of the DDA.

“**Authority Costs and Revenue Report**” shall have the meaning set forth in Section 19.4 of the DDA.

“**Authority Director**” means the Executive Director of the Authority, or any successor executive officer of the Authority designated by or under law.

“**Authority Fiscal Year**” means July 1 through June 30 of each year, or such other Authority Fiscal Year as is adopted from time to time.

“**Authority Housing Lots**” shall have the meaning set forth in the Housing Plan.

“**Authority Quitclaim Deed**” means a deed substantially in the form of Exhibit AA or as otherwise Approved by Developer and the Authority Director in their respective sole and absolute discretion.

“**Authority Revenues**” shall have the meaning set forth in Section 19.1.2 of the DDA.

“**Authority’s Title Covenant**” shall have the meaning set forth in Section 10.2.2 of the DDA.

“**Authorization**” shall have the meaning set forth in Section 9.1.1 of the DDA.

“**Base Line Budget**” shall have the meaning set forth in Section 19.2 of the DDA.

“**Base Security**” shall have the meaning set forth in Section 26.2.1 of the DDA.

“**Base Security Cap**” shall have the meaning set forth in Section 26.2.1 of the DDA.

“**Base Security Termination Date**” shall have the meaning set forth in Section 26.2.6 of the DDA.

“**Board of Supervisors**” means the Board of Supervisors of the City, or any successor governing body of the City designated by or under law.

“**Building Permit**” means a building permit issued by DBI.

“**Business Day**” means a day other than a Saturday, Sunday or holiday recognized by the Authority.

“**CCRL**” shall have the meaning set forth in Recital G.

“**CEQA**” means the California Environmental Quality Act, California Public Resources Code section 21000 et seq., and the Guidelines for the California Environmental Quality Act, California Code of Regulations, Title 14 section 15000 et seq., as amended from time to time.

“**CEQA Delay**” shall have the meaning set forth in Section 24.1.4 of the DDA.

“**Certificate of Completion**” means a certificate issued by the Authority in accordance with Section 9.2 that is substantially in the form attached hereto as Exhibit BB.

“**Certificate of Occupancy**” means an instrument issued by DBI certifying that a Unit or non-residential Project is fit for occupancy or use in accordance with the San Francisco Building Code.

“**CFD**” shall have the meaning set forth in the Financing Plan.

“**City**” means, as the context requires, (i) the City and County of San Francisco, a charter city of the State, or (ii) the territorial jurisdiction of the foregoing.

“**City Agency**” means, individually or collectively as the context requires, all departments, agencies, boards, commissions and bureaus of the City with subdivision or other permit, entitlement or approval authority or jurisdiction over any Major Phase, Sub-Phase or Lot in any portion of the Project Site, including but not limited to the San Francisco Port Commission, the Department of Public Works, the Public Utilities Commission, the Planning Commission, the Municipal Transportation Authority, the Building Inspection Commission, the Public Health Commission, the Fire Commission and the Police Commission, or any successor public agency.

“**City Costs**” shall mean the actual and reasonable costs incurred by a City Agency in performing its obligations under this Agreement, the Interagency Cooperation Agreement or the Development Agreement as determined on a time and materials basis,

including any defense costs as set forth in Section 6.3.2 of the Development Agreement, but excluding work and fees covered by Administrative Fees (as defined in the Development Agreement).

“**City Party**” shall have the meaning set forth in Section 22.1 of the DDA.

“**Commence**” and any variation thereof means the commencement of substantial physical construction as part of a sustained and continuous construction plan.

“**Commercial Lot**” shall have the meaning set forth in Section 17.2 of the DDA.

“**Community Facilities Lot**” shall have the meaning set forth in the Community Facilities Plan.

“**Community Facilities Obligations**” means Developer’s obligations under this Agreement to develop or subsidize certain community facilities, attached hereto as Exhibit F.

“**Community Facilities Plan**” means that certain Community Facilities Plan and related Needs Assessment, prepared for the Authority, dated as of June 28, 2011, which outlines a community facility program for Treasure Island, as such plan may be amended or supplemented from time to time in accordance with the terms of this DDA.

“**Community Facilities Space**” shall have the meaning set forth in the Community Facilities Plan.

“**Community Facilities Subsidy**” shall have the meaning set forth in Section 13.3.3(a) of the DDA.

“**Complete**” and any variation thereof means, as applicable, that: (i) a specified scope of work has been completed in accordance with Approved plans and specifications; (ii) Governmental Entities with jurisdiction have issued all Authorizations required for the contemplated use and, with respect to Vertical Improvements, occupancy of the work including, if applicable, Certificates of Occupancy; (iii) the site has been cleaned and all equipment, tools and other construction materials and debris have been removed; and (iv) with respect to Public Property and Public Improvements, (a) all bills for the work have been (x) paid and any obligor of Adequate Security has consented to final payment or (y) releases have been obtained from all mechanics and material suppliers or bonds have been provided to secure such liens in a form and amount required by law to cause any such lien to be removed from the applicable portion of the Project Site, (b) no mechanics’, materialmen’s or other liens have been recorded (unless they have been bonded as provided in (a)(y) above) and the period for recording such liens have expired and (c) all as-built plans and warranties, guaranties, operating manuals, operations and maintenance data, certificates of completed operations or other insurance, and all other close-out items required under any applicable Authorization or Approval have been provided to the Authority.

“**Complete Application**” shall have the meaning set forth in the DRDAP.

“**Complete Major Phase Application**” shall have the meaning set forth in the DRDAP.

“**Complete Sub-Phase Application**” shall have the meaning set forth in the DRDAP.

“**Conduct Code**” shall have the meaning set forth in Section 27.8 of the DDA.

“**Conflicting Law**” means legislation enacted by the Congress of the United States, by the legislature of the State or the enactment of a regulation or statute by any Governmental Entity (other than a City Party) with jurisdiction that precludes or substantially increases the cost of performance or compliance with any provision of this DDA by Developer.

“**Construction Documents**” consist of the documents and materials described for Construction Documents in Exhibit 2 of the DRDAP for a specific Improvement.

“**Construction Work**” shall have the meaning set forth in the Jobs EOP.

“**Construction Contractor**” shall have the meaning set forth in the Jobs EOP.

“**Control**” means the ownership (direct or indirect) by one Person and/or such Person and its Affiliates of day-to-day control of the activities of a Person coupled with a significant and voting interest in such Person.

“**Common Control**” means that two Persons are both Controlled by the same other Person or Persons. “**Controlled**”, “**Controlling Interest**” and “**Controlling**” have correlative meanings.

“**Conversion Act**” shall have the meaning set forth in Recital G of the DDA.

“**Conveyance Agreement**” shall have the meaning set forth in Recital O of the DDA.

“**Core Benefits**” shall have the meaning set forth in Section 27.1(c) of the DDA.

“**CRC**” shall have the meaning set forth in Recital D of the DDA.

“**Critical Commercial Lots**” shall have the meaning set forth in Section 17.2 of the DDA.

“**Critical Commercial Lots Payment**” shall have the meaning set forth in Section 17.2.4 of the DDA.

“**Cumulative Sub-Phase Event**” shall have the meaning set forth in Section 24.1.2 of the DDA.

“**DBI**” shall mean the San Francisco Department of Building Inspection.

“**DDA**” shall have the meaning set forth in the Introductory Paragraph of the DDA.

“**Department of Public Works**” means the Department of Public Works of the City, or any successor public agency designated by or under law.

“**Design for Development**” means the Treasure Island and Yerba Buena Island Design for Development approved by the Planning Commission and the Authority, dated June 28, 2011, as amended from time to time consistent with Section 12.

“**Destroyed Land Records Relief Law**” shall have the meaning set forth in Section 10.2.3 of the DDA.

“**Developable Lot**” shall have the meaning set forth in Section 7.8 of the DDA.

“**Developable Market Rate Lots**” shall have the meaning set forth in Section 24.1.2 of the DDA.

“**Developed Critical Commercial Lots**” shall have the meaning set forth in Section 17.2.5 of the DDA.

“**Developed Parking**” shall have the meaning set forth in Section 4.2.1(a)(iii) of the DDA.

“**Developer**” means Treasure Island Community Development, LLC, a California limited liability company, or its successors and assigns of all or substantially all of its rights and corresponding obligations under this DDA, as and to the extent permitted in accordance with the terms of this DDA.

“**Developer Commercial JVs**” shall have the meaning set forth in Section 17.2.1 of the DDA.

“**Developer Extension**” shall have the meaning set forth in Section 24.3.1 of the DDA.

“**Developer Housing Subsidy**” shall have the meaning set forth in Section 13.3.4 of the DDA.

“**Developer Lot(s)**” shall have the meaning set forth in Section 17.3 of the DDA.

“**Developer Party**” shall have the meaning set forth in Section 11.1.6 of the DDA.

“**Developer Residential Units**” shall have the meaning set forth in the Housing Plan.

“**Developer Representative**” shall have the meaning set forth in Section 28.24(e) of the DDA.

“**Developer Return**” shall have the meaning set forth in the Financing Plan.

“**Developer’s Consent**” shall have the meaning set forth in Section 12.4 of the DDA.

“**Development Agreement**” means that certain Development Agreement entered into by and between the City and County of San Francisco and Developer, dated as of June 28, 2011.

“**Development Fees or Exactions**” has the meaning set forth in the Development Agreement.

“**Development Increment**” shall have the meaning set forth in Section 4.2 of the DDA.

“**Development Increment Remainder Parking**” shall have the meaning set forth in Section 4.2.1(a)(iv) of the DDA.

“**Development Opportunity**” shall have the meaning set forth in Section 3.8.3 of the DDA.

“**Development Plan**” shall have the meaning set forth in Recital L of the DDA.

“**Development Plan Update**” shall have the meaning set forth in Recital L of the DDA.

“**Development Requirements**” means (i) the Project Approvals, (ii) the Transaction Documents and (iii) the documents approved under the DRDAP and the SUD, as they may be amended from time to time.

“**Distributions**” shall have the meaning set forth in the Financing Plan.

“**DRDAP**” means the design review and document approval procedures for the Project Site attached to this DDA as Exhibit CC, as may be amended or supplemented from time to time.

“**Economic Delay**” shall have the meaning set forth in Section 24.1.2 of the DDA.

“**Effective Date**” means the date that this DDA becomes effective, which shall be the later of (i) the date this DDA is executed and delivered by the Parties, or (ii) the date the Board of Supervisors Ordinance approving the Development Agreement is effective.

“**ENA**” shall have the meaning set forth in Recital I of the DDA.

“**Engineer**” means the licensed engineer of record for Infrastructure as selected by Developer and Approved by the Authority Director.



“**Engineer’s Certificate**” means a certificate issued by the Engineer in accordance with Section 9.2 that is in the form attached hereto as Exhibit DD with only such changes as may be Approved by Developer and the Authority Director.

“**Entitled Units**” means, individually or collectively as the context requires, the maximum number of Units permitted for the Project Site pursuant to the SUD, which number is, as of the Effective Date, eight thousand (8,000).

“**Environmental Laws**” shall have the meaning set forth in Section 11.2.4 of the DDA.

“**Environmental Remediation**” means the undertaking of any activities to determine the nature and extent of Hazardous Substances that may be located in, on, under or about real property or that has been, are being or threaten to be Released into the environment, and to clean up, remove, contain, treat, stabilize, monitor or otherwise control such Hazardous Substance.

“**Escrow**” shall have the meaning set forth in Section 10.2.1 of the DDA.

“**Event of Default**” shall have the meaning set forth in Section 16.1 of the DDA.

“**Exchange Act**” shall have the meaning set forth in Recital M of the DDA.

“**Excess Land Appreciation Structure**” shall have the meaning set forth in Section 6.2.3(d) of the DDA.

“**Excluded Properties**” shall have the meaning set forth in Recital B of the DDA.

“**Existing Navy Exceptions**” shall have the meaning set forth in Section 10.2.2 of the DDA.

“**Excusable Delay**” shall have the meaning set forth in Section 24.1 of the DDA.

“**Exhibit**” means, individually or collectively as the context requires, each of the exhibits to this DDA listed in the Table of Contents, including any exhibits thereto, as they may be amended or supplemented from time to time in accordance with the terms thereof or of this DDA.

“**Expedited Arbitration Matter**” shall have the meaning set forth in Section 15.1.2 of the DDA.

“**Experience Requirement**” shall have the meaning set forth in Section 21.1(a) of the DDA.

“**Federal Facility Site Remediation Agreement**” means the September 29, 1992 "Federal Facility Site Remediation Agreement for Treasure Island Naval Station", executed by the U.S. Department of the Navy, the California Environmental Protection

Agency, the California Department of Toxics Substances Control, and the California Regional Water Quality Control Board for the San Francisco Bay Region.

“**Final Subdivision Map**” shall have the meaning set forth in Section 1.6(d) of the DDA.

“**Financial Obligations**” shall have the meaning set forth in Section 1.5.

“**Financing Plan**” means the plan attached hereto as Exhibit EE as such plan may be amended or supplemented from time to time in accordance with the terms of this DDA.

“**Force Majeure**” shall have the meaning set forth in Section 24.1.1 of the DDA.

“**Foreclosed Property**” shall have the meaning set forth in Section 20.6 of the DDA.

“**FOST**” shall have the meaning set forth in Recital O of the DDA.

“**Funding Sources**” shall have the meaning set forth in the Financing Plan.

“**Fractional Interest Unit(s)**” means any apartment, condominium or cooperative unit, cabin, lodge, hotel or motel room, or other private or commercial structure containing toilet facilities therein that is designed and available, pursuant to applicable law, for use and occupancy as a residence by one or more individuals, and which is subject to any plan whereby a purchaser, in exchange for consideration, receives ownership rights in or the right to use accommodations for a period of less than a full year during any given year, on a recurring basis for more than one year, but not necessarily for consecutive years.

“**Governmental Entity**” means any court, administrative agency or commission, or other governmental or quasi governmental organization with jurisdiction.

“**Gross Revenues**” shall have the meaning set forth in the Financing Plan.

“**Ground Lease**” shall have the meaning set forth in Section 4.1 of the DDA.

“**Guarantor Net Worth Requirement**” shall have the meaning set forth in Section 26.1 of the DDA.

“**Guarantor**” shall have the meaning set forth in Section 26.1 of the DDA.

“**Guaranty**” shall have the meaning set forth in Section 26.1 of the DDA.

“**Guidelines for Residential Auction Lot Selection**” shall have the meaning set forth in Section 17.5.3 of the DDA.

“**Hazardous Substance**” shall have the meaning set forth in Section 11.2.3 of the DDA.

“**HCAO**” shall have the meaning set forth in Section 27.5 of the DDA.

“**High Rise Lot**” shall have the meaning set forth in Section 24.1.2 of the DDA.

“**Housing Data Table**” shall have the meaning set forth in the Housing Plan.

“**Housing Plan**” means the plan attached hereto as Exhibit E, as such plan may be amended or supplemented from time to time in accordance with the terms of this DDA.

“**ICT**” shall have the meaning set forth in Section 7.9 of the DDA.

“**ICT Design**” shall have the meaning set forth in Section 7.9 of the DDA.

“**ICT Products and Solutions**” shall have the meaning set forth in Section 7.9 of the DDA.

“**ICT Rights**” shall have the meaning set forth in Section 7.9 of the DDA.

“**IFD**” shall have the meaning set forth in Recital P of the DDA.

“**IFD Act**” shall have the meaning set forth in Recital P of the DDA.

“**IFD Amendment**” shall have the meaning set forth in Section 3.8.2.1 of the DDA.

“**Improvements**” means all physical improvements required or permitted to be made to the Project Site under this DDA, including Infrastructure and Stormwater Management Controls and Vertical Improvements.

“**Inclusionary Units**” shall have the meaning set forth in the Housing Plan.

“**Increased Adequate Security**” shall have the meaning set forth in Section 16.5.4 of the DDA.

“**Increment**” shall have the meaning set forth in the Financing Plan.

“**Indemnify**” means reimburse, indemnify, defend, and hold harmless.

“**Indemnification**” has a correlative meaning.

“**Indemnifying Party**” shall have the meaning set forth in Section 22.4 of the DDA.

“**Index**” means the Consumer Price Index (CPI) for All Urban Consumers in the San Francisco-Oakland-San Jose region (base years 1982-1984 = 100) published by the Bureau of Labor Statistics of the United States Department of Labor, but in no event shall any increase adjusted by the Index hereunder be less than two percent (2%) per annum or greater than five percent (5%) per annum.

**“Infrastructure”** means those items identified in the Infrastructure Plan including open space improvements (including park improvements and restrooms), streets, rails, sewer and storm drainage systems, water systems, street improvements (including freeway ramps or other demolition), traffic signal systems, dry utilities, transit facilities, associated public buildings and structures, and other improvements any of which are to be constructed in or for the benefit of the applicable real property or any other matters described in the Infrastructure Plan, and shall include such work as is necessary to deliver real property to the State Lands Commission in the condition required under the Public Trust Exchange Agreement, or otherwise so as to create Developable Lots as set forth in Section 7.8. Infrastructure does not include Stormwater Management Controls.

**“Infrastructure Obligations”** shall have the meaning set forth in Section 7.1.1 of the DDA.

**“Infrastructure Plan”** means the document attached hereto as Exhibit FF, as such document may be amended from time to time in accordance with the terms of this DDA.

**“Initial Closing Phase”** shall have the meaning set forth in Section 6.1.2 of the DDA.

**“Initial Major Phase”** shall have the meaning set forth in Section 1.5 of the DDA.

**“Initial Major Phase Application”** shall mean the Major Phase Application for the Initial Major Phase.

**“Initial Sub-Phases”** shall have the meaning set forth in Section 3.5 of the DDA.

**“Insurance Requirements”** shall have the meaning set forth in Section 22.6 of the DDA.

**“Interagency Cooperation Agreement”** means that certain Interagency Cooperation Agreement (Treasure Island/Yerba Buena Island) entered into in connection with the Project between the Authority and the City and attached hereto as Attachment 3, as amended from time to time.

**“Interim Lease Revenues”** shall have the meaning set forth in the Financing Plan.

**“IP”** shall have the meaning set forth in Section 7.9 of the DDA.

**“IPM”** shall have the meaning set forth in Section 27.15 of the DDA.

**“Jobs EOP”** shall have the meaning set forth in Section 13.1.8 of the DDA.

**“Jobs-Housing Linkage Fee”** shall have the meaning set forth in the Development Agreement.

“**JV Lots**” shall have the meaning set forth in Section 17.3 of the DDA.

“**Land Acquisition Agreements**” shall have the meaning set forth in Section 25.2 of the DDA.

“**Losses**” shall have the meaning set forth in Section 22.1 of the DDA.

“**Lot**” means a parcel of land within the Project Site that is a legal lot shown on a Subdivision Map.

“**LRA**” shall have the meaning set forth in Recital C of the DDA.

“**Major Phase 1**” means the area identified as Major Phase 1 in the Phasing Plan.

“**Major Phase 4**” means the area identified as Major Phase 4 in the Phasing Plan.

“**Major Phases**” shall have the meaning set forth in Section 3.1 of the DDA.

“**Major Phase Application**” shall have the meaning set forth in Section 3.5 of the DDA.

“**Major Phase Approval**” shall have the meaning set forth in Section 3.3 of the DDA

“**Major Phase Community Facilities Maximum Amount**” shall have the meaning set forth in Section 13.3.3(c) of the DDA.

“**Major Phase Decisions**” shall have the meaning set forth in Section 6.2.3 of the DDA

“**Management Plan**” means a Soil and Groundwater Management Plan approved by the applicable regulatory agencies.

“**Marina**” means the waterside Marina improvements to be developed by Treasure Island Enterprises, LLC, or such other successor party, as more particularly described in the Marina Term Sheet.

“**Marina Access Improvements**” shall have the meaning set forth in Section 8.3 of the DDA.

“**Marina Developer**” means Treasure Island Enterprises, LLC, or such other successor party developing the Marina.

“**Marina Revenues**” means all revenues received by Authority attributable to or in any way related to the Marina operations from the Marina Developer or any party other than Developer.

“**Marina Term Sheet**” means the Term Sheet for the Redevelopment, Expansion and Operation of the Treasure Island Marina between the Authority and Treasure Island

Enterprises, LLC dated November 8, 2000, as amended by that certain Addendum dated November 10, 2004, and that Second Addendum to Term Sheet dated October 10, 2007.

“**Market Rate Lots**” shall have the meaning set forth in the Housing Plan.

“**Market Rate Units**” shall have the meaning set forth in the Housing Plan.

“**Master CC&Rs**” shall have the meaning set forth in Section 10.3.2(e) of the DDA.

“**Master Developer**” shall have the meaning set forth in Section 1.5 of the DDA.

“**Material Breach**” shall have the meaning set forth in Section 16.2.3 of the DDA.

“**Material Modifications**” means amendments or modifications to this DDA or any of its Attachments that would materially increase the burdens and responsibilities of the Authority or materially decrease the benefits to the Authority, as reasonably determined by the Authority Director. Notwithstanding the foregoing, amendments or modifications to the Infrastructure Plan that modify construction standards, materials, practices or specifications for Infrastructure shall not require approval by the Board of Supervisors unless the Authority Director and, with respect to any Infrastructure and Stormwater Management Controls to be owned or maintained by the City, the Director of Public Works, reasonably determine that such amendment or modification under the circumstances, would significantly increase costs to the City or Authority of ownership.

“**Minimum Bid Price**” shall have the meaning set forth in Section 10.3.2(g) of the DDA.

“**Mitigation Measures**” shall have the meaning set forth in Section 18.1 of the DDA.

“**Mortgage**” shall have the meaning set forth in Section 20.1 of the DDA.

“**Mortgagee**” shall have the meaning set forth in Section 20.1 of the DDA.

“**Mortgagee Acquisition**” shall have the meaning set forth in Section 20.6 of the DDA.

“**Mortgagor**” shall have the meaning set forth in Section 20.1 of the DDA.

“**Navy**” shall have the meaning set forth in Recital O of the DDA.

“**Navy Payment**” means that Initial Consideration and Additional Consideration as those terms are defined in the Conveyance Agreement.

“**Net Worth**” means net worth calculated using generally accepted accounting principles (“GAAP”). In the case of a corporation, “**Net Worth**” shall mean

shareholders' equity calculated in accordance with GAAP. Any reference in this DDA to a minimum Net Worth or a Net Worth Requirement shall mean that the Net Worth must be satisfied and maintained at all times. Upon the Authority's request, a Person required to maintain a minimum Net Worth under this DDA shall provide to the Authority reasonable evidence that it satisfies the Net Worth Requirement, including a copy of the most recent audit of such Person (which shall in no event be dated more than thirteen (13) months before the date of the Authority's request). Any such audit must have been performed by an independent third-party auditor and must include the opinion of the auditor indicating that the financial statements are fairly stated in all material respects.

**"Net Worth Requirement"** means (i) for Transfer of a Major Phase or portions of a Major Phase that cumulatively equal or exceed a land area of seventy percent (70%) or more of the Major Phase, a Net Worth equal to or more than Seventy Five Million Dollars (\$75,000,000), increased automatically by ten percent (10%) on each five (5) year anniversary of the Effective Date and (ii) for Transfers of one or more Sub-Phases that cumulatively equal less than seventy percent (70%) of the land area in a Major Phase, a Net Worth equal to or more than the higher of (A) Twenty Five Million Dollars (\$25,000,000), increased automatically by ten percent (10%) on each five (5) year anniversary of the Effective Date or (B) the amount determined under clause (i) above times the percentage of the total land area in the Major Phase that is being Transferred. Any entity required to satisfy the Net Worth Requirement can do so either by either meeting the Net Worth Requirement itself or by providing a Guaranty, covering all of that entity's obligations under this DDA without limitation, from an entity that meets the Net Worth Requirement.

**"Non-Critical Commercial Lots"** shall have the meaning set forth in Section 17.2 of the DDA.

**"Non-Developer Critical Commercial Lot"** shall have the meaning set forth in Section 17.2.5 of the DDA.

**"Notice of Termination"** shall have the meaning set forth in Section 28.36 of the DDA.

**"Notifying Party"** shall have the meaning set forth in Section 16.1 of the DDA.

**"NSTI"** shall have the meaning set forth in Recital A of the DDA.

**"Official Records"** means the Official Records of the City and County of San Francisco maintained by the City's Recorder's Office.

**"Open Space Lot"** means a Lot primarily used for Improvements constructed in accordance with the Parks and Open Space Plan.

**"Original Project Guaranty"** means that certain Guaranty provided by Lennar in connection with the ENA, dated as of June 1, 2003.

“**Original TIHDI Agreement**” shall have the meaning set forth in Recital F of the DDA.

“**Outside Date**” means the last date by which a particular obligation may be satisfied, as such date is set forth in the Schedule of Performance.

“**Owner/Occupant**” means for a Lot, Unit or commercial condominium in the Project Site, as applicable, the Person holding fee title thereto.

“**Park Extension**” shall have the meaning set forth in Section 24.4 of the DDA.

“**Parking Data Table**” shall have the meaning set forth in Section 4.2.1(a) of the DDA.

“**Parks and Open Space Plan**” means the plan attached hereto as Exhibit GG, as such plan may be amended or supplemented from time to time in accordance with the terms of this DDA.

“**Party**” means, individually or collectively as the context requires, Developer, the Authority and any Transferee that is made a Party to this DDA under the terms of an Assignment and Assumption Agreement Approved by the Authority Director.

“**PCBs**” shall have the meaning set forth in Section 11.2.3 of the DDA.

“**Permit to Enter**” means, initially, the document attached to this DDA as Exhibit HH, as such document may be revised from time to time by the Authority upon notice thereof to Developer. The Authority may from time to time amend the attached form of Permit to Enter and impose such insurance, bond, guaranty and indemnification requirements as the Authority determines are necessary or appropriate to protect its interests, consistent with the Authority’s custom and practice and in a manner that will not unnecessarily interfere with or materially increase the cost or risk of Developer’s ability to perform under this DDA or if it would unnecessarily interfere with or materially increase the cost or risk, such amendment must be consistent with commercial industry practice.

“**Permitted Exceptions**” means permitted title exceptions at a close of Escrow as set forth in Section 10.2.

“**Person**” means one or more natural persons or corporations, partnerships, trusts, limited liability companies, limited liability partnerships or other entities.

“**Pesticide Ordinance**” shall have the meaning set forth in Section 27.15 of the DDA.

“**Petroleum Corrective Action Plan**” means the Final Corrective Action Plan, Sites 06, 14/22, 15, and 25, Naval Station Treasure Island dated June 28, 2002, prepared by Tetra Tech EM Inc. for the Department of the Navy, and the Corrective Action Plan,



Inactive Fuel Lines, Naval Station Treasure Island dated December 2003, prepared by Tetra Tech, Inc. for Department of Navy, as amended from time to time.

“**Phase 1 Area**” shall have the meaning set forth in Section 6.1.2 of the DDA.

“**Phasing Goals**” shall have the meaning set forth in Section 3.2 of the DDA.

“**Phasing Plan**” means the map attached hereto as Exhibit II, as such map may be amended from time to time in accordance with the terms of this DDA.

“**Planning Commission**” shall have the meaning set forth in the DRDAP.

“**Police and Fire Station Lot**” shall have the meaning set forth in the Community Facilities Plan.

“**Political Activity**” shall have the meaning set forth in Section 27.7 of the DDA.

“**Port**” shall have the meaning set forth in Section 21.12 of the DDA.

“**Pre-Approved Arbiters List**” shall have the meaning set forth in Section 15.3.1 of the DDA.

“**Private Information**” shall have the meaning set forth in Section 27.18(c) of the DDA.

“**Product Types**” shall have the meaning set forth in Section 17.5.2 of the DDA.

“**Proforma**” shall have the meaning set forth in Section 3.9.

“**Project**” shall have the meaning set forth in Section 1.1 of the DDA.

“**Project Account**” shall have the meaning set forth in the Financing Plan.

“**Project Approvals**” shall mean the Project Approvals listed in Exhibit C to the Development Agreement.

“**Project Cost**” shall have the meaning set forth in the Financing Plan

“**Project EIR**” shall have the meaning set forth in Recital W of the DDA.

“**Project MMRP**” shall have the meaning set forth in Recital W of the DDA.

“**Project Site**” shall have the meaning set forth in Recital B of the DDA.

“**Project Special Taxes**” shall have the meaning set forth in the Financing Plan.

“**Project Subsidies**” shall have the meaning set forth in Section 13.3 of the DDA.

**"Protection of Information Ordinance"** shall have the meaning set forth in Section 27.18 of the DDA.

**"PTR Package"** shall have the meaning set forth in Section 10.2.2 of the DDA.

**"Public Financing"** shall have the meaning set forth in the Financing Plan.

**"Public Improvements"** shall have the meaning set forth in Section 9.2.5 of the DDA.

**"Public Property"** shall have the meaning set forth in Section 3.7 of the DDA.

**"Public Trust"** shall have the meaning set forth in Section 6.1.1 of the DDA.

**"Public Trust Exchange"** shall have the meaning set forth in Section 6.1.1 of the DDA.

**"Public Trust Exchange Agreement"** shall have the meaning set forth in Section 6.1.1 of the DDA.

**"Public Trust Parcels"** shall mean portions of the Project Site that are subject to the Public Trust upon completion of a Public Trust Exchange.

**"Qualified Appraiser Pool"** shall have the meaning set forth in Section 17.4.1 of the DDA.

**"Qualified Buyer"** means a third-party buyer (i) who is not an Affiliate of Developer and is reasonably creditworthy given the obligations it is assuming, and (ii) the principals of which have at least five (5) years of experience in developing the kind of housing or commercial product to be developed on the Lot the Qualified Buyer is seeking to purchase.

**"Qualified Housing Developer"** shall have the meaning set forth in Exhibit E.

**"Quiet Title Action"** shall have the meaning set forth in Section 10.2.3 of the DDA.

**"Ramps Subsidy"** shall have the meaning set forth in Section 13.3.6 of the DDA

**"Redesign Plan"** shall have the meaning set forth in Section 6.2.5(b) of the DDA.

**"Redesign Budget"** shall have the meaning set forth in Section 6.2.5(c) of the DDA.

**"Redesign Costs"** shall have the meaning set forth in Section 6.2.5(c) of the DDA.

**"Redesign Trigger Event"** shall have the meaning set forth in Section 6.2.5(a) of the DDA.

“**Reference Date**” shall have the meaning set forth in the Introductory Paragraph of the DDA.

“**Related Infrastructure**” shall have the meaning set forth in Section 7.1.1 of the DDA.

“**Release**” shall have the meaning set forth in Section 11.2.5 of the DDA.

“**Remainder Parking**” shall have the meaning set forth in Section 4.2.1(a)(iv) of the DDA.

“**Remediation Agreement**” means an agreement, not contained in this DDA, between Developer and another Person relating to the remediation of Hazardous Substances on some or all of the Project Site.

“**Replacement Housing Obligation**” shall have the meaning set forth in the Housing Plan.

“**Replacement Housing Units**” shall have the meaning set forth in the Housing Plan.

“**Requested Change Notice**” shall have the meaning set forth in Section 3.8.2 of the DDA.

“**Required Improvements**” means the police/fire station as described in the Community Facilities Obligations, the ferry terminal and quay, as described in the Infrastructure Plan, and the grocery store consisting of 15,000 s.f., as described in the Community Facilities Obligations.

“**Required Retail**” shall have the meaning set forth in Section 8.2 of the DDA.

“**Required Vegetation Removal**” shall have the meaning set forth in Section 6.1.4 of the DDA.

“**Residential Auction Lot**” shall have the meaning set forth in Section 17.3 of the DDA.

“**Re-Setting of the Minimum Bid Price**” shall have the meaning set forth in Section 17.5 of the DDA.

“**Residential Auction Lots**” shall have the meaning set forth in Section 17.3 of the DDA.

“**Residential Developable Lot**” shall have the meaning set forth in Exhibit E.

“**Residential Project**” means a Vertical Project that is consistent with the Development Requirements and contains Units and other consistent uses, if any.

“**Residential Unit**” shall have the meaning set forth in the Housing Plan.

“**Reuse Plan**” shall have the meaning set forth in Recital E of the DDA.

“**Reversionary Contest Period**” shall have the meaning set forth in Section 16.5.1(f) of the DDA.

“**Reversionary Cure Notice**” shall have the meaning set forth in Section 16.5.1(a)(ii) of the DDA.

“**Reversionary Default**” shall have the meaning set forth in Section 16.5.1(a)(i) of the DDA.

“**Reversionary Quitclaim Deed**” shall have the meaning set forth in Section 16.5.1 of the DDA.

“**Reversionary Recordation Notice**” shall have the meaning set forth in Section 16.5.1(d) of the DDA.

“**Reverter Release**” shall have the meaning set forth in Section 16.5.4 of the DDA.

“**Reverter Release Recordation Notice**” shall have the meaning set forth in Section 16.5.4 of the DDA.

“**Right of Reverter**” shall have the meaning set forth in Section 16.5.1(a) of the DDA.

“**Secured Amount**” shall have the meaning set forth in Section 26.1 of the DDA.

“**Schedule of Performance**” means the schedule of performance attached hereto as Exhibit JJ, as such schedule of performance may be updated under the terms of this DDA, including Article 3, amended upon the Approval by Developer and the Authority, or extended by Excusable Delay.

“**School Subsidy**” shall have the meaning set forth in the Section 3.3.6(a) of the DDA.

“**SFCTA**” means the San Francisco County Transportation Authority

“**SFCTA MOA**” as defined in Section 13.3.6 of the DDA.

“**SFPUC**” means the San Francisco Public Utilities Commission.

“**SFUSD**” means the San Francisco Unified School District.

“**Significant Change**” means (i) Developer files, or is the subject of, a petition for bankruptcy, or makes a general assignment for the benefit of its creditors, (ii) a receiver is appointed on account of Developer’s insolvency, (iii) a writ of execution or attachment or any similar process is issued or levied against any bank accounts of Developer, or against any property or assets of Developer being used or required for use in the

development of the Infrastructure and Stormwater Management Controls or against any substantial portion of any other property or assets of Developer, or (iv) a final non-appealable judgment is entered against Developer in an amount in excess of Five Million Dollars (\$5,000,000.00), and the party against whom judgment is entered is unable to either satisfy or bond the judgment.

“**Significant Change to Guarantor**” as defined in Section 26.3.2 of the DDA.

“**Soil Stockpile**” shall have the meaning set forth in Section 13.3.7 of the DDA.

“**SOQHD**” shall have the meaning set forth in Section 17.2 of the DDA.

“**State**” means, as the context requires, (i) the State of California, or (ii) the territorial jurisdiction of the foregoing.

“**State Lands**” shall have the meaning set forth in Section 6.1.1 of the DDA.

“**Stormwater Management Controls**” means the facilities, both those to remain privately-owned and those to be dedicated to the City, that comprise the infrastructure and landscape system that is intended to manage the stormwater runoff associated with the Project, as required by the San Francisco stormwater management standards, the applicable NPDES permit, and/or state and federal law, and as described in the Infrastructure Plan. Stormwater Management Controls include but are not limited to: (i) swales and bio-swales (including plants and soils), (ii) bio-retention and bio-filtration systems (including plants and soils), (iii) constructed ponds and/or wetlands (vi) permeable paving systems, and (v) other facilities performing a stormwater control function constructed to comply with the San Francisco stormwater management standards, the applicable NPDES permit, and/or state and federal law. Stormwater Management Controls shall not mean Infrastructure that is part of the traditional collection system such as catch basins, stormwater pipes, stormwater pump stations, outfalls, and other such facilities that are located in the public right-of-way.

“**Sub-Phases**” shall have the meaning set forth in Section 3.1 of the DDA.

“**Sub-Phase Application**” shall have the meaning set forth in Section 3.5 of the DDA.

“**Sub-Phase Event**” shall have the meaning set forth in Section 24.1.2 of the DDA.

“**Sub-Phase Approval**” shall have the meaning set forth in Section 3.4 of the DDA.

“**Subdivision Map**” means a subdivision map as defined in the TI/YBI Subdivision Code.

“**Submerged Lands**” shall have the meaning set forth in Recital A of the DDA.

“**Subsequent Closing Phase**” shall have the meaning set forth in Section 6.1.3 of the DDA.

“**Subsidies**” shall mean those Subsidies described in Section 13 hereof.

“**Substantial Completion**” and any variation thereof means (A) for Infrastructure and Stormwater Management Controls, that the Authority Director determines, in his or her reasonable discretion following consultation with the Department of Public Works, that (i) the work has been substantially completed in accordance with the Construction Documents, and (ii) the Infrastructure and Stormwater Management Controls has been Completed except for (x) customary punch list work that does not prevent a Vertical Developer from constructing Vertical Improvements and (y) work customarily not Completed until Vertical Improvements have been substantially Completed in order to avoid damage to such work or to achieve customary sequencing of the work (e.g., testing that requires Vertical Improvements to be in place) and (B) for Vertical Improvements, that the Authority Director determines, in his or her reasonable discretion following consultation with DBI, that the applicable Vertical Improvements are substantially complete and that the life safety systems within the applicable Vertical Improvement have been installed and are fully functional.

“**Substantially Complete Application,**” “**Substantially Complete Major Phase Application**” or “**Substantially Complete Sub-Phase Application**” means a Major Phase or Sub-Phase Application, as applicable that has been submitted to Authority in accordance with the DRDAP along with substantially all of the required submittal materials, but Authority has not fully accepted the Application as Complete pending Developer’s submittal of additional information or materials determined by Authority as reasonably necessary to accept the Application as Complete.

“**Summary Proforma**” means the summary proforma attached to the DDA as Exhibit S, as it may be amended from time to time in accordance with Section 3.9 of the DDA.

“**SUD**” shall have the meaning set forth in Section 4.2 of the DDA.

“**Sustainability Obligations**” shall have the meaning set forth in Section 13.1.7 of the DDA.

“**Taxable Parcel**” shall have the meaning set forth in the Financing Plan.

“**Tentative Subdivision Map**” shall have the meaning set forth in Section 1.6(d) of the DDA.

“**Term**” shall have the meaning set forth in Section 2 of the DDA.

“**Third Party**” means a Person other than Developer and its Affiliates.

“**TI/YBI Subdivision Code**” means the Subdivision Code of the City and County of San Francisco for Treasure Island and Yerba Buena Island and the regulations promulgated thereunder, as each may be amended from time to time.

“**TICAB**” shall have the meaning set forth in Recital K of the DDA.

“**TICD**” means Treasure Island Community Development, LLC, a California limited liability company.

“**TIHDI**” shall have the meaning set forth in Recital F of the DDA.

“**TIHDI Agreement**” shall have the meaning set forth in Recital F of the DDA.

“**TIHDI Job Broker Program Subsidy**” shall have the meaning set forth in Section 9.1 of the Jobs EOP.

“**TIHDI Member Organizations**” shall have the meaning set forth in the TIHDI Agreement.

“**Title Company**” means Chicago Title Company, or such other reputable title company determined by Developer and Approved by the Authority Director, licensed to do business in the State and having an office in the City.

“**Title Objection Period**” shall have the meaning set forth in Section 10.2.2 of the DDA.

“**TITMA**” shall have the meaning set forth in Recital N of the DDA.

“**Transaction Documents**” means (1) this DDA, the Vertical Disposition and Development Agreements, Lease Disposition and Development Agreements and Ground Leases, and related conveyance agreements governing the development of the Project Site in accordance with the DDA, (2) the Land Acquisition Agreements, (4) the Interagency Cooperation Agreement, and (4) other necessary transaction documents for the conveyance, management and redevelopment of the Project Site.

“**Transfer**” means to convey, transfer, sell, or assign as and to the extent permitted under this DDA.

“**Transfer Map**” means a Transfer Map as defined in the Treasure Island/Yerba Buena Island Subdivision Code.

“**Transferable Infrastructure**” shall have the meaning set forth in Section 7.2.1 of the DDA.

“**Transferee**” means any Person to whom Developer Transfers any rights and corresponding obligations under this DDA relating to a Major Phase, Infrastructure and Stormwater Management Controls or horizontal development, as permitted under this DDA, including Transfers to Affiliates of Developer. Vertical Developers, or any

transferee of the right to apply for or to construct Vertical Improvements, shall not be deemed to be Transferees as such term is used in this DDA.

**“Transportation Capital Contribution Account”** shall have the meaning set forth in Section 13.3.2(f) of the DDA.

**“Transportation Plan”** means that certain Treasure Island Transportation Implementation Plan, approved by the Authority on April 21, 2011 by Resolution No. 11-17-04/21, which outlines the transportation program for Treasure Island and Yerba Buena Island, as such plan may be amended or supplemented from time to time in accordance with the terms of this DDA.

**“Transportation Subsidy Account”** shall have the meaning set forth in Section 13.3.2(b) of the DDA.

**“Transient Occupancy”** means occupancy for a period of less than thirty (30) consecutive calendar days.

**“Transient Occupancy In-Lieu Fee”** shall have the meaning set forth in the Development Agreement.

**“Transit Hub”** shall have the meaning set forth in Section 1.3(n) of the DDA.

**“Transition Housing Rules and Regulations”** means those Transition Housing Rules and Regulations for the Villages at Treasure Island, adopted by the Authority on April 21, 2011.

**“Transition Requirements”** shall have the meaning set forth in Section 10.3.3(h) of the DDA.

**“Transportation Capital Contributions Subsidy”** shall have the meaning set forth in Section 13.3.3 of the DDA.

**“Transportation Plan Obligations”** means those obligations of the Transportation Plan for which Developer is responsible, as described in Exhibit N attached hereto.

**“Transportation Subsidy Payment Date”** shall have the meaning set forth in Section 13.3.2(a) of the DDA.

**“Trust Exchange Closing Phase”** shall have the meaning set forth in Section 6.1.1 of the DDA.

**“Unrelated Infrastructure”** shall have the meaning set forth in Section 7.1.2 of the DDA.

**“Vertical Application”** shall have the meaning set forth in the DRDAP.



**“Vertical Approval”** shall have the meaning set forth in the DRDAP.

**“Vertical Developer”** means for a particular Lot or Vertical Improvement, the Person that is a party to the applicable Vertical DDA related thereto.

**“Vertical Development”** means the development of Vertical Improvements.

**“Vertical Improvement”** means an Improvement to be developed under this DDA that is not Infrastructure and Stormwater Management Controls or Improvements required to be Completed by Developer for the Parks and Open Spaces.

**“Vertical DDA”** shall have the meaning set forth in Section 1.2 of the DDA.

**“Vertical LDDA”** shall have the meaning set forth in Section 1.2 of the DDA.

**“Vertical Project”** means the process of designing, Commencing and Completing a Vertical Improvement under a Vertical DDA.

**“Wastewater Treatment Facility”** shall have the meaning set forth in the Infrastructure Plan.

**“Work Program”** shall have the meaning set forth in Section 6.2.5(c) of the DDA.