

BAY MEADOWS PHASE II
Development Agreement (Effective 12/21/05) Annual Review Matrix

Review Period (13th year): December 21, 2017 to December 20, 2018

This matrix provides brief summaries of the provisions of the Development Agreement by and between the City of San Mateo and the Bay Meadows Main Track Investors, LLC, adopted by Ordinance No. 2005-17 (hereinafter the "DA" or the "Development Agreement"). For the full requirements, please see the text of the Development Agreement.

Requirement	Development Agreement (DA) Section No.	Trigger	Status	Due Date
MISCELLANEOUS AND ON-GOING				
Annual Review of Development Agreement: Owner submits letter to City Clerk re: compliance; Compliance to be determined by Planning Commission, appears to City Council	6	No less than 30 nor no more than 60 days prior to the anniversary date of the DA.	Owner has complied by submitting this annual review.	10/21 to 11/20 of each year.
Applications for Approvals shall all contain the following language: "SUBJECT TO THE BAY MEADOWS PHASE II DEVELOPMENT AGREEMENT"	3.11	Add language to each Application submittal.	Owner has and will comply when appropriate.	Ongoing.

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Permits Required by Other Agencies Project may need permits for one or more of these agencies: <ul style="list-style-type: none"> 1) Army Corps of Engineers 2) Fish and Game 3) JPB 4) Caltrans 5) Bay Area Air Quality Management District 	5.8	Prior to issuance of any required City permits.	Owner is complying.	Ongoing.
PRIOR TO OBTAINING BUILDING PERMITS				
Below Market Rate (BMR) Agreement Provide an executed BMR Agreement between applicant and the City.	5.12	Prior to issuance of any building permit for residential units.	Ongoing - The City continues to work with the home builders to address the BMR requirements.	Building Permit.
PRIOR TO OBTAINING CERTIFICATES OF OCCUPANCY (C OF O)				
Below Market Rate (BMR) (10%) Construction of BMR Units.	5.12(a)	Construction must commence prior to first Certificate of Occupancy on the Block.	Addressed on a building by building basis.	Prior to Certificate of Occupancy. On-going.
FEE SUMMARY				
Exaction Inflation and Transportation Mitigation Fee	3.8 3.9	Exactions shall be inflated after the 6 th anniversary of the Effective Date by the CPI factor (Transportation Mitigation Fee Update may increase fee prior to 6th anniversary.)	This was effective on 12/21/11 and is being implemented.	On-going.

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Public Art Contribution of \$1,000,000.	5.15	1) \$350,000 due on day Owner sends notice accepting the Design Guidelines and First Phase approvals; 2) \$250,000 to be used by Owner for public art in Town Square; 3) \$100,000 due on the 5th, 10th and 15th anniversaries of the DA 4) \$100,000 due on expiration of DA in 18 th year.	Payment #1 completed. Payment #2 is being spent as of now in Town Square. Remaining payment have all been made in advance of requirements. Art is installed or in the process of being installed.	Payment #1 completed. Due at time of Construction Payment due 12/21/10 & 12/21/15 completed. Future payment due 12/21/20 Due 12/21/23
COMPLETED				
Design Guidelines Presentation of Draft Design Guidelines. Meet with City staff and present a draft of Design Guidelines.	3.2.1	Within 6 months of Effective Date.	COMPLETED by Owner on 6/21/06.	Due by 6/21/06.
Design Guidelines Submission of Design Guidelines. Submit application for approval of Design Guidelines.	3.2.2	No later than 1 year from Effective Date of Development Agreement.	COMPLETED by Owner. Owner submitted application for approval of Design Guidelines on July 11, 2006. ADOPTED by Planning Commission on December 12, 2006	Due 12/21/06. Adopted 12/12/06.
Lot Tie Owner shall provide a lot tie agreement.	4.1	When recording the Master Final Map.	COMPLETED by Owner on 12/15/06	
Record Master Final Map	4.1	Record Master Tentative Map.	COMPLETED by Owner on 8/30/06.	

Requirement	Development Agreement (DA) Section No.	Trigger	Status	Due Date
Campaign for the arts contribution of \$50,000.	5.15	90 days after Effective Date.	COMPLETED by Owner on 3/21/06.	Due on 3/21/06.
Site Development Permit application. Submit the first planning applications for the first portion of anticipated development for the framework streets.	3.2.3	No later than 1 year from the date the City's approval of the Design Guidelines is final, and any legal proceedings are "finally concluded."	COMPLETED by Owner on 4/19/07.	12/12/07 pending conclusion of legal proceedings.
SPAR for First Phase Submit application for first SPAR for at least one Block ("First Phase").	3.2.3	No later than 1 year from the date the City's approval of the Design Guidelines is final, and any legal proceedings are "finally concluded."	COMPLETED by Owner on 6/18/07.	12/12/07 pending conclusion of legal proceedings.
SPAR for Block along Delaware Submit application for a SPAR for a block along Delaware.	3.2.4	Within 3 months of a Caltrain's multi-modal train station being completed within the Specific Plan area.	COMPLETED by Owner on 6/18/07.	Caltrain station completion.
Wet Storage Area	5.8.2	Wet storage provided by creation of storm water retention pond in Community Park.	COMPLETED by Owner on 10/23/07.	Project Tentative Map. Site Development Permit.
Community Facilities District (CFD) for financing payment of capital improvement costs associated with Public Improvements 1) Owner requests formation 2) City responsible for formation of CFD and issue/sale of bonds 3) Owner shall consent to formation prior to recordation of first Project Tentative Map	5.11	City pursues CFD at Owner's Request. Owner shall consent to the formation of the CFD prior to the recordation of the first Project Tentative Map for Project.	COMPLETED. CFD adopted on 8/11/08.	Prior to recordation of Project Tentative Map.

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Dedication of Linear Park and Neighborhood Park	3.2.6 See also 5.9.2	Owner to dedicate prior to approval of the SPAR for the first Block of the development adjacent to the Linear Park or the Neighborhood Park. To be addressed in Conditions of Approval.	COMPLETED. This issue is addressed in SPAR Conditions of Approval and on the final tentative map.	At time of SPAR 1 approval.
Notice Re: Advance Transportation Mitigation Fees. Owner shall notify city of its utilization of advance \$4.6 million payment.	3.10(b)	At application for a SPAR.	COMPLETED. Advance fees were not utilized.	At SPAR application. Advance payment of Transportation Mitigation Fees would be necessary if the JPB had commenced construction of the grade separations. This has not happened therefore this provision is not applicable.
Owner's acceptance or rejection of City's approval of Design Guidelines & First Phase Approvals. (Section 3.2.3 explains that "First Phase" includes the Site Development Permit and a SPAR for at least one block.) Section 5.19 also addresses prohibition on Expanded Gaming.	5.19	Within 90 days of City's approval of Design Guidelines, First Phase approvals, and final conclusion of any legal proceedings.	All triggers have occurred. Action required by 12/31/08. COMPLETED on 12/29/08.	12/31/08.
Delaware Street Owner shall dedicate Delaware to City upon request of Public Works, after Design Guidelines and First Phase approvals.	5.10	Upon request from Public Works, after Design Guidelines and First Phase Approvals.	COMPLETED. Delaware Street has been dedicated to the City on the Final Map.	Upon request of Public Works.

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Public Art Contribution of \$350,000, \$100,000 and \$100,000 (\$1,000,000 in total).	5.15	1) \$350,000 due on day Owner sends notice accepting the Design Guidelines and First Phase approvals; 2) \$100,000 due on 5 th anniversary 3) \$100,000 due on 10 th anniversary	COMPLETED according to due dates. <i>See Fee Summary section for detail on additional Public Art Contribution fees due.</i>	Due and paid 12/31/08. Due and paid 12/21/10. Due 12/21/15 and spent directly on art with approval from Art's Commission.
Casanova Park contribution of \$100,000.	5.16	1) When Effective Date has occurred and City requests payment; or 2) When Owner sends notice accepting Design Guidelines and First Phase Approvals.	COMPLETED. Payment made on 12/29/08.	Owner's acceptance of First Phase Approvals on 12/31/08.
Fiesta Gardens contribution of \$100,000.	5.17	When Owner sends notice accepting Design Guidelines and First Phase Approvals.	COMPLETED. Payment made on 12/29/08.	Owner's acceptance of First Phase Approvals on 12/31/08.
Gaming Owner to record a covenant against the Property to permanently prohibit additional gaming.	5.19	Upon owner's acceptance of City's approval of Design Guidelines & First Phase Approvals.	COMPLETED. Covenant recorded on 12/29/08.	Owner's acceptance of First Phase Approvals on 12/31/08.
Development Delay Payment: Owner pays \$300k for loss of racing revenue if development delayed.	5.20	2 years after Owner's Election to Discontinue Racing and delay in development.	No action required at this time.	N/A – Construction has commenced.

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Community Park: Interim Interim improvements (baseball and soccer fields, restrooms) or cash payment to City of \$1,000,000. <u>Depends on where City is in design process.</u> Improvement agreement and financial security.	5.9.1 See also 3.2.5		The Community Park was formally dedicated to the City of San Mateo on May 15, 2012. The Dedication was recorded with the County Recorder on that same day.	Owner's Election to Discontinue racing + 2 years (4/1/2012).
Advance Payment of Transportation Mitigation Fees; Consideration for Early Termination. If specified conditions exist, Owner shall advance \$4.6 million in transportation mitigation fees or terminate the Agreement. If terminate then owner must dedicate Delaware right of way. If specified conditions exist and Owner has recorded final map, then \$4.6 million payment is mandatory and Agreement does not terminate.	3.10(a)	6 years from the Effective Date; and 1) if 28 th and 31 st are open to traffic; and 2) City has approved Design Guidelines and applications for First phase; and 3) Grandstand has not been demolished or racing operations have not ceased.	No longer applicable. The 6th anniversary was 12/21/11. 28th and 31st are not open to traffic, the City has approved the Design Guidelines and First phase applications, and racing has ceased and the grandstand has been demolished. Furthermore, infrastructure is approximately 60% complete and vertical builders are preparing to commence construction.	Not applicable.
Improvement Agreement and Security Improvement agreements and Security providing for design, construction and installation of Public Improvements.	5.8.4	Prior to first Final Map	Improvement Agreements have been executed for all Final Maps and Security has been posted.	Completed.
Below Market Rate (BMR) Net acre of land dedication for additional BMR. Owner to decide location within mixed-use block.	5.12(b)	Owner to designate and offer the parcel to City within 6 months after the commencement of construction of the main street section of Delaware.	Completed concurrent with the Nueva School approval.	Completed.
Affordability Covenant Recorded	5.12(b)	Prior to transfer of 1 acre for BMR.	Completed concurrent with the Nueva School approval.	Completed.

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Traffic Calming payment of \$250,000	3.2.8 See also 5.14	Prior to the issuance of the first Building Permit following the 7 th anniversary of the Effective Date.	The City of San Mateo received this payment directly from the issuance of the 2nd CFD bond in January 2013.	First permit after 12/21/12. Completed.
Dedication of 12 acre Community Park (adjacent to Saratoga Ave.) Prior dedication, owner shall construct interim improvements including baseball/soccer fields or \$1 million payment to City, depending on where City is in design process.	3.2.5 See also 5.9.1	Within 2 years of the date of Owner's election to discontinue racing.	The Community Park is current under construction with enhanced interim improvements. Completion of the park is scheduled for February 2013. The park is anticipated to be accepted by the City in Q2 2013.	Owner's Election to Discontinue Racing + 2 yrs (2/1/12). Completed.
Dry Storage Area CC&R's for City maintenance and operation for the Dry Storage Area in Community Park.	5.8.2	At acceptance of Community Park.	The CC&R's will be completed prior to the City's acceptance of the Offer of Dedication which was formally given on May 15, 2012.	Prior to City acceptance of Community Park. Completed.
Green Building Demonstration Project Owner will construct one residential building with a LEED Silver Certification (at least 30 units).	5.18	Within first 400 units developed.	Residential Block 1 has addressed this issue.	Completed.
Maintenance Owner to undertake the maintenance of all landscaping, medians and open space (except for the 15 acres of public parks dedicated to the City which shall be maintained by the City at its expense) through property owner's association or similar entity.	5.9.3	Upon completion of such improvements.	All public right of way has been accepted by City and Owner is maintaining landscaping per this requirement.	Completed and ongoing.