

## EXHIBIT A

### AVALON WALNUT CREEK – USE COVENANT TERM SHEET

The following is a term sheet for the Civic Use Operating Covenant and Agreement ("Covenant"). The Agency intends to purchase this Covenant to reserve space for civic use at the Contra Costa Centre Avalon Walnut Creek Development.

#### Location of Civic Use

Avalon Walnut Creek at Contra Costa Centre. For specific location (the "Space" or "Property"), see Exhibit B.

#### Civic Use Restrictions

- Original Use. The Original Use of the Space shall be as follows: Community Room; Nonprofit Office Property; Go-Library. The duration of Original Use is expected to run for 3-5 years. Contra Costa Centre Association is intended to be the initial tenant of the Nonprofit Office space. In addition, the Community Room shall be available for use without cost or charge by Contra Costa Centre Association, during business hours, throughout the term of its lease of the Nonprofit Office Property. Walden District Improvement Association shall also have access, without cost or charge, to the Community Room on an as-needed reservation basis during business hours, weekends and evening hours. The Partnership shall pay for site preparation and installation but the Agency will provide the Go-Library machine.
- Subsequent Uses: Partnership and Agency will cooperate to identify other Civic Uses, users, and terms of use.
- Definition of Civic Use. Civic Use means a use that has a substantial civic or public component, including but not limited to nonprofit office spaces (provided that such nonprofit furthers public or civic goals), other sustainable or blight reducing civic or public uses, community buildings such meeting halls, libraries, clubhouses, museums, performing art space, bicycle station, and municipal facilities. All uses will be compatible with retail located in first class mixed-use suburban transit-oriented development.
- Nature of Use. Partnership may impose reasonable rules and regulations on users. Agency will review and approve all documents related to the use. The Partnership shall also cause the Property to be operated in compliance and with applicable terms of the Master Lease and the Apartment Ground Sublease. California Redevelopment Law required non-discrimination language will be included in Use Covenant. Partnership to make commercially reasonable efforts to cause the Property to be continuously operated as a Civic Use. The Partnership will not be required to engage a broker or incur out of pocket expenses to locate users. The Partnership and the Agency will mutually cooperate to identify uses and users.

### Purchase Price for Use Covenant

Agency to pay \$98,860 annually. A one time upfront payment (to be paid when space needs to be made ready) of \$132,576 for capital improvements is provided for.

### Transfer

Transfers permitted under Apartment Sublease will be permitted and transferee will expressly assume obligations under the Covenant.

### Termination.

- Agency may terminate the Covenant with thirty (30) days notice if space is not continuously used as a Civic Use.
- Partnership shall repay Agency prorated amount from last payment to reflect early termination.

### Remedies.

- In the event of a default, after notice and opportunity to cure, the non-defaulting party may terminate the covenant (and the user agreements will be subject to termination as well).
- Agency will be entitled to Specific Performance.
- Agency may sue to recover its payments attributable to any period that the Partnership is determined to be in default of its obligations under the Covenant.

### Rights of Lenders

The Covenant will be subject and subordinate to any mortgage. A mortgagee, at its option, may elect to recognize the Covenant; if so, Agency will recognize the mortgagee's rights under the Covenant. If the mortgagee elects to recognize the Covenant, the mortgagee will be liable only during the term of its ownership of the Property.

### Term.

2036, subject to extensions on terms and conditions agreed upon by the parties.

### Assignment by Agency.

Agency may assign its rights and obligations under the Covenant to any public entity. Any assignee must be sufficiently creditworthy to perform Agency's obligations and must assume the Agency's obligations under the Covenant.