



OFFICE OF THE AGENCY DIRECTOR
1000 San Leandro Boulevard, Suite 300
San Leandro, CA 94577
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FAX (510) 351-1367

May 5, 2020

Honorable Board of Supervisors
County of Alameda
1221 Oak Street, Suite 536
Oakland, California 94612-4305

SUBJECT: APPROVE AN EXPANSION LEASE AGREEMENT WITH 1404 FRANKLIN STREET PARTNERS FOR THE HEALTH CARE SERVICES AGENCY AT 1404 FRANKLIN STREET, OAKLAND; MASTER CONTRACT NO. 900881; PROCUREMENT CONTRACT NO. 8273; CONTRACT AMOUNT: \$1,924,331; APPROVE A TRANSFER OF FUNDS FOR FURNISHINGS AND EQUIPMENT FOR THE HEALTH CARE FOR THE HOMELESS PROGRAM AND THE OFFICE OF HOMELESS CARE AND COORDINATION; PROJECT NO. BMP20RPM2020600; AMOUNT: \$789,000

Dear Board Members:

RECOMMENDATIONS:

- A. Approve the Full Service Office Lease Agreement with 1404 Franklin Street Partners, a California Limited Liability Company (Manager: Charles Wall; Location: Walnut Creek), Lessor, to include two suites for Health Care for the Homeless and the Office of Homeless Care and Coordination located at 1404 Franklin Street, Oakland for the 5-year term of 6/1/2020 – 5/31/2025 in the amount of \$1,924,331;
- B. Approve the transfer of \$789,000 from Health Care Services Agency to General Services Agency to pay the one-time project costs for the furniture, cabling and equipment for the Health Care for the Homeless Program and Office of Homeless Care and Coordination office spaces at 1404 Franklin Street, Project No. BMP20RPM2020600;
- C. Award Procurement Contract No. 20078 to Pivot Interiors, Incorporated (Principal: Heather Mondor; Location: Fremont) for the design, purchase and installation of furniture and related services, for the term of 6/1/2020 – 3/31/2021 in the amount of \$638,000; and
- D. Authorize the Auditor-Controller to make the related budget adjustments.

DISCUSSION/SUMMARY:

Under an existing separate lease, the Health Care Services Agency's (HCSA) Healthcare for the Homeless Program (HCHP) and the Trust Health Center have operated at 1404 Franklin Street in Oakland since July 2014. This location is ideal for providing homeless outreach services due to its downtown location and building amenities. The HCSA is looking to expand HCHP and to lease

space for the main office of the Office of Homeless Care and Coordination (OHCC). Working with HCSA, the General Services Agency (GSA) has identified available office space in the facility that currently houses the existing HCHP and Trust Health Center in Oakland. Suite 210 is 2,631 rentable square feet (RSF) and will serve as expansion space for HCHP. Suite 300 is 3,921 RSF and will serve as the OHCC. Together both suites total 6,552 RSF and are offered with full service leases and move-in ready condition at a lease rate of \$4.61 per RSF with annual increases of approximately 3%. Both suites will be leased as-is with no additional tenant improvements anticipated. The lease agreement offers five 2-year options to extend the term in addition to one option to terminate tenancy of Suite 310 without penalty after three years. Options to extend will be based on Fair Market Value but in no case will the extension lease rate be less than 103% of the current lease rate. These options may be exercised at the discretion of the Director of GSA.

Lease terms include the following:

June 1, 2020 through May 31, 2021 Monthly Rent will be:	\$30,204.72
June 1, 2021 through May 31, 2022 Monthly Rent will be:	\$31,110.86
June 1, 2022 through May 31, 2023 Monthly Rent will be:	\$32,044.18
June 1, 2023 through May 31, 2024 Monthly Rent will be:	\$33,005.51
June 1, 2024 through May 31, 2025 Monthly Rent will be:	\$33,995.68

The one-time costs estimated at \$789,000 cover design, purchase and installation of furniture, audio visual equipment, and security card readers needed for the office spaces.

SELECTION CRITERIA/PROCESS:

GSA Procurement maintains a list of pre-qualified vendors to provide furniture and related services. Pivot Interiors, Inc., a certified Small, Local, Emerging Business (Certified Small: 04-90448; Expiration January 31, 2022) and Herman Miller supplier, was selected from that list to provide, design and install the new furniture components consistent with the existing Herman Miller furniture products in the building.

FINANCING:

Funding for the HCHP lease payments of \$13,508 and one-time costs for furnishings and equipment of \$394,500 in FY 2019-20 and lease payments of \$162,477 in FY 2020-21 for Suite 210 are from Mental Health Services Act funds. Funding for the OHCC lease payments of \$20,131 and one-time costs for furnishings and equipment of \$394,500 in FY 2019-20 and lease payments of \$242,140 in FY 2020-21 for Suite 300 are from Tobacco Master Settlement Funds allocated to homelessness.

Appropriations for the lease payments and the one-time furnishings and equipment project costs will be adjusted respectively in the GSA's Building Maintenance Internal Services Fund (GSA BMD ISF) and HCSA FY 2019-20 Budgets per the attached financial recommendation. The lease costs will be charged to HCSA through GSA BMD ISF space charges and will be included in the HCSA FY 2019-20 Budget and are requested in the FY 2020-21 MOE Budget.

There is no increase in net County cost upon your approval of these recommendations.

VISION 2026 GOALS:


The expansion of HCSA services at this facility promotes health and safety compliance and delivers a commitment to meeting the changing needs and interests of employees and Alameda County, meeting the 10X pathways of **Eliminate Homelessness** and provide **Healthcare for All** in support of our shared vision of a **Thriving & Resilient Population**.

Respectfully Submitted,

DocuSigned by:

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Colleen Chawla
Director, Health Care Services Agency

DocuSigned by:

3978B4A6A69D4BB...

Willie A. Hopkins, Jr.
Director, General Services Agency

I:\BOARDLETTERS\REALPROPERTY\LETTERS\BOS.05.12.20.RPM.New Lease 1404 Franklin St HCH OHCC.DOC

cc: County Administrator
Auditor-Controller
County Counsel

FINANCIAL RECOMMENDATION

AGENDA DATE: 05.12.2020

Subject of Board Letter:

APPROVE AN EXPANSION LEASE AGREEMENT FOR HCSA AT 1404 FRANKLIN STREET OAKLAND AMOUNT: \$1,924,331; APPROVE A TRANSFER OF FUNDS FOR THE FURNISHINGS AND EQUIPMENT PROJECT BMP20RPM2020600; \$789,000

BY: 2020

FUND: 31030

The use of Designations, as follows:

NAME OF DESIGNATION	ORG	AMOUNT

The increase (decrease) in anticipated revenue, as follows:

Informational

ORG	ACCT	PROG	PROJ/GR	AMOUNT
410100	441010	00000		\$33,639
	485110	00000		\$789,000
			ORG TOTAL	\$822,639

Informational

ORG	ACCT	PROG	PROJ/GR	AMOUNT
			ORG TOTAL	\$0

GRAND TOTAL ANTICIPATED REVENUE \$822,639

The increase (decrease) in appropriations, as follows:

Informational

ORG	ACCT	PROG	PROJ/GR	AMOUNT
410100	610000	00000		\$822,639
			ORG TOTAL	\$822,639

Informational

ORG	ACCT	PROG	PROJ/GR	AMOUNT
			ORG TOTAL	\$0

GRAND TOTAL APPROPRIATION \$822,639

FINANCIAL RECOMMENDATION

AGENDA DATE: 05.12.2020

Subject of Board Letter:

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 APPROVE A TRANSFER OF FUNDS FOR THE FURNISHINGS AND EQUIPMENT PROJECT BMP20RPM2020600; \$789,000

BY: 2020

FUND: 10000

The use of Designations, as follows:

NAME OF DESIGNATION	ORG	AMOUNT

The increase (decrease) in anticipated revenue, as follows:

<i>Informational</i>				
ORG	ACCT	PROG	PROJ/GR	AMOUNT
350100	660011	00000	HCH-MHSA	\$408,008
	479993	00000	OHCC-TMSF	\$414,631
			ORG TOTAL	\$822,639

<i>Informational</i>				
ORG	ACCT	PROG	PROJ/GR	AMOUNT
			ORG TOTAL	\$0

GRAND TOTAL ANTICIPATED REVENUE \$822,639

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<i>Informational</i>				
ORG	ACCT	PROG	PROJ/GR	AMOUNT
350100	630051	00000	HCH-OHCC	\$33,639
	670011	00000	HCH-OHCC	\$789,000
			ORG TOTAL	\$822,639

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ORG	ACCT	PROG	PROJ/GR	AMOUNT
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BY: 2020

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	670011	00000		\$789,000
ORG TOTAL				\$822,639

<i>Informational</i>				
ORG	ACCT	PROG	PROJ/GR	AMOUNT
ORG TOTAL				\$0

GRAND TOTAL APPROPRIATION \$822,639

THE FOREGOING was **PASSED** and **ADOPTED** by a majority vote of the Alameda County Board of Supervisors this **12th** day of **May, 2020**, to wit:

AYES: Supervisors Carson, Haggerty, Chan, Miley & President Valle – **5**

NOES: None

EXCUSED: None



PRESIDENT, BOARD OF SUPERVISORS

File No: 30465

Agenda No: 24

Document No: R-2020-184F



I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Supervisors, Alameda County, State of California

ATTEST:
Clerk, Board of Supervisors

By: 
Deputy

**COUNTY FORM LEASE
COUNTY OF ALAMEDA
FULL SERVICE OFFICE LEASE**

This Lease is made by **1404 Franklin Street Partners, LLC, a Limited Liability company, LLC. (Tax ID 68-0453590)** (“Lessor”) and the County of Alameda (“County”) who agree as follows:

PART ONE

Fundamental Lease Provisions

The fundamental provisions of this Lease are:

1. Lease Execution Date: _____ (by Board of Supervisors)
2. Lessor: **1404 Franklin Street Partners, LLC, a Limited Liability company, LLC.**
County: County of Alameda, a political subdivision of the State of California
3. Premises: Suite 210, and Suite 300 located at 1404 Franklin Street, Oakland, CA totaling of approximately 2631 ± (Suite 210) and approximately 3921 (Suite 300) Rentable Square Feet, as shown on Exhibits “A-1” and “A-2”. These Premises are located on Assessor’s Parcel Number (APN) 8-624-41
4. Term:
 - a. Duration of Term: Five (5) Years (60 calendar months)
 - b. Commencement Date of the Term: June 1, 2020,
 - c. “County shall have the one time right to terminate a portion of the premises, Suite 300- at month 36, by giving Lessor written notice of its intent to reduce space no less than 180 days prior to month 36 of the initial Lease term.
5. Full Service Monthly Rent Schedule:
 - a. The Monthly Rent is based on a starting rent of \$4.61 per Rentable Square Foot per month for 12 months commencing upon execution. The Full-Service Monthly Rent is computed as follows: \$4.61 per square foot times (Suite 210) 2,631 square feet + (Suite 300) 3,921 square feet equaling 6,552 total Rentable Square Feet.

June 1, 2020 through May 31, 2021 Monthly Rent will be:	\$30,204.72
June 1, 2021 through May 31, 2022 Monthly Rent will be:	\$31,110.86

April 30, 2020

June 1, 2022 through May 31, 2023 Monthly Rent will be:	\$32,044.18
June 1, 2023 through May 31, 2024 Monthly Rent will be:	\$33,005.51
June 1, 2024 through May 31, 2025 Monthly Rent will be:	\$33,995.68

b. Increase in Operating Expenses for Insurance, Utilities and Taxes: County agrees to pay a pro-rated share of any increase in operating expenses (insurance, water, electricity, and property taxes, not including any increase as a result of transfer of any ownership interest in the property.). The pro-rata share is based on a full occupancy rate of the Property, regardless of actual rate of occupancy. Any increase will be determined from base year 2020 and will commence on January 1, 2021, and each year thereafter throughout the lease term.

- 6. Permitted Use: Office, administrative, meeting space ONLY (client served contact limited to the other separately rented space on the first floor) for the Alameda County, or any other County of Alameda office, administrative, meeting or public service space as may be substituted during the Term.
- 7.
 - a. Extension Option: Five, Two -year options (24 calendar months each)
 - b. Early Termination Option: Suite 300 may be terminated at Lease Month 36.
 - c. Extension Option Notice Period Expiration: 90 days before the expiration of the Term.
 - d. Early Termination Option Notice Period: 180 days before month 36 of the Lease
 - e. Extension Term(s) Full Service Monthly Rent: The then Fair Market Rental Rate defined in Part Two, Paragraph 6.B., the Lease Provisions, but in no event less than 103% of the previous year's rent.

8. Addresses for Notices and Payment of Rent:

To County:	To Lessor:
Real Property Manager	1404 Franklin Street Partners. LLC
General Services Agency	ATTN: Charles A. Wall (MGR.)
1401 Lakeside Drive, 6th Floor.	1777 Oakland Boulevard Suite 300
Oakland, CA 94612	Walnut Creek, California 94596

9. Exhibits and Other Attachments: The following exhibits and other attachments are attached to this Lease and made a part of this Lease for all purposes.

- Exhibit "A" – Premises, Space and Tenant Furniture Plans
- Exhibit "B" – Work Letter - N/A



 Apr 1 30, 2020

Exhibit "C" – Insurance Requirements

Exhibit "E" -- Subordination Agreement

10. Parking: The Building has no parking
11. Signage: Lessor will provide directory signage. County to provide exact wording for signage in writing, following execution of this Lease.
12. Definitions:
 - a. Building. The term "Building" in this Lease refers to the building in which the Premises are located, as described in Paragraph 3 of these Fundamental Lease Provisions.
 - b. Real Property. "Real Property" or "Property" means the Building, the areas servicing the Building and the land on which the Building and those areas are located (as shown on the site plan attached to this Lease in Exhibit "A-1").

Each reference in this Lease to any provision in the Fundamental Lease Provisions shall be construed to incorporate all the terms provided under such Fundamental Lease Provisions. In the event of any conflict between a provision in the Fundamental Lease Provisions and a provision in the balance of the Lease, the latter shall control.

April 30, 2020

Table of Contents

1.	PREMISES.....	1
2.	TERM.....	1
3.	TENANT IMPROVEMENTS.....	1
5.	RENT.....	2
6.	OPTION TO EXTEND TERM.....	4
7.	SERVICES, UTILITIES, MAINTENANCE: GENERAL.....	6
8.	FORCE MAJEURE.....	6
9.	SERVICES, UTILITIES, MAINTENANCE AND REPAIRS.....	7
10.	ALTERATIONS AND CHANGE ORDERS DURING THE TERM.....	10
11.	FAILURE IN PERFORMANCE.....	12
12.	ASSIGNMENT AND SUBLETTING.....	13
13.	HOLD OVER.....	13
14.	ENTRY.....	13
15.	INDEMNITY.....	14
16.	INSURANCE AND WAIVER OF SUBROGATION.....	14
17.	SELF-INSURANCE BY COUNTY.....	15
18.	FIRE AND CASUALTY DAMAGE.....	15
19.	INTERRUPTION OF SERVICE:.....	16
20.	MUTUALITY OF OBLIGATION.....	17
21.	LESSOR DEFAULT: COUNTY'S REMEDIES.....	17
22.	HEADINGS.....	18
23.	SEVERABILITY.....	18
24.	NON-DISCRIMINATION.....	18
25.	NO WAIVER.....	18
26.	CONDEMNATION.....	19
27.	RECORDATION AND FILING.....	19
28.	COUNTY DEFAULT.....	19
29.	COUNTY'S RIGHT TO CURE DEFAULT.....	20
30.	LESSOR REMEDIES UPON COUNTY DEFAULT.....	20
31.	LESSOR'S RIGHT TO CURE COUNTY DEFAULT.....	20
32.	SALE OF BUILDING.....	21
33.	SURVIVAL.....	21
34.	SUCCESSORS BOUND.....	21
35.	WAIVER OF CALIFORNIA CODE PROVISIONS.....	21
36.	MORTGAGE PROTECTION.....	21

37.	ASSIGNMENT OF CLAIMS.....	21
38.	STATE OF TITLE; SUBORDINATION AND ATTORNMENT	22
39.	QUIET ENJOYMENT BY COUNTY.....	23
40.	TIME OF THE ESSENCE.	23
41.	ENTIRE AGREEMENT.	23
42.	SIGNS.....	24
43.	NOTICES.....	24
44.	LESSOR COMPLIANCE WITH ENVIRONMENTAL LAWS	25
45.	COMPLIANCE WITH APPLICABLE LAW.....	26
46.	PARKING.....	26
47.	STATEMENT OF LEASE	26

Exhibit “A” – Premises, Space and Tenant Furniture Plan

Exhibit “B” – Work Letter (intentionally omitted)

Exhibit “C” – Insurance Requirements

Exhibit “E” -- Subordination Agreement

PART TWO

Lease Provisions:

1. PREMISES.

- A. Lessor leases to County, and County leases from Lessor, the real property described in Paragraph 3 of the Fundamental Lease Provisions and delineated in Exhibits "A-1", "A-2" and "A-3" (the "Premises"). County shall have access to the Premises twenty-four (24) hours a day three hundred sixty-five (365) days a year.
- B. During the term of this Lease, County, without additional charge unless otherwise expressly provided herein, is entitled to all of the rights and appurtenances set forth in this Lease, including, but not limited to: (a) the exclusive rights of ingress and egress to and from the Premises by the main entrances of the Building at all times for County and County's contractors, agents, employees, invitees, clients and other persons transacting business with County; (b) the reasonable, non-exclusive right to use the public or common entrances, lobbies, corridors, hallways, driveways, foot-ways, passage-ways, elevators, fire escapes, stairs, restrooms, auditoriums, meeting rooms, trash rooms, loading docks and other public or common facilities in or about the Building; (c) the right to maintain and use existing access to and from the Premises through hallways, corridors, stairs, elevators and fire escapes whether from reception rooms or by private office doors.

2. TERM.

The terms and provisions of this Lease shall be effective between Lessor and County as of the Lease Execution Date described in Paragraph 1 of the Fundamental Lease Provisions. The Term of this Lease shall be for the period stated in Paragraph 4.(a.) of the Fundamental Lease Provisions commencing on the Commencement Date and expiring on the Expiration Date, subject to renewal or termination rights as hereinafter set forth.

3. TENANT IMPROVEMENTS.

- A. Lessor is leasing the premises in as-is condition as detailed on Exhibits "A-2" and "A-3" which includes new paint and carpet throughout the Premises.
- B. Occupancy of the leased Premises by the County shall not relieve Lessor in any respect from full compliance at all times with aforesaid Exhibits "A-2" and "A-3". It is further understood and

agreed that any installation not in conformity with said Exhibit "A-2" and "A-3" shall be immediately corrected by the Lessor at Lessor's sole cost and expense. In the event Lessor shall, after notice in writing from the County requiring the Lessor to comply with the requirements of this paragraph in regard to a specified condition, fail, refuse or neglect to remedy such condition, County may terminate this Lease without further obligation, or as to such specified condition, at its option and in addition to any other remedy the County may have, withhold Rent due and bring the leased Premises into conformity with said Exhibits at its own cost including County's administrative costs, if any, and deduct the amount thereof from the Rent that may then be or thereafter become due hereunder.

- C. In addition to any painting completed prior to the Commencement Date of Term of this Lease, and touch-up painting required after initial occupancy upon receipt of written request from the County, Lessor agrees at Tenant's sole cost and expense to repaint all painted interior surfaces of the Premises. In no event shall Lessor be required to repaint more than once during the first sixty (60) month period of this Lease after the painting completed prior to the Commencement Date, and once during any succeeding sixty (60) month period. Lessor shall, within forty-five (45) days from the giving of any such notice, arrange for and complete the painting. Colors are to be approved by the County. Lessor, at Tenant's sole cost, shall arrange for moving of furniture and equipment prior to and subsequent to the repainting, and provide drop cloths, and covers as necessary.
- D. Upon Tenant's completed furniture installation, as shown in Exhibits A-4 and A-5, Landlord, at their sole cost and expense, shall provide electrical connection of the furniture to the building power.
- E. All work in performance of this Lease must be done by skilled workers or mechanics and be acceptable to County.

5. RENT.

- A. Monthly Rent. County shall pay Monthly Rent as set forth in Paragraph 5 of the Fundamental Lease Provisions ("Monthly Rent") commencing with the Commencement Date. County shall pay the Monthly Rent in arrears for each calendar month during which County has had possession of the Premises as provided in this Lease. The term "in arrears" shall be construed to mean Monthly Rent will be paid no later than the 15th day of the month subsequent to the month for which rent is due. If the Commencement Date or the

date of expiration of the Term of this Lease occurs on a day other than the first or last day of a calendar month, the Monthly Rent shall be prorated as the number of lease days in the month bears to the total number of days in the month. The term "Rent" and "Rental" as used in this Lease shall be deemed to mean Monthly Rental.

B. Monthly Rent includes:

- (1) All labor, materials, equipment, design fees, professional fees, permit fees, inspection fees, construction costs and services and all other similar costs and expenses related thereto or necessitated thereby in association with making and constructing the Premises, Building, common areas, parking garage and lot, and related facilities ready for occupancy in accordance with the requirements of this Lease and the County improvements described in Exhibits "A-2" and "A-3".
- (2) Operating and maintenance costs relating to the Building, common areas, Property and leased Premises. This includes, but is not limited to, costs for property taxes, special assessment taxes, rental taxes, insurance, janitorial services, supplies, materials, maintenance, repairs, replacements, trash removal, landscaping, water, sewer charges, heating, electricity and/or gas to the Building to operate Building systems and common areas, electricity and gas to the Premises, security service, HVAC maintenance, parking lot maintenance and repair, property management fee, administrative costs, other services which may be provided to other tenant in the Building, or typically provided to other tenants in the Building, or typically provided to tenants in a similar building, and all other costs related to maintaining the leased Premises and common areas in tenantable condition.
- (3) Limited Payment of Increase in Specific Operating Expenses:
The County agrees to pay a prorated share of the increase of certain expenses, as set forth in Paragraph 5. (b), of Part I Fundamental Lease Provisions. The prorated share or expenses shall be based on full occupancy of the Property regardless of actual occupancy. The operating expenses that shall be included and calculated are maintenance, insurance, janitorial, water, electricity and property taxes, management as outlined in Paragraph 5 (b) of Part I. No increase in property taxes as the result of any change of ownership shall be included in the calculations or considered in determination of County's prorated share. No increase due to a

change in the type of insurance coverage, increase above normal business practices, or in excess of the actual value of the Property shall be included in the calculations or considered in determination of the County's prorated share. The prorated share shall be based on increases from the base year of 2020. The County shall have the right to examine the books, accounting and actual billings and payments related to operating expenses, (water, electricity, insurance, janitorial and property tax costs) from 2020 forward.

6. OPTION TO EXTEND TERM.

- A. County shall have the option to extend the term stated in Paragraph 7.(a) of the Fundamental Lease Provisions ("Extension Option"). If County wishes to exercise the Extension Option, the County shall deliver written notice ("Option Notice") to Lessor before the Option Notice Period Expiration stated in Paragraph 7(b) of the Fundamental Lease Provisions of County's intent to extend the Lease for such additional period ("Extension Term"). Within 90 days after the commencement of the Extension Term, Landlord at Tenant's sole cost, shall repaint the Premises and replace all floor coverings during non-business hours and provide other minor improvements customary as if the County were first occupying the Premises. Lessor, at Tenant's sole cost, shall arrange for moving of furniture and equipment prior to and subsequent to the repainting, and provide drop cloths, and covers as necessary to facilitate the work during non-business hours.
- B. Extension Term Rent: The Extension Term Rent is that specified in Paragraph 7.(c.) of the Fundamental Lease Provisions. The determination of the then fair-market rental rate ("Fair Market Rental Rate") shall take explicitly into consideration the following factors affecting the comparability of transactions: (1) The rental rate and inducements for comparable transactions executed no more than six months prior to 180 days before the expiration of this Lease; (2) Location of comparable transactions; (3) Size of leased space; (4) Length of lease term; (5) Options to extend and economic arrangements as to those options; (6) Terms of rent adjustments during the term; (7) Free rent or other rental inducements and other concessions, including the tenant improvement allowance, and other cash payments; (8) Extent and usefulness of tenant improvements and quality of construction; (9) Permitted uses of the space; (10) Whether the other tenant obtained an equity position in the building

as part of the lease; (11) Services provided; (12) Whether or not the lease resulted from an exercise of expansion option or an option to renew; (13) Signage and building naming rights; (14) Brokerage commissions; and (15) Creditworthiness of tenant compared to County. Any non-standard office uses or other special use of the Premises specific to the County, together with the “value” or cost attributable to the existing tenant improvements unique to the County shall be disregarded and only typical tenant improvements for comparable buildings located in the market area shall be considered in the determination of the Fair Market Rental Rate. If there is a preponderance of subleasing comparable in the market, then the subleases rates and terms shall be included in the determination of the Fair Market Rental Rate.

- 1). If the County provides the Option Notice greater than 60 days before the Option Notice Period, then the procedure described in the Paragraph 6.B.1 shall not commence until that date that is 60 days prior to the Option Notice Period Expiration. If County provides notice within 60 days of the Option Notice Period Expiration up to the Option Notice Period Expiration, then upon County providing Lessor with the Option Notice, both parties shall meet to determine the then Fair Market Rental Rate under the terms above. If County and Lessor fail to reach agreement within ten (10) business days following the Option Notice, then each party shall make a separate determination of the Fair Market Rental Rate for the Extension Term Rent within ten (10) business days, and such determinations shall be submitted to arbitration in accordance with Paragraphs 6.B. (2) through 6.B.(8) below.
- 2). County and Lessor shall each appoint one arbitrator who shall be a real estate appraiser who shall have been active over the five (5) year period ending on the date of such appointment in the appraising of commercial office leases and buildings in the Alameda County Metro area. Each such arbitrator shall be appointed within 15 days after both parties fail to reach agreement on the Extension Term Rent as specified in Paragraph 6.B.(1) above.
- 3). The two (2) arbitrators so appointed shall within 10 days of the date of the appointment of the last appointed arbitrator agree upon and appoint a third

arbitrator who shall be qualified under the same criteria set forth hereinabove for qualification of the initial two (2) arbitrators.

- 4). The three (3) arbitrators shall within 30 days of the appointment of the third arbitrator reach a decision as to whether the parties shall use Lessor's or County's submitted Extension Term Rent and shall notify Lessor and County thereof.
- 5). The decision of the majority of the three (3) arbitrators shall be binding upon Lessor and County.
- 6). If either party fails to appoint an arbitrator within the applicable time frames above, then the arbitrator appointed by one of them shall reach a decision, notify both parties thereof, and such arbitrator's decision shall be binding upon Lessor and County.
- 7). If the two (2) arbitrators fail to agree upon and appoint a third arbitrator, or if both parties fail to appoint an arbitrator, then the appointment of the third arbitrator or any arbitrator shall be selected by a judge of the Alameda County Superior Court from an approved list of qualified MAI appraisers or nationally recognized valuation firms, but subject to the instructions set forth in this Paragraph 6 .B.
- 8). The cost of the arbitration shall be paid by Lessor and County equally.

7. SERVICES, UTILITIES, MAINTENANCE: GENERAL.

- A. As part of the Full Service Monthly Rent, the County shall have access to the Premises at all times without additional payment, including the use, during other than normal hours, of necessary services and utilities such as elevators and freight elevators, toilets, lights, and electric power.
- B. As part of the Full Service Monthly Rent, Lessor shall provide services, utilities, maintenance and repairs described in Paragraph 9 (Services, Utilities, Maintenance and Repairs) below. The Lessor shall have a building superintendent or a locally designated representative available to manage and coordinate services, and to promptly correct deficiencies.

8. FORCE MAJEURE.

Any prevention, delay or stoppage due to acts of God, war, judicial orders, civil commotion, and other causes beyond the reasonable control of either party obligated to perform, shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage.

9. SERVICES, UTILITIES, MAINTENANCE AND REPAIRS.

A. Lessor, at Lessor's sole cost and expense, during the Term and any extensions of this Lease shall furnish the following services, utilities, and supplies to the Premises, and also to the "common" building areas (if any) such as lobbies, elevators, stairways, corridors, etc., which County shares with other tenants, if any:

1. Sewer, trash disposal, and water service, including both hot and cold water to the restrooms.
2. Elevator (if any) service.
3. The meters provided by the local utility to furnish water electricity and/or gas as necessary to provide power for water, heating, ventilating, and air conditioning and electrical or gas service as needed for County's operations.
4. Janitorial services sufficient to maintain the interior in a clean well-maintained condition; that is, to eliminate all visible dust, dirt, litter, grime, stains, smears, finger marks, etc., to the greatest practical degree possible, by performing at least the following:

Daily:

- (1) Empty and clean all trash containers, and dispose of all trash and rubbish.
- (2) Clean and maintain in a sanitary and odor-free condition all floors, wash mirrors, basins, toilet bowls, and urinals.
- (3) Furnish and replenish all toilet room supplies (including soap, towels, seat covers, toilet tissue, and sanitary napkins).
- (4) Sweep or dust mop all hard surface floors, and carpet sweep (or vacuum) all high-traffic carpeted areas, including stairways and halls. Offices or breakrooms with hard surface floors and the public lobby area shall be damp-mopped daily.
- (5) Remove finger marks and smudges from all glass entrance doors.
- (6) Specifically check, and if action is needed, then:
 - a. Dust the tops of all furniture, counters, cabinets, and windowsills, (which are free of interfering objects).
 - b. Remove spots and/or spills from the carpets, floors, and stairways.

As needed, but not less frequently than twice Weekly:

- (1) Damp mop all hard surface floors.
- (2) Dust all window blinds.
- (3) Treat stainless steel fountains and sinks to eliminate stains and mineral deposits.

- (4) Spot clean the walls.
- (5) Sweep parking areas and sidewalks.
- (6) Vacuum all carpets.

Quarterly:

- (1) Strip all hard surface floors and apply a new coat of floor finish if prescribed by manufacturer; buff as necessary to produce a uniformly shining appearance.
- (2) Treat carpets for static electricity control (if not integrated in the fabric).

Semi-annually: Wash all windows, window blinds, light fixtures, walls, and painted surfaces.

Annually:

- (1) Steam clean carpets to remove all stains and spots.
 - (2) Clean drapes.
5. Lessor shall keep exterior walls, doors, windows, walkways, and entrances free from graffiti, litter, trash, and other nuisances.

In the event of failure by the Lessor to furnish any of the above services or supplies in a satisfactory manner, the County may furnish the same at its own cost; and, in addition to any other remedy the County may have, may deduct the amount thereof, including County's Administrative costs, from the Rent that may then be, or thereafter become due hereunder

B. Lessor shall at its sole cost maintain the Premises, the Building and Property, and common areas, including building systems (including all safety systems) and all equipment, fixtures and appurtenances furnished by Lessor under this Lease, in good repair and tenantable condition, in a manner acceptable to County, in conformance with all regulations including but not limited to the California Code of Regulations, Title 8 (Division of Industrial Relations), and consistent with any applicable industry building standards so as to minimize breakdowns and reasonably preventable or recurring disruption loss of the County's use of the Premises caused by deferred or inadequate maintenance, as is required for the County's access to, occupancy, possession, use and enjoyment of the Premises as provided in this Lease including but not limited to the following items:

- (1) Generally maintaining the Premises in good, vermin free, operating condition and appearance.
- (2) Furnishing prompt, good quality repair of the Building, equipment, and appurtenances.

- (3) Furnishing inspections as required by law and preventative maintenance, including, but not limited to, manufacturers recommended servicing of equipment such as elevator (if any), heating, ventilating and air conditioning equipment, boilers, and fixtures.
 - (4) Furnishing and promptly replacing any inoperative light bulbs, fluorescent tubes, ballasts, starters, and filters for the heating, ventilating and air conditioning equipment as required.
 - (5) Furnishing remedial painting as necessary to maintain the Premises in a neat, clean and orderly condition.
 - (6) Annual testing and maintenance of all fire extinguishers in or adjacent to the Premises.
 - (7) Repairing and replacing as necessary interbuilding network telephone cable to the Building minimum point of entry.
 - (8) Repairing and replacing parking lot bumpers and paving as necessary. Repaint directional arrows, striping, etc., as necessary.
 - (9) Maintaining landscaped areas, including sprinklers, drainage, etc., on a weekly basis, in a growing, litter-free, weed free, and neatly mowed and/or trimmed condition.
 - (10) Repairing and replacing floor covering as necessary. Lessor, at Lessor's sole cost, shall arrange for moving of furniture and equipment prior and subsequent to the repairing or replacement of floor covering.
 - (11) Keeping all walkways, parking lots, entrances, and auxiliary areas free of standing water, oil spills, debris, or other materials, which may be hazardous to users of the building.
- C. Lessor shall provide prompt repair or correction for any damage or injury to the Premises caused by the acts or omissions of Lessor or its employees or agents and/or caused by Lessor's breach of its obligations under the Lease.
- D. County shall repair any damage or injury to the Premises caused by the acts or omissions of County or its employees or agents and/or caused by County's breach of its obligations under this Lease.
- E. Except in emergency situations, the Lessor shall give not less than five (5) business days prior notice (including phone numbers and a contact to call with any questions or concerns) to County, in the event of any pest control, painting, remodeling, renovation, repair, carpet installation, or other work ("Non-emergency Work") affecting the Premises or common areas

of the Building or Property, including but not limited to any Non-emergency Work that generates dust, fumes, mists, vapors, gases or other odors. Lessor shall provide to County at the time of the prior notice copies of all Material Safety Data Sheets for all materials to be used in the Non-emergency Work. Lessor shall ensure the affected areas are properly ventilated and the proper signs, barriers, or work area notices are properly installed. In case of emergency situation requiring immediate attention, Lessor shall respond to the emergency as appropriate for the situation, shall timely notify County of such emergency situation and after the appropriate response to the situation, have available copies of all Material Safety Data Sheets for all materials used.

- F. Lessor shall maintain Building and Premises at all times in conformity with the Americans with Disabilities Act (ADA) – Building Access, and all later enacted amendments thereof, and shall be responsible for all repairs, alterations and/or maintenance of Building and Premises under said laws. Lessor shall indemnify, defend and hold harmless County, its officers, agents and employees from all claims, liability, damages, or penalties (including costs of investigation and attorneys fees) arising out of Lessor’s failure, or alleged failure, to meet its obligations as described herein this Paragraph 9 (F).

10. ALTERATIONS AND CHANGE ORDERS DURING THE TERM.

- A. County shall have the right to furnish and install such voice and data cabling, counters, shelves, signs, furniture, fixtures or other equipment necessary, erect additions or modify the space (“Alterations and Improvements”) to fulfill the stated use of the Premises by County, as in the judgment of County may be appropriate, and all such Alterations and Improvements that may be required by County shall be done at the cost, charge, and expense of County, and shall comply with all applicable codes and regulations. All such Alterations and Improvements placed therein by County shall remain the property of County and may be removed therefrom by County upon the expiration of this Lease or any extension thereof or any sooner termination thereof, at the sole discretion of County.
- B. County shall have the right to install, or to cause a carrier, vendor, or other operator selected by County to install wire, cable, conduit, antenna, satellite dish, or other facility or equipment for use in connection with any telephone, television, telecommunications, computer, internet, or other equipment (which systems, services, and equipment are referred to collectively as

“Telecommunications Equipment”) in, on, or about the Premises, the Building and its roof, and the Property. In the event County installs Telecommunications Equipment, County shall do so at its sole cost and expense, and County shall obtain, at its sole cost and expense, any and all permits, authorizations, and certificates from all governmental agencies, including, without limitation, such zoning variances or changes as may be required with respect to such Telecommunications Equipment (provided that Lessor agrees to reasonably cooperate with County to obtain same if required by applicable governmental agencies). County’s right to install Telecommunications Equipment is subject to the following: (i.) The installation shall be performed by a licensed contractor who is experienced in the installation of such equipment; and (ii) County shall be responsible for all costs of repairs and improvements, including, without limitation, any patching or strengthening of the roof of the Building, which may be necessary on account of, or be necessary for, the installation of the Telecommunications Equipment. Lessor shall not require that all Telecommunications Equipment be provided by one or more designated carriers, vendors, or operators, provided that Lessor shall have the right to require that the installation, maintenance, operation, alteration, repair, or replacement of Telecommunications Equipment by multiple carriers, vendors, or other operators, be coordinated as reasonably necessary for the orderly and efficient management and operation of the Building.

- C. In the event County desires Alterations and Improvements or Telecommunications Equipment and County elects not to perform the work, any such work, when authorized in writing by County shall be performed by the Lessor in accordance with plans and specifications provided by County. Lessor agrees to obtain competitive bids from at least three licensed contractors and contract with the lowest bidder meeting the specifications and County’s approval. Lessor further agrees that the overhead and profit for the work shall not exceed twelve percent (12%) total for Lessor and any general contractor combined. Within thirty (30) days after receiving Lessor’s notice of completion of the requested work and an invoice requesting payment therefor, together with a complete detailed accounting of all costs for each trade, County agrees to either reimburse Lessor by a single total payment for the cost of such work; or, with Lessor’s prior written approval, County will amortize the cost of the requested work over the remaining Term of the Lease by increasing the monthly Rent by an amount to include the principal and interest on the unpaid balance. The interest rate may not exceed the prime rate (the base rate on corporate loans posted by at least seventy-five percent (75%) of the nation’s 30 largest banks) plus ten percent (10%) as of the date of the County’s written

authorization to proceed. In the event of an early termination of the Lease prior to the expiration of the Term, County agrees to pay Lessor the portion of the principal balance which is unamortized as of the effective date of the termination. Said payment shall be a single payment to be made within forty-five days after the effective date of termination.

11. FAILURE IN PERFORMANCE.

The covenant to pay rent and the covenant to provide any service, supply, utility, maintenance, or repair required under this Lease are interdependent. In the event of any failure by Lessor to provide any service, supply, utility, maintenance, repair or replacements required under this Lease which in any manner affects County's use, enjoyment, and occupancy of the Premises, County shall provide Lessor with a written notice specifying the nature of failure. The notice shall specify a reasonable time frame for Lessor to remedy said failure. However, if the failure persists past the time allowed within the written notice, or if Lessor refuses, fails or neglects to comply with such notice, or in the event of an emergency constituting a hazard to the health or safety hazard, the County may by contract or otherwise, perform the required work or service at its own cost and in addition to any other remedy the County may have, deduct from any payment or payments under this Lease, then or thereafter due, the resulting cost to the County, including all administrative costs. If the County elects to perform any such requirement, the County and each of its contractors shall be entitled to access to any and all areas of the Building, access to which is necessary to perform any such requirement, and the Lessor shall afford and facilitate such access. Alternatively, the County may deduct from any payments under this Lease, then or thereafter due, an amount that reflects the reduced value of the contract requirement not performed. No deduction from Rent pursuant to this clause shall constitute a default by the County under this Lease. In each such event of failure as specified in County's written notice to Lessor, if County elects to proceed with the remedies of a deduction from Rent or any other payments due under this Lease, as provided in this Paragraph 11, such single failure shall not constitute a default by Lessor under Paragraph 21.A. but repeated failures by Lessor may constitute a default under Paragraph 21.A. even if County has proceeded to perform the required work or service or made the deductions permitted by this Paragraph 11. These remedies are not exclusive and are in addition to any other remedies, which may be available under this Lease or at law.

12. ASSIGNMENT AND SUBLETTING.

County shall not assign this Lease, or any interest therein, and shall not sublet the Premises, or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person (the agents, servants, business visitors, and other municipal, community-based, and/or governmental organizations working with County excepted) to occupy or use the Premises, or any portion thereof without the written consent of Lessor first had and obtained, and a consent to one assignment, subletting, occupation, or use by any other person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation, or use by another person. Any such assignment or subletting without such consent shall be void, and shall, at the option of Lessor, terminate this Lease. Lessor shall not unreasonably deny County's request to sublet all or a portion of the Premises or assign this Lease. Notwithstanding the foregoing, Lessor acknowledges that County may, at any time and from time to time, substitute any County agency or agencies for the County agency or agencies, for the actual agency that occupies the Premises under this Lease, and that which substitution of County agency(ies) shall not be construed as an assignment or subletting, and shall not require Lessor's consent, but each Agency shall be bound by the terms of this Lease.

13. HOLD OVER.

County shall have the right to holdover the Premises. Should County hold over the Premises after this Lease has terminated in any manner, such holding over shall be deemed merely a tenancy from month to month and at the then Rent specified in Paragraph 5 of the Fundamental Lease Provisions for a full service lease occupancy ("Holdover Rent"), but otherwise on the same terms and conditions as herein provided. If such Holdover persists for more than 30 days, past the expiration of the term or any extension thereof, then the rent will increase to 150% of the then current rent.

14. ENTRY.

Lessor, or its duly authorized representatives or agents, may enter upon the Premises upon two (2) days written notice during the term of this Lease for the purpose of determining whether County is complying with the terms and conditions hereof, or for any other purpose incidental to the rights of the Lessor. In case of emergency only may Lessor or its agents enter Premises without prior consent. Lessor may not enter room(s) in the Premises designated by County as confidential. County shall have a separate key to those designated confidential room(s), and shall not be required to provide Lessor a copy of such key until the Lease terminates.

15. INDEMNITY.

County hereby agrees to defend, indemnify, protect and hold harmless Lessor from and against any and all damages, loss claim, cause of action, liability and expense (including reasonable attorneys' fees) to the extent such arise out of County's negligent acts or omissions or willful misconduct occurring in connection with this Lease. Lessor hereby agrees to defend, indemnify, protect and hold harmless County, its offices, employees and agents from and against any and all damage, loss, claim, cause of action, liability and expense (including reasonable attorneys' fees) to the extent such arise out of the negligent acts, omissions or willful misconduct of Lessor or its employees, subcontractors or agents, occurring in connection with this Lease.

16. INSURANCE AND WAIVER OF SUBROGATION.

- A. Lessor shall maintain commercial general liability insurance and Workers' Compensation insurance in accordance with Exhibit C.
- B. Lessor shall procure and maintain in full force and effect during the term of this Lease, fire and normal extended coverage insurance for one hundred percent (100%) of the full replacement cost of the Premises and County improvements. If the coverage is available and commercially appropriate, such policy or policies shall insure additional costs resulting from debris removal and reasonable amounts of coverage for the enforcement of any ordinance or law regulating the reconstruction or replacement of any undamaged sections of the Premises required to be demolished or removed by reason of the enforcement of any building, zoning, safety, or land use laws as the result of a covered cause of loss, but not including plate glass insurance. Said policy or policies shall contain agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor reflecting local cost changes for reconstruction of Premises.

Both parties agree to waive any claim against the other for losses to the extent paid under said insurance and said insurance shall contain a waiver of subrogation. If Lessor's insurance covers more than one property, Lessor shall provide County with a letter from Lessor's insurance broker/carrier setting forth the coverage of the Building. Lessor shall provide County with a Certificate of Insurance covering said insurance, which shall provide County

with thirty (30) days' advance written notice of cancellation, non-renewal or reduction in the amount of coverage, and mail said certificate to:

Real Property Manager
Alameda County General Services Agency
1401 Lakeside Drive. 10th Floor
Oakland, CA 94612

17. SELF-INSURANCE BY COUNTY.

For the term of this Lease County shall self-insure or maintain, at its own expense, comprehensive general liability insurance in an amount not less than ONE MILLION DOLLARS (\$1,000,000) combined single and aggregate limits for both bodily injury and property damage, personal injury, completed operations and products liability. County insures County's personal property located on or in the Premises.

18. FIRE AND CASUALTY DAMAGE.

- A. If the entire Premises or Building are destroyed by fire or other casualty and repairs cannot reasonably be completed within 60 (sixty) days, this Lease will immediately terminate. "Casualty" shall include but not be limited to, damage caused by fire, flood, inclement weather, acts of God, war, terrorism or bioterrorism or any other means outside the reasonable control of the parties.
- B. In case of partial destruction or damage to the Building, so as to render the Premises untenable or affecting the occupancy, use and quiet enjoyment of the Premises as determined by the County and repairs cannot reasonably be completed within 60 (sixty) days, the County may terminate the Lease by giving written notice to the Lessor within 45 (forty-five) calendar days of the fire or other casualty; if so terminated, no Rent will accrue to the Lessor after such partial destruction or damage; and if not so terminated, the Rent will be reduced proportionately by supplemental agreement hereto effective from the date of such partial destruction or damage. Nothing in this Lease shall be construed as relieving Lessor from liability for damage to or destruction of property of the County of Alameda caused by the willful or negligent act or omission of Lessor. Notwithstanding any provision of the Lease to the contrary, if such damage or destruction occurs within the last year of the Lease, and if repairs cannot reasonably be completed within 60 days, or, no matter when such

damage or destruction occurs, if such damage or destruction renders the County Premises untenable, the Lease shall automatically terminate and neither party shall have liability to the other party. If the County Premises are not rendered untenable, then the Lease shall remain in full force and effect provided that Lessor can reasonably perform obligations pursuant thereto.

19. INTERRUPTION OF SERVICE:

A. The obligations of County to perform all of its covenants and agreements under this Lease shall be excused in the event that there shall be an interruption, curtailment, or suspension of the building's or Premise's HVAC, utility, sanitary, elevator, water, telecommunications, security (including equipment, devices, and personnel), or other building systems serving the building and Premises or any other services required of Lessor under this Lease (an "Interruption of Service"), by reason of:

- i) Force Majeure
- ii) any Casualty as defined in Paragraph 18 above;
- iii) any accident;
- iv) an emergency;
- v) shortages of labor or materials; or
- vi) any other causes of any kind whatsoever that are beyond the reasonable control of County, including, but not limited to:
 - (1) Lack of access to the Premises including but not limited to the lack of access to the Building or the Premises when it or they are structurally sound but inaccessible due to evacuation of the surrounding area or damage to nearby structures or public areas;
 - (2) Any cause outside the Building;
 - (3) Reduced air quality or other contaminants with the Premises that would adversely affect the Building or its occupants including but not limited to, the presence of biological or other airborne agents within the Premises and/or surrounding area;
 - (4) Disruption of mail and deliveries to the Building or Premises resulting from a Casualty;

- (5) Disruption of telephone and telecommunications services to the building or Premises resulting from a Casualty; or
- (6) Blockages of any windows, doors, or access to the building or Premises resulting from a Casualty.
- (7) Or any other cause that prevents County from beneficial use of the Building, Project, or Premises.

B. County shall be entitled to abatement of rent for the duration of an occurrence of an interruption of Service. In the event the period of Interruption of Service exceeds 60 days, such interruption shall be grounds upon which County may exercise its right to terminate this Lease.

20. MUTUALITY OF OBLIGATION.

The obligations and covenants of the Lessor, and the County's obligation to pay rent and other County obligations and covenants, arising under or related to this Lease, are interdependent. The County may, upon its issuance of and delivery to Lessor of a final decision asserting a claim against Lessor, set off such claim, in whole or in part, as against any payment or payments then or thereafter due the Lessor under this Lease. No setoff pursuant to this clause shall constitute a breach by the County of this Lease.

21. LESSOR DEFAULT: COUNTY'S REMEDIES.

A. Each of the following shall constitute a default by Lessor under this Lease:

1. Subject to Paragraph 11, and Paragraph 19, Lessor's failure to maintain, repair, operate or service the Premises as and when specified in this Lease, or failure to perform any other requirement of this Lease as and when required provided any such failure shall remain uncured for a period of thirty (30) days next following Lessor's receipt of notice thereof from the County-authorized representative.
2. Repeated and unexcused failure by Lessor to comply with one or more requirements of this Lease shall constitute a default notwithstanding that one or all such failures shall have been timely cured pursuant to this clause.

B. If a default, occurs, the County may, by notice to the Lessor, proceed with either of the following remedies:

1. Terminate this Lease, which termination shall be effective when received by Lessor, and pursue any other remedy County has in law and in equity.

2. In addition to any other remedies at law or in equity, to (i) commence suit against Lessor to compel Lessor's performance and to recover damages suffered by County, and/or (ii) cure such default itself, and offset from Rent the costs thereof, together with interest thereon at the rate of 12% per annum.

22. HEADINGS.

The headings used in this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

23. SEVERABILITY.

If any term or provision of the Lease shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Lease shall not be affected thereby, and each term and provision of the Lease shall be valid and be enforceable to the fullest extent permitted by law.

24. NON-DISCRIMINATION.

Lessor agrees that no person in the United States shall on the grounds of race, color, religion, national origin, sex, age, handicapping condition, or sexual preference be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity carried out in whole or in part within the facility. Lessor shall not, on the grounds of race, color, religion, national origin, sex, age, handicapping condition, or sexual preference:

- A. Deny any service or other benefit provided in the facility.
- B. Provide a lesser degree of service or other benefit from that provided to others in the facility.
- C. Restrict in any way the enjoyment of any advantage or privilege enjoyed by others receiving services or benefits within the facility.

25. NO WAIVER.

No failure by either party to insist upon the strict performance of any provision of this Lease or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial Rent or other performance by either party during the continuance of any such breach shall constitute a waiver of any such breach of such provision.

26. CONDEMNATION.

Should the whole or any part of the Premises, Building, or Property be condemned and taken by any competent authority for any public or quasi-public use or purpose, County will be awarded a sum attributable to the present value at the date of the taking of any excess of the market rental value of the Premises for the remainder of the term, and any relocation costs. If the whole of the Premises shall be so condemned and taken, through no fault of the County, then this Lease shall terminate. If a part only of the Premises, Building or Property is condemned and taken and the remaining portion thereof is not suitable for the purposes of which County had leased said Premises, County shall have the right to terminate this Lease. If by such condemnation and taking a part only of the Premises, Building, or Property is taken, and the remaining part thereof is suitable for the purposes for which County has leased said Premises, this Lease shall continue, but the Rental shall be reduced in an amount proportionate to the value of the portion taken as it related to the total value of the Premises, Building or Property to County's operations.

27. RECORDATION AND FILING.

County shall, at its sole option and judgment, record and file, or cause to be recorded and filed, at County's sole cost and expense, a memorandum of this Lease or this entire Lease in the Official Records of Alameda County, California. County shall, upon termination of the Lease, cause to be removed any recordation of this Lease caused by County.

28. COUNTY DEFAULT.

Subject to Paragraph 11 (Failure in Performance), Paragraph 19 (Interruption of Service), and Paragraph 20 (Mutuality of Obligation), the occurrence of any of the following shall constitute a material breach of this Lease by County and an event of default:

- A. A failure by County to pay the rental where such failure continues for thirty (30) days after receipt of written notice thereof by Lessor to County;
- B. A failure by County to observe and perform any other provision of this Lease to be observed or performed by County, where such failure continues for thirty (30) days after written notice thereof by Lessor to County.

29. COUNTY'S RIGHT TO CURE DEFAULT.

If the nature of such default in Paragraph 28 is such that the same cannot reasonably be cured within such 30-day period, County shall not be deemed to be in default so long as County shall within such period commence such cure and thereafter prosecute the same with use of best efforts to completion.

30. LESSOR REMEDIES UPON COUNTY DEFAULT.

Lessor and County agree as follows upon Lessor's remedies for any default by County:

In the event of any default by County which remains uncured, then in addition to any other remedies available to Lessor at law or in equity, Lessor shall have the immediate option to terminate this Lease and all rights of County hereunder by giving written notice of such intention to terminate. In the event that Lessor shall elect to so terminate this Lease, then Lessor may recover from County: (i) the worth at the time of award of any unpaid rent which had been earned at the time of such termination; plus (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss County proves could have been reasonably avoided; plus (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that County proves could have been reasonably avoided; plus (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by County's failure to perform its obligations under this Lease.

31. LESSOR'S RIGHT TO CURE COUNTY DEFAULT.

All covenants and agreements to be performed by the County under any of the terms of this Lease shall be at its sole cost and expense. If the County shall fail to pay any sum of money required to be paid by it hereunder, subject to Paragraph 11 (Failure in Performance), Paragraph 19 (Interruption of Service), and Paragraph 20 (Mutuality of Obligation), or shall fail to perform any other act on its part to be performed hereunder and such failure shall have become an event of default as provided herein, the Lessor may, but shall not be obligated to do so, and without waiving or releasing the County from any such obligation, make such payment or perform any such other act on the County's part to be made or performed as provided herein. All sums so paid by the Lessor and all necessary incidental costs shall be deemed Rent hereunder and shall be payable to the Lessor upon Lessor's written demand.

32. SALE OF BUILDING.

In the event of a sale of the Building or an assignment of this Lease by Lessor, Lessor shall be released from any liability thereafter occurring under this Lease provided the assignee and/or transferee assumed in writing all of Lessor's obligations under this Lease.

33. SURVIVAL.

County's and Lessor's obligations shall survive the expiration of the Term or any other termination of this Lease. This Paragraph is intended to supplement and not to limit other provisions of this Lease pertaining to indemnities and attorney's fees.

34. SUCCESSORS BOUND

All covenants, agreements, terms and conditions contained in this Lease shall bind, and inure to the benefit of, the parties and their respective heirs, executors, administrators, successors, and assigns.

35. WAIVER OF CALIFORNIA CODE PROVISIONS.

County waives the provisions of Civil Code Sections 1932(2) and 1933(4) with respect to the destruction of the Premises.

36. MORTGAGE PROTECTION.

County agrees to give any mortgages and/or trust deed holders, by Certified-Return Receipt U.S. Mail, a copy of any Notice of Default served upon the Lessor by County, provided that prior to such notice County has been requested in writing by Lessor to provide such notice. County further agrees that if Lessor shall have failed to cure such default within the time provided for in this Lease, then the Mortgagees and/or Trust Deed Holders shall have an additional thirty (30) days within which to cure such default but in no event shall the time period afforded such recipients to cure Lessor's default be greater than 30 days longer than the time period afforded Lessor.

37. ASSIGNMENT OF CLAIMS.

A. The Lessor may assign its rights to be paid amounts due or to become due as a result of the performance of this Lease to a bank trust company, or other financing institution, including any Federal lending agency. The assignee under such an assignment may thereafter further

assign or reassign its right under the original assignment to any type of financing institution described in the preceding sentence.

- B. Any assignment or reassignment authorized under this clause shall cover all unpaid amounts payable under this contract, and shall not be made to more than one party, except that an assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in the financing of this contract.

38. STATE OF TITLE; SUBORDINATION AND ATTORNMENT

- A. Lessor's Warranty and Representation. Lessor warrants and represents to County that there is no recorded and/or nonrecorded matter of any kind whatsoever affecting the Real Property that restricts or impedes, and/or is in conflict with, the use or occupancy of the Premises, and/or the rights, liabilities, and obligations of the parties to this Lease.
- B. Future Subordination and Attornment. Subject to the provisions of this paragraph, this Lease and all of County's rights hereunder shall be subordinate to the lien of any future mortgage, deed of trust or any other security instrument, hereafter affecting or encumbering the Real Property (an "Encumbrance"; the holder of the beneficial interest thereunder being referred to as an "Encumbrancer"). Subordination of this Lease to an Encumbrance shall be effected only pursuant to a subordination, attornment and nondisturbance agreement between Lessor, County and the Encumbrancer under an Encumbrance, in form and substance acceptable to County and substantially in the form of Exhibit "E" ("Subordination Agreement"). In no event shall the provisions of this paragraph, nor any Subordination Agreement, in any manner increase or enlarge the obligations of County under this Lease or diminish or adversely affect County's rights under this Lease. If Lessor, County and an Encumbrancer have entered into a Subordination Agreement hereunder, then, if such Encumbrancer's Encumbrance to which this Lease is subordinated is foreclosed, or a deed in lieu of foreclosure is given to the Encumbrancer, County shall attorn to the purchaser at the foreclosure sale or to the grantee under the deed in lieu of foreclosure, and such purchaser shall assume Lessor's obligations under this Lease in accordance with the terms of the Subordination Agreement. An Encumbrancer may subordinate its Encumbrance to this Lease and, if any Encumbrancer so elects by notice to County, this Lease shall be deemed prior to such Encumbrance, now or hereinafter placed on or against the Real Property or on or against Lessor's interests or estate

therein without the necessity of having further instruments on the part of County to effect such subordination. Provided, however, that as to any future holder of a mortgage or deed of trust, such subordination shall be effective only if said holder agrees that this Lease shall survive termination of the mortgage or deed of trust by foreclosure, or otherwise, so long as County is not in default with respect to any material provision of this Lease. In the event of the foreclosure of any mortgage or deed of trust, County shall automatically be and become the tenant of and shall attorn to any mortgagee in possession or purchaser at foreclosure.

C. Nondisturbance. If any Encumbrance to which this Lease is subordinate is foreclosed, or a deed in lieu of foreclosure is given to the Encumbrancer thereunder, this Lease shall not terminate and the rights and possession of County under this Lease shall not be disturbed if no default by County then exists under this Lease.

39. QUIET ENJOYMENT BY COUNTY.

Lessor covenants that, upon County's performing all of the terms, covenants, and conditions on County's part to be observed and performed hereunder, County shall peaceably and quietly enjoy the Premises hereby demised, free of claims of paramount title or of any Person claiming under or through Lessor and free and clear of all exceptions, reservations, or encumbrances to title, created or suffered by Lessor.

40. TIME OF THE ESSENCE.

Time is of the essence of this Lease and applies to all times, restrictions, conditions and limitations contained herein.

41. ENTIRE AGREEMENT.

This instrument along with any exhibits and attachments hereto constitutes the entire agreement between Lessor and County relative to the Premises and this agreement, and the exhibits and attachments may be altered, amended or revoked only by an instrument in writing signed by both Lessor and County (and approved by County's Board of Supervisors). Lessor and County agree hereby that all prior or contemporaneous oral agreements between and among themselves and their agents or representatives relative to the leasing of the Premises are merged in or revoked by this agreement. No other document submitted by Lessor for County's execution shall in any manner increase or enlarge the obligations of County under this Lease or diminish or adversely affect

County's rights under this Lease. Lessor specifically acknowledges that any modification to the terms of this Lease shall only be by written agreement executed by Lessor and approved by County's Board of Supervisors, pursuant to the public notifications required by ordinance and law. This Lease shall be interpreted under the laws of the State of California.

42. SIGNS.

Lessor shall provide County with requested Premises signage, and any building exterior signs if available to other tenants of the building, all provided at County's sole cost, as described in Paragraph 11 of the Fundamental Lease Provisions.

43. NOTICES.

A. Method of Delivery. Notice shall be sufficiently given for all purposes as follows:

- 1). When personally delivered to the recipient, notice is effective on delivery.
- 2). When mailed first-class to the last address of the recipient known to the party giving notice, notice is effective on delivery.
- 3). When mailed by certified mail with return receipt requested, notice is effective on receipt if delivery is confirmed by a return receipt.
- 4). When delivered by *overnight delivery Federal Express/Airborne/United Parcel/DHL WorldWide Express* with charges prepaid or charged to the sender's account, notice is effective on delivery if delivery is confirmed by the delivery service.
- 5). When sent by telex or fax to the last telex or fax number of the recipient known to the party giving notice, notice is effective on receipt as long as (a) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery or (b) the receiving party delivers a written confirmation of receipt. Any notice given by telex or fax shall be considered to have been received on the next business day if it is received after 5 p.m. (recipient's time) or on a nonbusiness day.

B. Refused, Unclaimed, or Undeliverable Notices. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be considered to be effective as of the first date that the notice was refused, unclaimed, or considered undeliverable by the postal authorities, messenger, or overnight delivery service.

- C. Notices given pursuant to this Paragraph 43, shall be addressed to the respective parties, as shown in Paragraph 8 of the Fundamental Lease Provisions.

44. LESSOR COMPLIANCE WITH ENVIRONMENTAL LAWS

With regard to the Premises, Building, and Property Lessor represents and warrants to County that:

- A. No Hazard.

As of the Commencement Date of Term of this Lease, no Hazardous Materials (as defined below) have been manufactured, refined, stored, disposed of, produced or processed on or in any part of the Premises or Building.

- B. Compliance.

Lessor is in compliance with all federal, state, county or municipal environmental, pollution, health, safety, fire, or building code laws and has no knowledge and has received no notice of any federal, state, county or municipal environmental, pollution, health, safety, fire, or building code violations.

- C. No lawsuits.

Neither the Lessor nor any other tenants at the Building have been named as a party in any proceeding or lawsuit for violation of federal, state, or local environmental laws.

- D. Not Under Investigation.

The Building is not currently subject to investigation for alleged federal, state, county or municipal environmental pollution, health, safety, fire, or building code violations.

- E. Indemnity.

Lessor will defend, indemnify, and hold harmless County, its directors, officers, employees, and agents, and any assignees, subtenants or successors to County's interest in the Premises from and against any and all losses, claims, damages, penalties, and liability, including all out-of-pocket litigation costs and the reasonable fees and expenses of counsel related directly or indirectly to Lessor's violation or breaches of these warranties and/or representations.

- F. Warranty survives expiration of lease.

The provisions of this warranty relating to hazardous substances will survive the expiration or termination of this Lease.

- G. Abatement and termination.

If any cleanup, repair, or similar action is required by any governmental or quasi-governmental agency as a result of the storage, release, or disposal of hazardous substances materials by Lessor, its tenants, agents or contractors at any time, or by any prior owner, and such action requires that the County be closed for business or that access be denied for greater than a 24-hour period, then the rent will be abated entirely during the period beyond 24 hours. If the closure or denial of access persists in excess of 30 days, then, at County's election by written notice to owner given within 10 days after the end of the 30-day period, this lease will end as of the commencement of such disclosure.

H. Definition of Hazardous Material.

As used herein, the term Hazardous Materials shall mean (i) any hazardous or toxic wastes, materials or substances, and other pollutants or contaminants, which are or become regulated by all applicable local, state and federal laws, including but not limited to, 42 U.S.C. 6901 et seq. 42 U.S.C. 9601 et.seq. and California Health and Safety Code Sections 25100 et.seq., and 25300 et. seq.; (ii) petroleum and petroleum-based products, by products and fractions; (iii) asbestos; (iv) polychlorinated biphenyls; and (v) radioactive materials.

45. COMPLIANCE WITH APPLICABLE LAW.

Lessor shall comply with all Federal, state and local laws applicable to the Lessor as owner or Lessor, or both, of the Building or Premises, including, without limitation, laws applicable to the construction, ownership, alteration or operation of both or either thereof, and will obtain all necessary permits, licenses and similar items at Lessor's expense. The County will comply with all Federal, state and local laws applicable to and enforceable against it as a tenant under this Lease.

46. PARKING.

Parking is not provided.

47. STATEMENT OF LEASE

A. The County will, within thirty (30) days next following receipt of a joint written request from Lessor and a prospective lender or purchaser of the Building, execute and deliver to Lessor a letter stating that the same is issued subject to the conditions stated in this clause and, if such is the case, that (1) the Lease is in full force and effect; (2) the date to which the rent

and other charges have been paid in advance, if any; and (3) whether any notice of default has been issued.

B. Letters issued pursuant to this clause are subject to the following conditions:

(1) That they are based solely upon a reasonably diligent review of the County's Lease file as of the date of issuance;

(2) That the County shall not be held liable because of any defect in or condition of the Premises or Building;

(3) That the County does not warrant or represent that the Premises or Building comply with applicable Federal, State and local law; and

(4) That the Lessor, and each prospective lender and purchaser are deemed to have constructive notice of such facts as would be ascertainable by reasonable prepurchase and precommitment inspection of the Premises and Building and by inquiry to appropriate Federal, State and local officials.

48. ACCESSIBILITY NOTICE; AMERICANS WITH DISABILITIES ACT.

County is hereby notified, pursuant to the provisions of California Civil Code Section 1938 ("Civ. Code 1938"), that the Premises have not undergone inspection by a Certified Access Specialist. Civ. Code 1938 requires that the following statement be included in leases where the Premises have not been issued a disability access inspection certificate: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

IN WITNESS WHEREOF, the parties have executed this Lease on the dates appearing below their respective signatures.

LESSOR: 1404 Franklin Street Partners, LLC

COUNTY OF ALAMEDA:

By: _____

Charles A. Wall

Its: Manager

By: _____

Richard Valle
President, Board of Supervisors
County of Alameda, State of California

Date April 30, 2020

Date _____

Approved as to Form
DONNA ZIEGLER
COUNTY COUNSEL

By: _____
Andrew J. Massey
Deputy

I hereby certify under penalty of perjury that the President of the Board of Supervisors was duly authorized to execute this document on behalf of the County of Alameda by a majority vote of the Board on (date) _____ and that a copy has been delivered to the President as provided by Government Code Section 25103.

Date _____

By _____

Anika Campbell-Belton,
Clerk of the Board
County of Alameda, State of California

Exhibit "A-1" PREMISES

ASSESSOR'S MAP 8

Code Area No. 17-022

624
2136

Page 3
 1804-11-21-1804
 1811-11-00-1811

Map of Oakland and vicinity showing plan of Streets
 as established and proposed; compiled from official
 surveys and records of the County; as per W.F. Boardman,
 City and County Surveyor. (Bk. 17 Pg. 14)
 Scale 1 in = 40 ft.

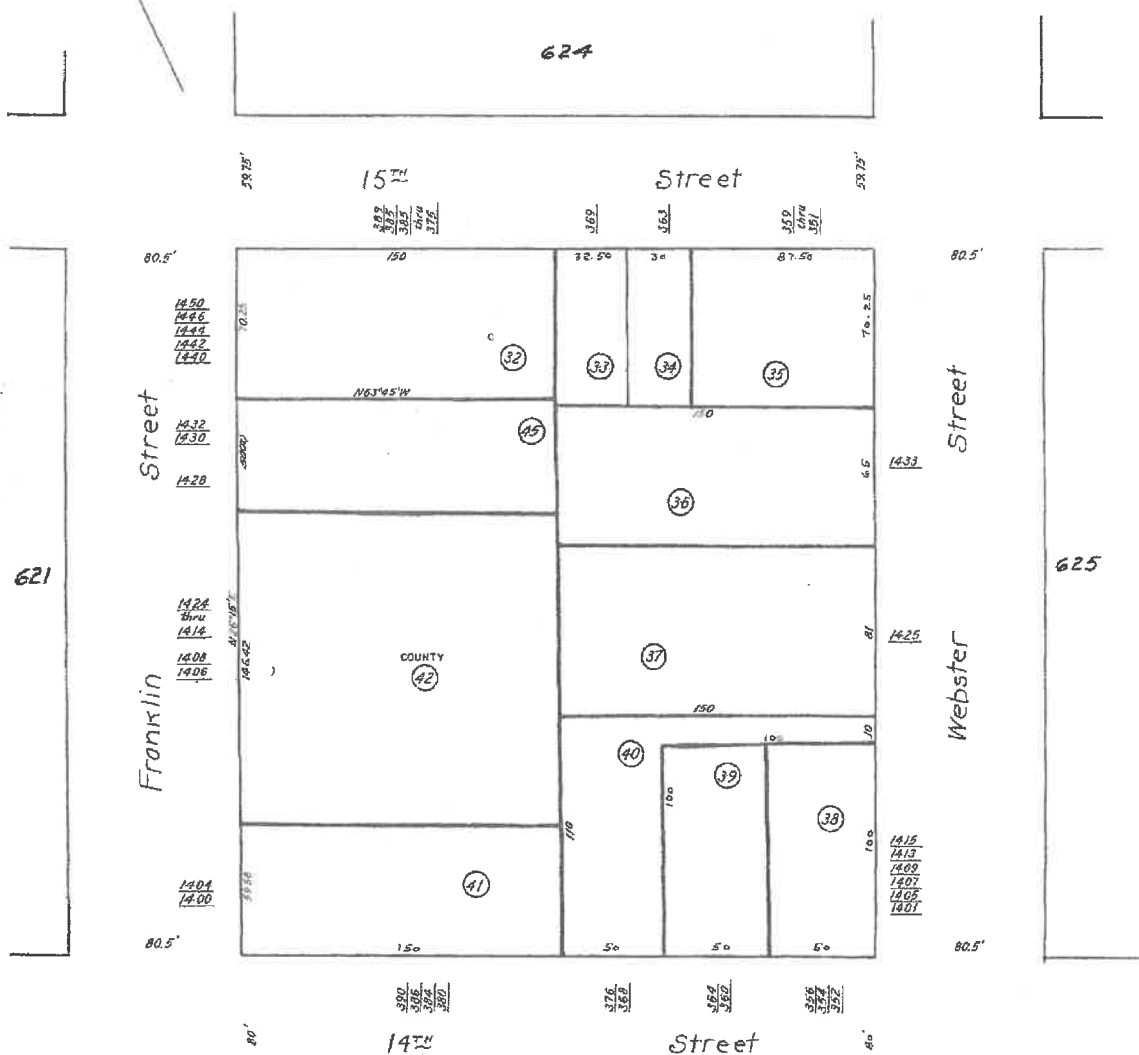


Exhibit "A-2"
SPACE PLAN
Suite 210

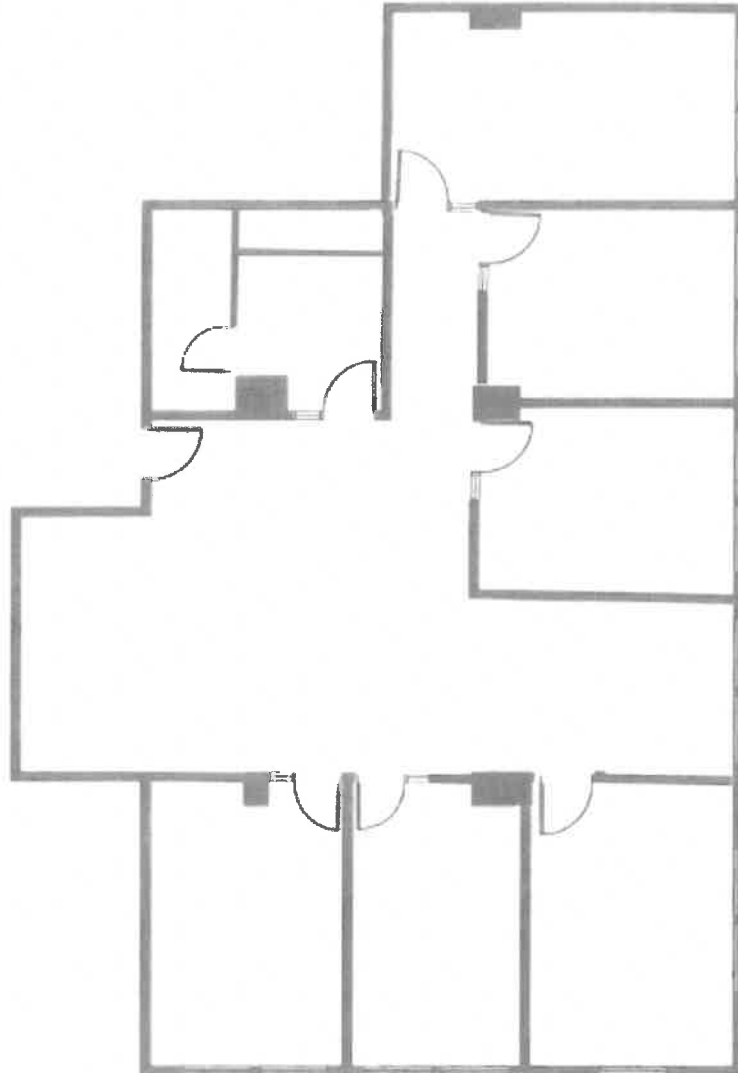
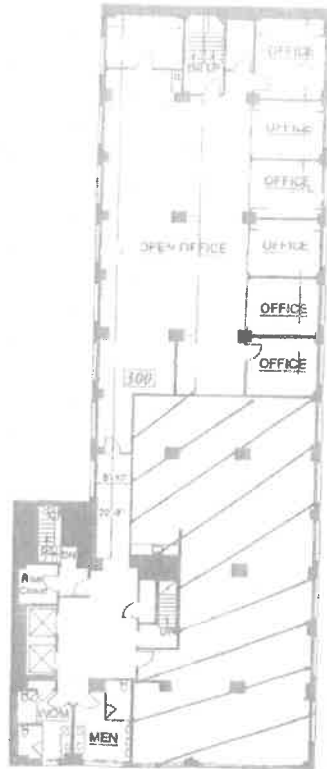
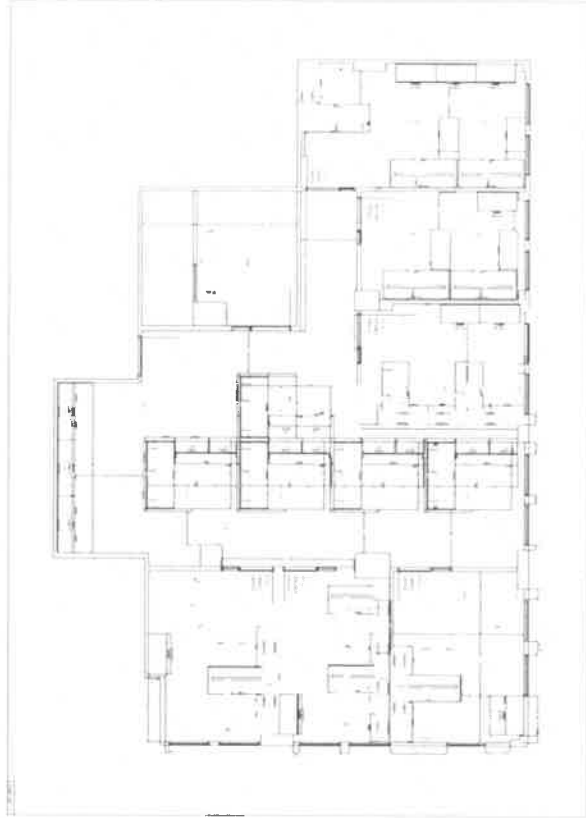


Exhibit "A-3"
SPACE PLAN
Suite 300



1404 FRANKLIN 3RD FLOOR

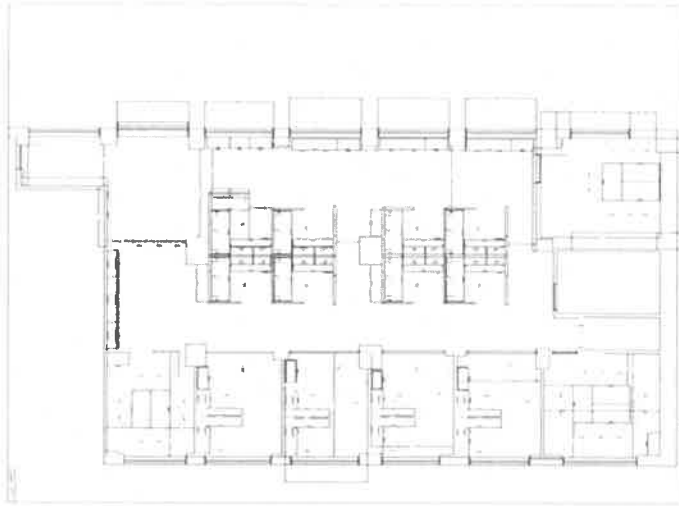
Exhibit "A-4"
TENANT FURNITURE PLAN
Suite 210



Room No.	Room Name	Furniture	Quantity	Notes
210-1	Reception	Reception Counter	1	
210-2	Conference Room	Conference Table	1	
210-3	Office	Desk	10	
210-4	Office	Chair	10	
210-5	Office	Printer	2	
210-6	Office	Copier	1	
210-7	Office	Storage Cabinet	2	
210-8	Office	Break Table	1	
210-9	Office	Break Chair	4	
210-10	Office	Desk	5	
210-11	Office	Chair	5	
210-12	Office	Printer	1	
210-13	Office	Copier	1	
210-14	Office	Storage Cabinet	1	
210-15	Office	Break Table	1	
210-16	Office	Break Chair	4	
210-17	Office	Desk	3	
210-18	Office	Chair	3	
210-19	Office	Printer	1	
210-20	Office	Copier	1	
210-21	Office	Storage Cabinet	1	
210-22	Office	Break Table	1	
210-23	Office	Break Chair	4	
210-24	Office	Desk	2	
210-25	Office	Chair	2	
210-26	Office	Printer	1	
210-27	Office	Copier	1	
210-28	Office	Storage Cabinet	1	
210-29	Office	Break Table	1	
210-30	Office	Break Chair	4	
210-31	Office	Desk	1	
210-32	Office	Chair	1	
210-33	Office	Printer	1	
210-34	Office	Copier	1	
210-35	Office	Storage Cabinet	1	
210-36	Office	Break Table	1	
210-37	Office	Break Chair	4	
210-38	Office	Desk	1	
210-39	Office	Chair	1	
210-40	Office	Printer	1	
210-41	Office	Copier	1	
210-42	Office	Storage Cabinet	1	
210-43	Office	Break Table	1	
210-44	Office	Break Chair	4	
210-45	Office	Desk	1	
210-46	Office	Chair	1	
210-47	Office	Printer	1	
210-48	Office	Copier	1	
210-49	Office	Storage Cabinet	1	
210-50	Office	Break Table	1	
210-51	Office	Break Chair	4	
210-52	Office	Desk	1	
210-53	Office	Chair	1	
210-54	Office	Printer	1	
210-55	Office	Copier	1	
210-56	Office	Storage Cabinet	1	
210-57	Office	Break Table	1	
210-58	Office	Break Chair	4	
210-59	Office	Desk	1	
210-60	Office	Chair	1	
210-61	Office	Printer	1	
210-62	Office	Copier	1	
210-63	Office	Storage Cabinet	1	
210-64	Office	Break Table	1	
210-65	Office	Break Chair	4	
210-66	Office	Desk	1	
210-67	Office	Chair	1	
210-68	Office	Printer	1	
210-69	Office	Copier	1	
210-70	Office	Storage Cabinet	1	
210-71	Office	Break Table	1	
210-72	Office	Break Chair	4	
210-73	Office	Desk	1	
210-74	Office	Chair	1	
210-75	Office	Printer	1	
210-76	Office	Copier	1	
210-77	Office	Storage Cabinet	1	
210-78	Office	Break Table	1	
210-79	Office	Break Chair	4	
210-80	Office	Desk	1	
210-81	Office	Chair	1	
210-82	Office	Printer	1	
210-83	Office	Copier	1	
210-84	Office	Storage Cabinet	1	
210-85	Office	Break Table	1	
210-86	Office	Break Chair	4	
210-87	Office	Desk	1	
210-88	Office	Chair	1	
210-89	Office	Printer	1	
210-90	Office	Copier	1	
210-91	Office	Storage Cabinet	1	
210-92	Office	Break Table	1	
210-93	Office	Break Chair	4	
210-94	Office	Desk	1	
210-95	Office	Chair	1	
210-96	Office	Printer	1	
210-97	Office	Copier	1	
210-98	Office	Storage Cabinet	1	
210-99	Office	Break Table	1	
210-100	Office	Break Chair	4	

PIVOT
 Project Services

Exhibit "A-5"
TENANT FURNITURE PLAN
Suite 300



NO.	DESCRIPTION	DATE	BY	REVISION
1	ISSUED FOR PERMITTING	10/15/10	PIVOT	
2	ISSUED FOR CONSTRUCTION	10/15/10	PIVOT	
3	ISSUED FOR OCCUPANCY	10/15/10	PIVOT	
4	ISSUED FOR AS-BUILT	10/15/10	PIVOT	

PIVOT
Floor Plans

**EXHIBIT B
WORK LETTER**

N/A – INTENTIONALLY OMITTED

EXHIBIT C

COUNTY OF ALAMEDA MINIMUM INSURANCE REQUIREMENTS

Without limiting any other obligation or liability under this Agreement, the Contractor, at its sole cost and expense, shall secure and keep in force during the entire term of the Agreement or longer, as may be specified below, the following minimum insurance coverage, limits and endorsements. The County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. If the contractor maintains broader coverage and/or higher limits than the minimums shown below, the County requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County.

TYPE OF INSURANCE COVERAGES	MINIMUM LIMITS
A Commercial General Liability Premises Liability, Products and Completed Operations; Contractual Liability; Personal Injury and Advertising Liability	\$1,000,000 per occurrence (CSL) Bodily Injury and Property Damage
B Commercial or Business Automobile Liability All owned vehicles, hired or leased vehicles, non-owned, borrowed and permissive uses. Personal Automobile Liability when extended to cover your business is acceptable for individual contractors with no transportation or hauling related activities	\$1,000,000 per occurrence (CSL) Any Auto or Hired and Non-Owned Autos Bodily Injury and Property Damage
C Workers' Compensation (WC) and Employers Liability (EL) As required by State of California	WC: Statutory Limits EL: No less than \$1,000,000 per accident for bodily injury or disease
D Endorsements and Conditions: <ol style="list-style-type: none"> 1. ADDITIONAL INSURED: County of Alameda, its Board of Supervisors, the individual members thereof, and all County officers, agents, employees, volunteers, and representatives are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used). Auto policy shall contain, or be endorsed to contain additional insured coverage for the County. 2. DURATION OF COVERAGE: All required insurance shall be maintained during the entire term of the Agreement. In addition, insurance policies and coverage(s) written on a claims-made basis shall be maintained and evidence of insurance must be provided during the entire term of the Agreement and for at least five (5) years following the later of termination of the Agreement and acceptance of all work provided under the Agreement, with the retroactive date of said insurance (as may be applicable) concurrent with the commencement of activities pursuant to this Agreement. If coverage is cancelled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of five (5) years after completion of work. 3. REDUCTION OR LIMIT OF OBLIGATION: All insurance policies, including excess and umbrella insurance policies, shall be primary and non-contributory coverage at least as broad as ISO CG 20 10 04 13 as respects the County, its officers, officials, employees, or volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it. Pursuant to the provisions of this Agreement insurance effected or procured by the Contractor shall not reduce or limit Contractor's contractual obligation to indemnify and defend the Indemnified Parties. 4. INSURER FINANCIAL RATING: Insurance shall be maintained through an insurer with an A.M. Best Rating of no less than A:VII or equivalent, shall be admitted to the State of California unless otherwise acceptable by Risk Management, and with deductible amounts acceptable to the County. Acceptance of Contractor's insurance by County shall not relieve or decrease the liability of Contractor hereunder. Self-insured retentions must be declared and approved. Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Contractor. The policy language shall provide or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or County. 5. SUBCONTRACTORS: Contractor shall include all sub-contractors as an insured (covered party) under its policies or shall verify that the subcontractor, under its own policies and endorsements, has complied with the insurance requirements in this Agreement, including this Exhibit. 6. JOINT VENTURES: If Contractor is an association, partnership or other joint business venture, required insurance shall be provided by one of the following methods: <ul style="list-style-type: none"> - Separate insurance policies issued for each individual entity, with each entity included as a "Named Insured" (covered party), or at minimum named as an "Additional Insured" on the other's policies. Coverage shall be at least as broad as in the ISO Forms named above. - Joint insurance program with the association, partnership or other joint business venture included as a "Named Insured". 7. CANCELLATION OF INSURANCE: Each insurance policy required above shall provide that coverage shall not be cancelled, except with notice of cancellation provided to the County in accordance with policy terms and conditions. 8. CERTIFICATE OF INSURANCE: Before commencing operations under this Agreement, Contractor shall provide Certificate(s) of insurance and applicable insurance endorsements as set forth in the Notices provisions, in form and satisfactory to County, evidencing that all required insurance coverage is in effect. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The County reserves the right to require the Contractor to provide complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. 	

EXHIBIT "E"

**SUBORDINATION, NONDISTURBANCE AND
ATTORNMENMENT AGREEMENT**

THIS SUBORDINATION, NONDISTURBANCE AND ATTORNMENMENT AGREEMENT (the "Agreement") has been executed and delivered on _____, effective on _____, by and between the following:

_____, ("Lender") whose address is _____;

_____, ("Lessor") whose address is _____; and

COUNTY OF ALAMEDA ("County") whose address is 1401 Lakeside Drive, 10th Floor, Oakland, CA 94612-4305.

RECITATIONS

A. Lender is now or anticipates that it will promptly become the owner and holder of a Deed of Trust, Mortgage, Security Agreement, Assignment of Leases and/or Financing Statement (hereinafter called the "Mortgage") encumbering the real property described in Exhibit A-1 and the buildings and improvements thereon (collectively, the "Premises") securing the payment of a promissory note in the original principal amount of \$ _____ payable to the order of Lender (the "Note");

B. Landlord has leased a portion of the Premises to Tenant, pursuant to that certain agreement captioned "Lease," dated _____, _____, executed by and between Landlord and Tenant, as amended from time to time (the "Lease"); and

C. Landlord, Tenant and Lender desire to confirm their understanding with respect to the Lease and the Mortgage.

NOW, THEREFORE, in consideration of the premises, the covenants, conditions, provisions and agreements set forth herein and other good and valuable consideration, the receipt of which is hereby acknowledged, Lender, Tenant and Landlord do hereby mutually represent, acknowledge, covenant and agree as follows:

1. **Subordination.** Tenant hereby subordinates in all respects and at all times its interests in the Premises under and pursuant to the Lease to the lien of the Mortgage and all renewals, modifications and extensions thereof, subject to the terms and conditions set forth in this Agreement. The terms and provisions of the Mortgage are deemed to be amended to fully incorporate all terms and provisions of this Agreement.

2. **Nondisturbance.** So long as Tenant is not in default (beyond any period(s) provided under the Lease to Tenant to cure such default) in: (i) the payment of any monetary obligation under the Lease, or (ii) the performance of any other material terms, covenants or conditions with which Tenant is obligated to comply pursuant to the Lease, then:

(a) Tenant's sole right of possession to the property that is the subject of the Lease and nonexclusive rights to Common Areas of the Premises shall not be terminated, affected or disturbed by Lender or any purchaser or subsequent owner of the Premises in the exercise of any of Lender's rights under the Mortgage or the Note; nor shall Tenant be named as a party defendant to any foreclosure of the lien of the Mortgage (except as required by applicable California law), nor in any other way be deprived of its rights under the Lease except in accordance with the terms of the Lease.

(b) In the event Lender succeeds to the interest of Landlord under the Lease, the Lease shall not be terminated or affected thereby, and any sale or other transfer of the Premises by Lender or pursuant to the judgment of any court in an action to enforce the remedies provided for in the Mortgage shall be made subject to the Lease and the rights of Tenant thereunder.

3. **Recognition and Attornment.** If Lender succeeds to the interest of Landlord under the Lease, the Lease and all terms therein and the rights of Tenant thereunder shall continue in full force and effect and shall not be altered, terminated, disaffirmed or disturbed. Tenant and Lender shall be bound to each other under all of the terms, covenants, and conditions of the Lease for the balance of the term of the Lease with the same force and effect as if Lender were the landlord under the Lease. In such event, Tenant shall attorn to Lender as its landlord immediately upon Lender succeeding to the interest of Landlord under the Lease, and providing Tenant with written notice thereof. Such attornment shall be effective and self-operative without the execution of any other instruments on the part of Lender or Tenant. However, Tenant shall be under no obligation to pay any monetary obligation or perform any other duty set forth in the Lease to Lender unless and until Tenant receives written notice from Lender that Lender has succeeded to the interest and assumed the future obligations of Landlord under the Lease. Upon receipt by Tenant of such notice from Lender, Tenant shall make all payments due by Tenant under the Lease to Lender or as Lender may in writing direct

and Tenant shall thereafter be relieved from any further obligations to remit rental or any other monetary sum to Landlord. The respective rights and obligations of Tenant and Lender upon such attornment, to the extent of the then remaining balance of the Term, shall be and are the same as are then set forth in the Lease between Tenant and Landlord.

4. **Rights Under the Lease.** If Lender shall: (i) succeed to the interests of Landlord in and to the Premises or under the Lease, or (ii) enter into possession of the Premises under circumstances described in **Section 38**, Lender shall be bound to Tenant under all of the terms, covenants and conditions of the Lease, and Tenant shall, from and after Lender's succession to the interests of Landlord in and to the Premises or under the Lease or entry into possession of the Premises, as the case may be, have the same remedies against Lender as Landlord for the breach of any provision contained in the Lease that Tenant might have had under the Lease against Landlord if Lender had not succeeded to the interests of Landlord in and to the Premises or under the Lease or entered into possession of the Premises, as the case may be; provided, however, that Lender shall not be:

(a) liable for any acts or omissions of any prior landlord (including, but not limited to, Landlord) except that Lender shall be required to cure any continuing defaults, such as failure to maintain parking areas or make necessary repairs;

(b) subject to any offsets, deductions or defenses which Tenant might have arising out of acts or omissions of any prior landlord (including, but not limited to, Landlord) except for the right to recapture from rent any reasonable amounts expended by Tenant to cure a default of Landlord for which Lender had received a copy of notice pursuant to the terms hereof and would have been required to cure upon succeeding to the interest of Landlord; or

(c) obligated to give Tenant a credit for and/or acknowledge any rent or other charges which Tenant has paid to Landlord or any prior landlord which is in excess of two months' rent and other charges preceding the effective date of the notice from Lender issued to Tenant regarding Lender's succeeding to the Landlord's interest under the Lease unless such payment is provided for in the Lease as presently existing or as amended in accordance with this Agreement.

Additionally, in the event of Lender's succession to Landlord's interests in and to the Premises or under the Lease, or entry into possession of the Premises as provided in **Section 5**, Tenant shall be bound to Lender, as Landlord, under all of the terms, covenants and conditions of the Lease, and Lender, as Landlord, shall, from and after Lender's succession to the interest of Landlord under the Lease or entry into possession of the Premises, as the case may be, have the same rights and remedies against Tenant for

the breach of any provision contained in the Lease that Landlord might have had under the Lease against Tenant if Lender had not succeeded to the interests of Landlord in and to the Premises or under the Lease or entered into possession of the Premises, as the case may be.

5. **Collection of Rents and/or Possession of the Premises by Lender.** The Mortgage provides that, under certain conditions, Lender shall be entitled to collect, receive and demand payment of any and all rents due on and under the Lease. Upon receipt by Tenant of a notice from Lender that Lender, in accordance with the terms and conditions of the Mortgage, is entitled to collect, receive and demand payment of any and all rents due on and under the Lease, Tenant shall make all payments of monetary obligations due by Tenant under the Lease to Lender or as Lender may in writing direct, and Tenant shall thereafter be relieved from any further obligations to remit rental or any other sums to Landlord. Additionally, in the event that Lender, acting either in its own behalf or by and through an agent, shall enter into possession of the Premises as a mortgagee-in-possession or otherwise in accordance with its rights under the Mortgage, but has not at such time as it enters into possession of the Premises acquired the interest of the Landlord in and to the Premises or under the Lease, the Lease and all terms therein, and the rights of Tenant thereunder, shall continue in full force and effect and shall not be altered, terminated or disturbed, except in accordance with the terms of the Lease, and Tenant shall be bound to Lender under all of the terms, covenants and conditions of the Lease for the balance of the Term with the same force and effect as if Lender were the landlord under the Lease. In such event, Tenant shall attorn to Lender as its landlord, such attornment to be effected and self-operative without the execution of any other instruments on the part of Lender or Tenant, immediately upon Lender entering into possession of the Premises and providing Tenant with written notice thereof. However, Tenant shall be under no obligation (to pay any monetary obligations or perform any other duty set forth in the Lease) to Lender unless and until Tenant receives written notice from Lender that Lender has entered into possession of the Premises, and Lender indemnifies Tenant from any and all sums and amounts paid by Tenant to Lender pursuant to the Lease and in accordance with written notice received from Lender with respect to claims and causes of action for such sums and amounts asserted by Landlord and its successors and assigns. Upon receipt by Tenant of such notice from Lender, Tenant shall make all payments and monetary obligations due by Tenant under the Lease to Lender or as Lender may in writing direct and Tenant shall thereafter be relieved from any further obligations to remit rental or any other sums to Landlord. The respective rights and obligations of Tenant and Lender upon such attornment, to the extent of the then remaining balance of the Term, shall be and are the same as are then in existence as set forth in the Lease. The provisions of this Section 5 with respect to entry of Lender into possession of the Premises shall apply only to Lender or any other holder of the

Mortgage who has given prior written notice to Tenant of its ownership of the Mortgage and its mailing address.

6. **Notice and Opportunity to Cure Landlord Default.** Tenant shall give Lender a copy of any notice Tenant may give Landlord regarding Landlord's failure to observe or perform a provision of the Lease. After the period provided Landlord under the Lease to cure such failure, Tenant may notify Lender in writing of the occurrence of any default by Landlord and shall permit Lender a period of thirty (30) days from the date of such notice (the "Cure Period") in which to cure such default prior to proceeding to exercise any of the rights or remedies of Tenant under the Lease, including: (i) termination of the Lease, (ii) abatement of rental payments due thereunder, or (iii) performance of Landlord's covenants or obligations which Tenant asserts to be in default; provided however, that the Cure Period granted to Lender herein shall be extended by any period of time during which Lender is diligently pursuing the cure of a default which cannot reasonably be expected to be cured within the initial thirty (30) day Cure Period, and shall not be deemed to commence until after any period of time during which Lender is pursuing acquisition of title to the Premises through foreclosure or otherwise, such period to include, without limitation, any period of time (a) during which Lender's acquisition of title to the Premises is stayed by any proceeding in bankruptcy, any injunction or other judicial process, and (b) after acquisition of title by Lender during which Landlord or any other party is contesting the validity of the acquisition or Lender's title to the Premises, provided that in no event shall Tenant be required to forbear from executing its remedies for a period in excess of sixty (60) days.

7. **Persons Other Than Lender.** The recognition, nondisturbance and other covenants herein made by Lender for the benefit of Tenant shall be binding upon all persons and entities other than Lender who may acquire the interest of Landlord in the Premises and/or the Lease as a result of foreclosure of the Mortgage, or any other proceedings to enforce the rights of Lender including any sale, assignment or transfer of the Premises and/or the Lease after Lender has succeeded to the interest of Landlord under the Lease, and Lender shall cause any such person, by acceptance of a deed to the Premises and/or an assignment of the Lease, to expressly assume such covenants. Any such person acquiring the Premises and/or the Lease, whether by foreclosure, other enforcement of the rights of Lender or by sale or assignment after Lender has succeeded to the interest of Landlord under the Lease, shall be entitled to and shall succeed to all right, powers, benefits and remedies of Lender under this Agreement, and Tenant shall be obligated to any such party to the same extent it would have been obligated to Lender hereunder if Lender had retained its interest in the Premises and/or the Lease. Tenant shall attorn to any such party acquiring the interest of Landlord in the Premises and/or the Lease from Lender as its landlord which attornment shall have the same force and effect as the attornment to be made by Tenant to Lender pursuant to the terms and conditions of

Section 3. Lender shall not be liable as Landlord under the Lease unless and until Lender succeeds to the interest of Landlord in and to the Premises or under the Lease, and in such event Lender shall not be liable under the Lease, or for any acts or omissions of any subsequent landlord, after the conveyance of Lender's interest as Landlord to another person or entity expressly assuming Lender's obligations (as Landlord).

8. **Succession in Interest.** For purposes of this Agreement, Lender will be deemed to have succeeded to the interest of Landlord under the Lease upon: (i) the transfer of title to the Premises to Lender, whether by virtue of foreclosure, sale or transfer in lieu of foreclosure, or pursuant to the exercise of any rights and remedies under the Mortgage or otherwise, or (ii) the occurrence of any other event as a result of which Lender may acquire the right, title and interest of Landlord in and to the Lease or the Premises.

9. **Incorporation of Lease.** For purposes of this Agreement, the term "Lease" shall mean and include the Lease, together with all valid present and future addenda, supplements, modifications and amendments to the Lease, and all rights, privileges and options granted therein or pursuant thereto; provided, no future addenda, supplements, modifications and amendments to the Lease shall be binding on Lender unless Lender approved of any such document in advance. The Lease is incorporated into this Agreement for all purposes.

10. **Notices.** All notices, requests and communications ("Notice") hereunder shall be given in writing, and shall be personally delivered or mailed by first class certified mail postage prepaid, return receipt requested to Lender, Landlord or Tenant, as the case may be, at the addresses listed on Page 1 of this Agreement. Any Notice provided for herein shall be deemed to be received on the day of its receipt or refusal of receipt. Any party may, by proper written notice hereunder to the other parties, change the individual address to which such Notice shall thereafter be sent to such party.

11. **Binding Agreement.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns as well as all subsequent owners of the Premises. For purposes of this Agreement, all references herein to "Lender" shall be deemed to also include any subsequent holder of the Mortgage who has given written notice to Tenant of its ownership of the Mortgage and has furnished to Tenant its mailing address and/or any other person succeeding to title to the Premises and/or the Lease encumbered by the Mortgage or any part thereof and who claims by, through or under Lender, whether by virtue of foreclosure, or sale or transfer in lieu of foreclosure, or pursuant to the exercise of any rights and remedies under the Mortgage or otherwise.

12. **Attorneys' Fees.** In the event any legal action or proceeding is commenced to interpret or enforce the terms of or obligations arising out of this Agreement, or to recover damages for the breach thereof, the party prevailing in any such action or proceeding shall be entitled to recover from the nonprevailing party all reasonable attorneys fees, costs and expenses incurred by the prevailing party as shall be pled and proven by such party and awarded by a court of competent jurisdiction.

13. **Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

14. **Headings.** The headings of the Agreement are for convenience of reference only.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed the day and year first above written.

LANDLORD:

_____, a
_____ company

By: _____
Name: _____
Title: _____

LENDER:

By: _____
Name: _____
Title: _____

TENANT:

COUNTY OF ALAMEDA

By: _____
Name: _____
Title: _____