

SECOND AMENDMENT TO LEASE

THIS SECOND AMENDMENT TO LEASE (this "**Amendment**") is made as of March 1, 2026, in San Francisco, California, by and between K LW Investments, LLC, a California limited liability company ("**Landlord**"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("**City**" or "**Tenant**").

RECITALS

THIS AMENDMENT is made with reference to the following facts and circumstances:

A. City and Landlord have previously entered into that certain lease between Landlord and City, dated June 23, 2015 (the "**Initial Lease**"), as amended by that certain First Amendment to Lease, dated as of May 3, 2020 (the "**First Amendment**", and together with the Initial Lease, the "**Lease**"), for the lease of the Premises located at **3120 Mission Street and 3425 Cesar Chavez Street**, being a portion of Lot /001A, in Assessor's Block 6574, San Francisco, California.

B. Landlord has leased to City the premises in the building identified in the Basic Lease Information of the Lease (the "**Premises**"). City is using the Premises for public programs, general offices and such other uses as specified in the Basic Lease Information.

C. The Term of the Lease, as extended by the First Amendment, expired on June 30, 2025, and City is currently occupying the Premises, with Landlord's consent, on a month-to-month basis at the same Base Rent in effect during the last year of the term under the First Amendment, or \$151,601.93 per month. Landlord acknowledges receipt of City's rent payments as set forth herein.

D. City and Landlord now desire to enter into this Amendment to extend the Term of the Lease to September 30, 2030, and amend the Lease on the terms and conditions as set forth herein. Capitalized terms used but not defined in this Amendment shall have the meanings set forth in the Lease.

ACCORDINGLY, in consideration of the foregoing Recitals, which are incorporated into this Amendment by this reference, the mutual promises and obligations of the parties contained in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, City and Landlord agree as follows:

1. Extension of the Term.

City and Landlord agree to extend the Term of the Lease through September 30, 2030, unless sooner terminated pursuant to the terms of the Lease. From and after the Effective Date (as defined in Section 15), all references in the Lease and this Amendment to the "**Term**" shall refer to the Term, as extended hereby.

2. Premises As Is

Subject to Landlord's obligation to complete the Leasehold Improvements in accordance with Exhibit A and the provisions of Section 4 of this Amendment, City agrees and acknowledges that City accepts the Premises in their "AS IS", "WHERE IS" "WITH ALL FAULTS" condition as they are as of the Effective Date, neither Landlord nor its Agents have made any representations or warranties as to the condition of the Premises, the suitability of the

Premises for Tenant's intended use, or whether or not the Premises comply with applicable requirements.

3. Rent

3.1 Base Rent

As of the Effective Date, the monthly Base Rent shall be paid in conformance with the Monthly Base Rent Schedule set forth in Section 5 of this Amendment and all references in the Lease to the Base Rent shall mean the Base Rent as amended hereby.

3.2 Rent Credit

Tenant shall receive a credit against the Gross TI Project Costs (as defined in Section 4.5) in the amount of \$48,465.14 per month (which amount is equal to the difference in Base Rent paid during the last year of the term of the First Amendment and the monthly Base Rent due pursuant to this Amendment) for the period from September 15, 2025 to the Effective Date. For ease of reference, if the Estimated Effective Date of March 1, 2026, is also the Effective Date, the total Rent Credit due to Tenant will be \$266,558.27. For every month of delay in the Effective Date after March 1, 2026, the Rent Credit will be increased by \$48,465.14, subject to the terms of Section 15.

4. Tenant Improvements

Landlord shall substantially complete the Leasehold Improvements as specified in Exhibit A ("**TI Project**") by April 30, 2026 and any punch list items by no later than May 31, 2026 (or as soon thereafter as is reasonably possible), which date shall be subject to extension for delays caused by City and its Agents, including, without limitation, Change Orders requested by City and other matters beyond the reasonable control of Landlord. The TI Project is comprised of:

- Exhibit A.1 (Tenant Improvement Space Plan);
- Exhibit A.2 (Tenant Improvement Bid Proposals) and
- Exhibit A.3 (Work Letter).

4.1 Construction.

Immediately upon execution of this Amendment and Landlord's procurement of all necessary permits and approvals for the TI Project, Landlord shall commence, using a contractor reasonably acceptable to City ("**Contractor**") the construction of the Leasehold Improvements and cause them to be completed in a good and professional manner in accordance with sound building practice. Landlord shall comply with and give notices required by all laws rules regulations ordinances, building restrictions and lawful orders of public authorities bearing on construction of the Leasehold Improvements. Without limiting the foregoing, construction of the Leasehold Improvements shall comply with all applicable disabled access laws, including, without limitation, the most stringent requirements of the ADA, Title 24 of the California Code of Regulations (or its successor) and City's requirements for program accessibility. Landlord

shall require in any contract issued in connection with the TI Project that Contractor shall pay prevailing wages in connection with the TI Project as further provided in the following sections of the Lease: Section 23.24 (Prevailing Wages), and shall not use tropical hardwood products, or virgin redwood products as provided in Section 23.26 (Tropical Hardwood and Virgin Redwood Ban). Landlord shall use commercially reasonable efforts to ensure that Contractor complies with such requirements.

4.2 Substantial Completion

“**Substantial Completion**” of the TI Project will occur when the Leasehold Improvements are sufficiently completed in accordance with the approved construction documents so that City can occupy the affected areas and conduct its business for its intended uses and City, through its Director of Property, has approved the Leasehold Improvements. Leasehold Improvements left in a condition which creates a hazard are neither permitted nor Substantially Complete. City may, in its option, approve the Leasehold Improvements even though there may remain minor details that would not interfere with City's use (“**Punchlist Items**”). Landlord shall diligently pursue to completion all such details.

4.3 Project Management

Landlord or Landlord’s general contractor approved by City (“**Contractor**”) will develop a TI Project budget and schedule, and coordinate with City’s Representative, Don Fraser, on all aspects of the TI Project, to include weekly status meeting and other project-related matters, including:

- (a) scheduling activities in a manner which minimizes disruption to City’s operations and employees;
- (b) reviewing project schedule and budget status;
- (c) providing guidance and decisions requested by Landlord or Contractor
- (d) reviewing design and construction alternatives as needed
- (e) initiating and approving change orders, further described in Section 3.2.

4.4 Change Orders

At the City Representative’s request, the Contractor shall prepare price quotes for City inquiries about any change, addition or alteration relating to the design or specifications of the TI Project (a “**Change Order**”) as needed. Upon approval by the City Representative and Landlord, the Contractor will implement the Change Order, which may result in an addition or reduction to the Gross TI Project cost, however, approved Change Orders will not cause a change in the GMP.

Any Change Order for which the estimated cost would exceed the GMP are not permitted without the prior written agreement of Landlord and City’s Director of Property, which agreement will include the source of funding for any such work. The scope of work under any Change Order that would exceed the GMP may be used to develop a work order proposal, approval of which will be subject to prescribed City requirements and funding for such work.

4.5 Project Costs

(a) Gross TI Project Costs

The base bid price for the TI Project is \$374,571, excluding contingencies and permit fees, as applicable. “**Gross TI Project Costs**” are the Landlord’s

actual costs to complete the TI Project, including approved Change Orders, if any, up to a Guaranteed Maximum Price of \$418,491 (“GMP”).

(b) Net TI Project Cost,

The “Net TI Project Cost” means the amount of City’s payment for the TI Project, calculated by subtracting the Rent Credit from the Gross TI Project Costs.

(c) Payment

Upon Substantial Completion, Landlord shall submit a statement, including all paid invoices and approved Change Order(s), if applicable. The statement shall include the following information:

1. Gross TI Project Costs.
2. Amount of the Rent Credit.
3. Net TI Project Cost
4. A \$18,728 deduction from the Net TI Project Cost for Punchlist Items retention, if any Punchlist Items remain
5. A complete description of Punchlist Items with a projected completion date
6. An invoice for the Net TI Project Cost after deduction of the \$18,728 retention.

Upon satisfactory completion of the Punchlist Items for the TI Project, Landlord will submit an \$18,728 invoice to City for release of the retention. Following City’s written approval, invoice(s) for any amounts due by City will be submitted for payment within the next forty-five (45) days.

5. Amendment to Basic Lease Information.

As of the Effective Date, the following subsections in Section 1 (Basic Lease Information) of the Lease are hereby amended and restated in their entirety to read as follows:

Initial Term (Section 3):

Commencement Date: July 1, 2015

Estimated Second Amendment Effective Date: March 1, 2026

Expiration Date: September 30, 2030

Additional Extension Option (Section 3.3):

City shall have an option to extend the Term for one (1) additional term of five (5) years, exercisable by City providing notice to Landlord not less than one hundred eighty (180) calendar days and no more the two hundred seventy (270) calendar days prior to the expiration of the Term (the “**Extended Term**”) under the terms and conditions of Section 3.3 and Section 4.4, except that the number of days for notice shall be as stated in this subsection above.

Monthly Base Rent (Section 4);
(Section 3 of Second Amendment)

Second Amendment Effective Date – February 28, 2027:	\$103,136.79 (\$2.63 per square foot)
March 1, 2027– February 29, 2028:	\$106,230.89 (\$2.71 per square foot)
March 1, 2028 – February 28, 2029:	\$109,417.82 (\$2.79 per square foot)
March 1, 2029 -February 28,2030:	\$112,700.36 (\$2.87 per square foot)
March 1, 2030 – September 30, 2030:	\$116,081.37 (\$2.96 per square foot)

6. Non-Discrimination in City Contracts and Benefits Ordinance. Section 22.25 of the Initial Lease is deleted in its entirety and replaced with the following language:

(a) **Covenant Not to Discriminate.** In the performance of this Lease, Landlord will not to discriminate against any employee of Landlord, any City employee working with Landlord, any applicant for employment with Landlord, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations on the basis of the fact or perception of a person’s race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of those protected classes, or in retaliation for opposition to discrimination against those classes.

(b) **Subcontracts.** Landlord will include in all subcontracts relating to the Premises a non-discrimination clause applicable to the subcontractor in substantially the form of subsection (a) above. In addition, Landlord will incorporate by reference in all subcontracts the provisions of Sections 131.2(a), 131.2(c)-(k), and (m) and Section 132.3 of the San Francisco Labor and Employment Code and require all subcontractors to comply with those provisions. Landlord’s failure to comply with the obligations in this subsection will constitute a material breach of this Lease.

(c) **Non-Discrimination in Benefits.** Landlord does not as of the date of this Lease, and will not during the Term, in any of its operations in San Francisco, on real property owned by City, or where the work is being performed for City or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits, or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of the employees, where the domestic partnership has been registered with a governmental entity under state or local law authorizing that registration, subject to the conditions set forth in Section 131.2(b) of the San Francisco Labor and Employment Code.

(d) **CMD Form.** As a condition to this Lease, Landlord will execute the City’s Declaration: Nondiscrimination in Contracts and Benefits form with supporting documentation and secure the approval of the form by the San Francisco Contract Monitoring Division (“CMD”). Landlord represents that before execution of the Lease: (i) Landlord executed and submitted to the CMD the required form with supporting documentation, and (ii) the CMD approved the form.

(e) **Incorporation of Administrative Code Provisions by Reference.** The provisions of Articles 131 and 132 of the San Francisco Labor and Employment Code relating to

non-discrimination by parties contracting for the lease of property to City are incorporated in this Section by reference and made a part of this Lease as though fully set forth in this Lease. Landlord will comply fully with and be bound by all of the provisions that apply to this Lease under those Articles of the Labor and Employment Code, including the remedies provided in those Articles. Without limiting the foregoing, Landlord understands that under Sections 131.2(h) and 132.3(g) of the San Francisco Labor and Employment Code, a penalty of Fifty Dollars (\$50) for each person for each calendar day during which the person was discriminated against in violation of the provisions of this Lease may be assessed against Landlord and/or deducted from any payments due Landlord.

7. **Prevailing Wages and Working Conditions.** Section 22.24 of the Initial Lease is deleted in its entirety and replaced with the following language:

22.24. Prevailing Wages and Working Conditions

(a) Any undefined, initially-capitalized term used in this Section has the meaning given to that term in Section 101.1 of the San Francisco Labor and Employment Code. Landlord will require its Contractors and Subcontractors performing work on any Covered Project at the Premises to pay Prevailing Wages in accordance with the requirements of Article 103 of the San Francisco Labor and Employment Code and employ Apprentices in accordance with Article 104 of the San Francisco Labor and Employment Code. Any contract, subcontract, or other type of agreement for the performance of that Covered Project shall (A) require the payment of the highest general Prevailing Rate of Wages as fixed and determined in accordance with Section 103.2 of the San Francisco Labor and Employment Code to all persons performing labor or work for the Covered Project and employment of Apprentices in accordance with Section 104.1 of the San Francisco Labor and Employment Code, (B) require all records described in Section 103.3(e) of the San Francisco Labor and Employment Code to be kept and submitted in compliance with the requirements of that Section, (C) name City, affected workers, and employee organizations formally representing affected workers as third party beneficiaries for the limited purpose of enforcing the Prevailing Wage requirements of Article 103 of the San Francisco Labor and Employment Code and apprenticeship requirements of Article 104 of the San Francisco Labor and Employment Code, including the right to file charges and seek penalties against any Contractor or Subcontractor in accordance with Articles 103 through 106 of the San Francisco Labor and Employment Code, (D) include the Prevailing Rate of Wages or a statement that copies of the Prevailing Rate of Wages as fixed and determined in accordance with Section 103.2 of the San Francisco Labor and Employment Code are on file at the job site and available to any interested party on request, and (E) include the following provisions:

(i) the Contractor will cooperate fully with the Labor Standards Enforcement Officer and other City employees and agents authorized to assist in the administration and enforcement of the Prevailing Wage requirements and other labor standards imposed on the Contractor by City's Charter or Municipal Code;

(ii) the Contractor agrees that the Labor Standards Enforcement Officer, and the Officer's designees, in the performance of their duties, shall have the right to engage in random inspections of job sites and to have access to the employees of the Contractor, employee time sheets, inspection logs, Contractor daily logs, payroll records, employee paychecks, employee paystubs, and proof of payment documents;

(iii) the Contractor shall maintain a record in the format prescribed by the Office of Labor Standards Enforcement of sign-in and sign-out showing which employees have been present on the job site;

(iv) the Contractor shall prominently post at each job site a sign informing employees that the project is subject to the City's Prevailing Wage requirements and that these requirements are enforced by the Labor Standards Enforcement Officer; and

(v) the Labor Standards Enforcement Officer may audit such records of the Contractor or Subcontractor as the Labor Standards Enforcement Officer reasonably deems necessary to determine compliance with the Prevailing Wage and other labor standards imposed by City's Charter or Municipal Code.

Failure to comply with any of these requirements may result in penalties and forfeitures consistent with analogous provisions of the California Labor Code, including Section 1776(h), as amended from time to time.

(b) Landlord will reasonably cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to pay the Prevailing Rate of Wages or employ Apprentices as required. Landlord's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with this Section will enable City to seek the remedies specified in accordance with Articles 103 through 106 of the San Francisco Labor and Employment Code against the breaching party.

8. Obligations Joint and Several. All obligations of the parties comprising Landlord under the Lease shall be joint and several. For all purposes of this Amendment, Landlord shall be deemed one entity and Landlord shall have no defense or claim resulting from or relating to the fact that Landlord is comprised of more than one party.

9. No Joint Venture. This Amendment or any activity by City hereunder does not create a partnership or joint venture between City and Landlord relating to the Lease or otherwise. This Amendment does not constitute authorization or approval by City of any activity conducted by Landlord, and City shall in no way be responsible for the acts or omissions of Landlord on the Premises or otherwise.

10. Governing Law. This Amendment will be governed by, construed and enforced in accordance with the laws of the State of California and City's Charter. Any legal suit, action, or proceeding arising out of or relating to the Amendment shall be instituted in the Superior Court for the City and County of San Francisco, and each party agrees to the exclusive jurisdiction of such court in any such suit, action, or proceeding (excluding bankruptcy matters). The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action, or proceeding in such court and irrevocably waive and agree not to plead or claim that any suit, action, or proceeding brought in San Francisco Superior Court relating to this Amendment or the Lease has been brought in an inconvenient forum.

11. References. No reference to this Amendment is necessary in any instrument or document at any time referring to the Lease. Any future reference to the Lease shall be deemed a reference to such document as amended hereby.

12. Notification of Prohibition on Contributions. By executing this Amendment, Landlord acknowledges its obligations under section 1.126 of City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of City any land or building from making any campaign contribution to **(a)** a City elected official if the lease must be approved by that official, **(b)** a candidate for that City elective office, or **(c)** a committee controlled by that elected official or a candidate for that office, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date City approves the lease. Landlord acknowledges that the foregoing restriction applies only if the lease or a combination

or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one Hundred Thousand Dollars (\$100,000) or more. Landlord further acknowledges that (i) the prohibition on contributions applies to each prospective party to the Lease; any person with an ownership interest of more than 10 percent (10%) in Landlord; any subcontractor listed in the Lease; and any committee that is sponsored or controlled by Landlord; and (ii) within thirty (30) days of the submission of a proposal for the Lease, the City department with whom Landlord is leasing is obligated to submit to the Ethics Commission the parties to the Lease and any subcontractor. Additionally, Landlord certifies that it has informed each such person of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the Lease, and has provided the names of the persons required to be informed to the City department with whom it is leasing.

13. Landlord's Compliance with City Business and Tax and Regulations Code.

Landlord acknowledges that under Section 6.10-2 of the San Francisco Business and Tax Regulations Code, the City Treasurer and Tax Collector may require the withholding of payments to any vendor that is delinquent in the payment of any amounts that the vendor is required to pay City under the San Francisco Business and Tax Regulations Code. If, under that authority, any payment City is required to make to Landlord under the Lease is withheld, then City will not be in breach or default under the Lease, and the Treasurer and Tax Collector will authorize release of any payments withheld under this paragraph to Landlord, without interest, late fees, penalties, or other charges, upon Landlord coming back into compliance with its San Francisco Business and Tax Regulations Code obligations.

14. Further Instruments. The parties hereto agree to execute such further instruments and to take such further actions as may be reasonably required to carry out the intent of this Amendment.

15. Effective Date. The “**Effective Date**” of this Amendment means the first day of the month following the date that (a) City’s Board of Supervisors and the Mayor, in their sole and absolute discretion, have adopted the Resolution approving this Amendment in accordance with all applicable legal requirements and (b) this Amendment is duly executed and delivered by the parties. If the Effective Date has not occurred by June 1, 2026, Landlord shall have the right to withdraw its offer of this Amendment, and this Amendment shall be void and of no further force and effect, unless the parties mutually agree to further extend that date.

16. Disability Access. California Civil Code Section 1938 requires commercial landlords to disclose to tenants whether the property being leased has undergone inspection by a Certified Access Specialist (“**CASp**”) to determine whether the property meets all applicable construction-related accessibility requirements.

Landlord discloses (i) Landlord has not been issued a disability access inspection certificate as described in California Civil Code (“**CC**”) Section 55.53(e), (ii) pursuant to CC Section 1938, that Landlord has not ordered, performed, or caused to be performed, a Certified Access Specialist (“**CASp**”) inspection of the Premises (sometimes referred to as “premises” or “subject premises” for the herein disclosures), and (iii) Landlord makes the following statutory disclosure per CC Section 1938 (the required “**CASp Disclosure**”):

“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.”

If City elects to obtain an inspection, City and Landlord will mutually agree on the arrangements for the time and manner of the CASp inspection. If City elects to obtain a CASp inspection, City shall be responsible, at its sole cost and expense, for the payment of the CASp inspection fee.

17. No Brokers. Neither party has had any contact or dealings regarding this Amendment, or any communication in connection therewith, through any licensed real estate broker or other person who could claim a right to a commission or finder’s fee in connection with this Amendment. If any broker or finder perfects a claim for a commission or finder’s fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes its claim shall be responsible for such commission or fee and shall indemnify the other party from any and all claims or losses incurred by the indemnified party in defending against the same. The provisions of this Section shall survive any termination or nullification of this Amendment.

18. Miscellaneous. Except as expressly modified herein, the terms, covenants and conditions of the Lease shall remain unmodified and in full force and effect. The Lease as amended by this Amendment constitutes the entire agreement of the parties concerning the subject matter hereof, and supersedes and conceals any and all previous negotiations, agreements, or understandings, if any, regarding the matters contained herein. The execution of this Amendment shall not constitute a waiver or relinquishment of any rights which City may have relating to the Lease. Landlord and City hereby ratify and confirm all of the provisions of the Lease as amended by this Amendment. If there is any conflict between this Amendment and the Initial Lease, this Amendment shall control. If any one or more of the provisions in this Amendment is invalid, illegal or unenforceable in any respect, the remaining provisions contained herein shall not be affected in any way thereby. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. This Amendment shall be governed, construed and enforced in accordance with the laws of the State of California and City's Charter. Time is of the essence with respect to all provisions of this Amendment in which a definite time for performance is specified. This Amendment shall be effective as of the Effective Date. Each party represents and certifies that the individual signing on behalf of such party is duly authorized to do so.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

LANDLORD: _____,
KLW Investments, LLC, a California limited
liability company
By: Richard Hyde
Name: Richard Hyde
Its: general partner

TENANT: CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
Sarah R. Oerth
Director of Property

RECOMMENDED:

HUMAN SERVICES AGENCY

By: _____
Trent Rhorer
Executive Director,
Human Services Agency

APPROVED AS TO FORM:

DAVID CHIU, City Attorney

By: _____
Anna Parlato Gunderson
Deputy City Attorney

EXHIBIT A
TI PROJECT

EXHIBIT A.1

SPACE PLAN

(1 PAGE)

- Information:**
- Non permitted
 - Exclude electrical scope
 - Regular time
- Back Restrooms (Locations 8 and 9)**
- Demolish existing partitions in orange in Mens and Womens RR
 - F/I (N) SS partitions in orange in Mens and Womens RR
 - Demo ceramic tile flooring in Mens and Womens RR
 - F/I (N) ~~ceramic tile~~ flooring in Mens and Womens RR
 - F/I (N) vinyl rock ceiling tiles
 - Carry allowance to patch wall tile
 - Paint Mens and Womens RR walls, hard lid ceilings and doors
 - Demo existing countertops
 - F/I (N) stone countertops in Mens and Womens RR. Reuse sinks and hot water loop

Reuse Existing Partitions

3120 MISSION STREET MAP UPDATED: 08-19-20

- Information:**
- Non permitted
 - Exclude electrical scope
 - Regular time
- Breakroom:**
- Demolish lower cabinets, shelving and sink
 - F/I (N) upper and lower plastic laminate cabinets with stone countertop and undermount sink
 - F/I (N) chromite instahot at (N) breakroom sink
 - F/I (N) LVT Flooring at blue
- Unisex Restrooms (Locations 6 & 7)**
- F/I (N) chromite instahot at each Unisex Restroom
 - Demolish sheet vinyl flooring
 - F/I (N) free standing sinks at each Unisex Restroom
 - F/I (N) mirror at each Unisex Restroom
 - F/I (N) door hardware at each Unisex Restroom
 - Paint Unisex Restrooms walls, hardlid ceilings and doors
 - F/I (N) registers
 - Accessories will be existing to remain

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alufan
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9/16/2025

- Information:**
- Non permitted
 - Exclude electrical scope
 - Regular time
- Storage Room:**
- Safe off furniture whip in wall at location 2
 - Relocate door from location 1 to 2
 - Infill door opening at location 1
- Front Restrooms:**
- Demolish wall in dashed red
 - Demolish carpet at green
 - Demolish ceramic tile flooring at yellow
 - F/I (N) sheet vinyl flooring at yellow and green
 - Demolish free standing countertop at location 3
 - F/I (N) free standing sinks at location 3. Reuse existing sinks
 - Demolish partitions in orange
 - F/I (N) SS partitions in orange and at added stall in green
 - F/I (N) vinyl rock ceiling tiles in existing grid
 - Demo dryers and manual paper towel dispenser at location 4
 - Patch ceramic tile on walls at location 4
 - F/I (N) automatic touchless paper towel dispenser
 - Carry allowance to patch wall tile
 - F/I (N) Restroom accessories at yellow and green
 - F/I (N) HVAC registers

except at the
added Stall in the Womens Restroom

New Toilet Partition and New Door at
Classroom. Purple Lines. New Walls, blue
lines

Demo Existing wall to connect new stall to
Womens Restroom. Salvage Existing
Partitions (Orange), demo existing door to
classroom.



EXHIBIT A.2
TENANT IMPROVEMENT BID PROPOSALS
(6 PAGES)

Tenant Improvement

Budget
E24 - 213



Space Refresh
3120 Mission Street
San Francisco CA 94110

9/9/2025

	<u>Budget Amount</u>
01 Project Management and Onsite Supervision	23,688
01 General Requirements	12,227
01 Temporary 'Luxury' Restrooms	NIC
01 Final Cleaning	4,320
02 Demolition	9,295
03 Concrete	NIC
04 Masonry	NIC
05 Structural Steel and Metals	NIC
06 Rough Carpentry	5,874
06 Millwork and Cabinetry	71,610
07 Roofing and Waterproofing	NIC
08 Doors, Frames and Hardware	2,860
08 Glass and Glazing	990
09 Framing and Drywall	11,332
09 Acoustical Ceiling	6,415
09 Ceramic Tile @ Walls	15,961
09 Tile Flooring & Base	43,925
09 Painting	14,394
10 Code & Evacuation Signage	1,500
10 Toilet Partitions and Accessories	26,438
10 Fire Extinguishers And Cabinets	NIC
11 Appliances	NIC
12 Furnishings	NIC
12 Window Treatment	NIC
13 Special Construction	NIC
14 Conveying Equipment	NIC
21 Fire Sprinklers	NIC
22 Plumbing	31,959
23 HVAC	12,152
26 Electrical	NIC
27 Data and Phone	NIC
28 Life Safety	NIC

DocuSigned by:

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9/16/2025

Sub-Total	\$ 294,939
Contingency	29,494
Insurance	4,218
Overhead and Profit	30,400
Builders Risk	1,605
Total Base Budget	\$ 360,655

Soft Costs (Not Included in Base Bid)

Building Permit	14,426
Builders Risk	Included Above

This Budget Proposal is based according to Marked Up Plan (1 page), the scope above and Rossi Builders scope letter / clarifications dated 10.05.2025

All alternates are only valid should they run concurrent with base bid scope of work. This proposal is only valid for 15 days due to volatility in material pricing.

See Attached Scope of Work letter for Allowances, Clarifications, Assumptions, and Exclusions

JH-SH

Celtic Electric

Electrical Contractor

License # 499258

Phone # 415 724 4545

Email: georgeceltic1@yahoo.com

Date

Proposal #

10/14/2024 1014242

Project Name: ³¹²⁷ 3157 Mission Street

Attention Kelly Fallis Ridge Reef Properties.

Proposal To	From
Ridge Reef Properties 139 Mitchell Ave #236 SO San Francisco, CA 94080	Celtic Electric 318 Channing Road Burlingame Ca 94010

Proposal for Lighting and Power Upgrades.

As per walkthrough we propose to remove and dispose of the existing then furnish and install the following.

1. Lobby, room A&B Upgrade lighting to led type including 23 new Led fixtures.
2. Bathroom install 1 new fan/light combo.

Materials for above = \$2960.00

Labor = \$4,860.00

Total invoice for Labor & Materials

\$7,860.00

DocuSigned by:

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9/16/2025

Celtic Electric

Electrical Contractor

License # 499258

Phone # 415 724 4545

Email: georgeceltic1@yahoo.com

Date

Proposal #

10/14/2024 1014243

Project Name: 3125 Mission Street

Attention Kelly Fallis Ridge Reef Properties.

Proposal To	From
Ridge Reef Properties 139 Mitchell Ave #236 SO San Francisco, CA 94080	Celtic Electric 318 Channing Road Burlingame Ca 94010

Proposal for Lighting Upgrades.

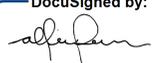
As per walkthrough we propose to remove and dispose of the existing then furnish and install the following.

1. Remove and dispose of all existing lighting .
2. Install 80 new dimmable 2by 4 led lay in fixtures including new wiring and realigement

Materials for above including llight fixtures ,wiring ,ceiling ties ,dump fees = \$9,870.00

Labor = \$14,700.00

Total invoice for Labor & Materials \$24,570.00

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Date

Proposal #

10/14/2024

1014241

Project Name: 3120 Mission Street

Attention Kelly Fallis Ridge Reef Properties.

Proposal To	From
Ridge Reef Properties 139 Mitchell Ave #236 SO San Francisco, CA 94080	Celtic Electric 318 Channing Road Burlingame Ca 94010

Proposal for Lighting and Power Upgrades.

As per walkthrough we propose to remove and dispose of the existing then furnish and install the following.

1. Bathrooms. Upgrade lighting to led type includes 4 surface mount and 6 Two by four lay in fixtures

wire new water heaters,(heaters supplied by others) install new panasonic bathroom exhaust fans,new gfi receptacles .2. Triangle store room upgrade lighting to led .

3. Kitchen remodel including new counter and appliance circuits.

Materials for above = \$3800.00

Labor = \$6,500.00

Total invoice for Labor & Materials

\$10,300.00

DocuSigned by:



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9/16/2025

Celtic Electric

Electrical Contractor

License # 499258

Phone # 415 724 4545

Email: georgeceltic1@yahoo.com

Date #815251

8/15/2025

Project Name: 3125 Mission Street SF, emergency lighting replacement.

Attention Sunnie Heng

To

KLW Investments LLC
139 Mitchell Ave #236
San Francisco Ca 94080

Celtic Electric
318 Channing Road
I Burlingame Ca 94010

Propose to upgrade 4 emergency /light combination fixtures

We propose to furnish and install 4 new led em/exit combination fixtures.

Labor and materials = \$680.00

Total Proposed price = \$680.00

DocuSigned by:



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9/16/2025

EXHIBIT A.2 (Tenant Improvement Bid Proposals)

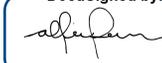
Lease Amendment Sec. 4.4 (a) (Base Bid) excludes Rossi Proposal Contingency of \$29,494; Sec. 4.4 (c) (GMP) includes Base Bid, Rossi Contingency and Building Permit, totaling \$418,491.

EXHIBIT A.3
SCOPE LETTER
(9 PAGES)

Work Letter for 3120 Mission Street & 3125-3127 Mission, San Francisco CA

Per the attached Rossi proposal and Celtic Electric bids, the following work will be completed at the above address:

- At 3120, the mens and womens restrooms will be renovated with new tile floors, new ceiling tiles in existing grid, counter tops, lighting, paint, vents, and some new partitions. reusing existing, except receiving and installing one toilet and valve from HSA.. No new mirrors priced. Everything will be put back per ADA code. Reusing existing toilet partitions except for one new partition at the client womens restroom.
- During the construction of the front bathrooms, clients will have access to the employee restrooms that will be done after the client restrooms. HSA to coordinate and provide escort services as needed.
- In the triangle space, the two single restrooms will also get new floors, lighting, sinks, and some new fixtures. They will both be painted as well. The kitchen in this space will be demolished and replaced with a new set of cabinets (upper and lower). Some electrical will happen and reuse fixtures. LED lighting will be upgraded in the entire triangle space as well.
- Once the clients (front restrooms) are completed, Rossi will move to renovate the employee restrooms (mens and womens). They will remove the tile floors and install new tile floors, remove and reinstall existing partitions, reuse existing fixtures, new lighting by Celtic Electric, new vents, new ceiling tiles, ADA compliant, and paint.
- Next to the clients restrooms in the front of the building, Rossi will build a new wall to expand the women's restroom adding an ADA stall per the Rossi plan. This will also be ADA compliant.
- At 3125-3127, The LED lighting will all be updated with new flight fixtures by Celtic Electric.

DocuSigned by:

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9/16/2025

Celtic Electric

Electrical Contractor

License # 499258

Phone # 415 724 4545

Email: georgeceltic1@yahoo.com

Date

Proposal #

10/14/2024

1014242

Project Name:

3127
3157 Mission Street

Attention Kelly Fallis Ridge Reef Properties.

Proposal To

From

Ridge Reef Properties

139 Mitchell Ave #236

SO San Francisco, CA 94080

Celtic Electric

318 Channing Road

Burlingame Ca 94010

Proposal for Lighting and Power Upgrades.

As per walkthrough we propose to remove and dispose of the existing then furnish and install the following.

1. Lobby, room A&B Upgrade lighting to led type including 23 new Led fixtures.
2. Bathroom install 1 new fan/light combo.

Materials for above = \$2960.00

Labor = \$4,860.00

Total invoice for Labor & Materials

\$7,860.00

DocuSigned by:

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9/16/2025

Celtic Electric

Electrical Contractor

License # 499258

Phone # 415 724 4545

Email: georgeceltic1@yahoo.com

Date

Proposal #

10/14/2024

1014243

Project Name: 3125 Mission Street

Attention Kelly Fallis Ridge Reef Properties.

Proposal To

From

Ridge Reef Properties

139 Mitchell Ave #236

SO San Francisco, CA 94080

Celtic Electric

318 Channing Road

Burlingame Ca 94010

Proposal for Lighting Upgrades.

As per walkthrough we propose to remove and dispose of the existing then furnish and install the following.

1. Remove and dispose of all existing lighting .
2. Install 80 new dimmable 2by 4 led lay in fixtures including new wiring and realigement

Materials for above including llight fixtures ,wiring ,ceiling ties ,dump fees = \$9,870.00

Labor = \$14,700.00

Total invoice for Labor & Materials

\$24,570.00

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Date

Proposal #

10/14/2024 1014241

Project Name: 3120 Mission Street

Attention Kelly Fallis Ridge Reef Properties.

Proposal To

From

Ridge Reef Properties

139 Mitchell Ave #236

SO San Francisco, CA 94080

Celtic Electric

318 Channing Road

Burlingame Ca 94010

Proposal for Lighting and Power Upgrades.

As per walkthrough we propose to remove and dispose of the existing then furnish and install the following.

1. Bathrooms. Upgrade lighting to led type includes 4 surface mount and 6 Two by four lay in fixtures

wire new water heaters,(heaters supplied by others) install new panasonic bathroom exhaust fans,new gfi receptacles .2. Triangle store room upgrade lighting to led .

3. Kitchen remodel including new counter and appliance circuits.

Materials for above = \$3800.00

Labor = \$6,500.00

Total invoice for Labor & Materials

\$10,300.00

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9/16/2025

Celtic Electric

Electrical Contractor

License # 499258

Phone # 415 724 4545

Email: georgeceltic1@yahoo.com

Date #815251

8/15/2025

Project Name: 3125 Mission Street SF, emergency lighting replacement.

Attention Sunnie Heng

To

KLW Investments LLC
139 Mitchell Ave #236
San Francisco Ca 94080

Celtic Electric
318 Channing Road
I Burlingame Ca 94010

Propose to upgrade 4 emergency /light combination fixtures

We propose to furnish and install 4 new led em/exit combination fixtures.

Labor and materials = \$680.00

Total Proposed price = \$680.00

DocuSigned by:



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9/16/2025



August 26, 2025

Scope Letter

General Clarifications/Qualifications:

1. All work is based on regular working hours and (1) mobilization
2. Due to current market conditions and material price increased-all quotes are subject to change and must be confirmed prior to confirmation of ordering if beyond (30) days
3. Any utility fees, MEP trade permits will be an owner responsible/reimbursable item.

Exclusions:

4. Abatement, hazardous material; testing, reporting or removal
5. Any (and all) tenant improvements unless otherwise noted in scope letter or proposal
6. Exterior window cleaning.
7. Security System, AV & tele/data
8. Electrical scope of work.
9. Temporary 'luxury' toilets are Not Included

Demolition:

Scope:

1. Provide labor, equipment and materials for demolition scope of work, includes:
 - a. Back Restrooms (Locations 8 & 9):
 - i. Demo existing partitions in orange in Men's and Women's RR
 - ii. Demo ceramic tile flooring in Men's and Women's RR and scrape adhesives to prep for new finishes
 - iii. Demo existing countertops
 - b. Breakroom:
 - i. Demo lower cabinets, shelving and sink
 - c. Uni-sex Restrooms (Locations 6 & 7):
 - i. Demo sheet vinyl flooring and scrape adhesives to prep for new finishes
 - d. Men's & Women's Restrooms:
 - i. Demo wall in dashed red
 - ii. Demo carpet at green
 - iii. Demo ceramic tile flooring at yellow
 - iv. Demo free standing countertop at location 3
 - v. Demolish partitions in orange
 - vi. Demo dryers and manual paper towel dispenser at location 4

Miscellaneous Carpentry:

Scope:

1. Provide labor, equipment, and materials for misc. carpentry, includes:
 - a. Layout, backing & blocking
 - ~~b. Provide and Maintain a Temporary Barrier between public and office workers for access to rear bathrooms, approximately 150'—Scope Removed~~

Custom Millwork & Countertops (Budget Allowance):

Scope:

1. Provide labor, materials, and equipment for custom millwork, includes casework and tops per the following:
 - a. Men's & Women's Rooms Note 8 & 9
 - b. Break Room Note 5
 - c. Men's & Women's Rooms Note 3 & 4
 - d. Standard p-lam manufacturer's non-premium colors included
 - e. Solid Surface countertops included
 - f. Millwork budget pending specifications

Doors, Frames & Hardware:

Scope:

1. Provide labor, equipment & material for doors, frames & hardware, includes:
 - a. Relocate existing door from location #01 to #02 as marked on 'Marked Up Plan'

Glass & Glazing:

Scope:

1. Provide labor, materials, and equipment for glass & glazing, includes:
 - a. (4) 60 x 42 frameless restroom mirrors

Drywall (Allowance):

Scope:

1. Provide labor, materials, and equipment for drywall framing & finishing, includes:
 - a. Allowance for drywall patching & finishing (if required)
 - b. Infill door

Ceramic Tile @ Walls (Allowance):

Scope:

1. Provide labor, materials, and equipment for ceramic tile, includes restroom Wall Tile Patching & Repair (4 Restrooms):
 - a. All tile figured to be installed using thin-set installation methods with cementitious adhesives and grouts
 - i. Qualifying Daltile Color Wheel Classic Group 1 Colors. Size 4"x4" – Architect/Owner to select color.
 - b. Patch & repair wall tile due to demolition for restroom accessory upgrades and added wall at locations detailed on marked-up drawings.
 - i. Qualifying bottom row of wall tile in lieu of existing cove base as new floor will be sheet vinyl.
 - ii. Qualifying Schluter-Dilex-AHKA Cove transition at wall tile to sheet vinyl flooring.
 - c. Exact extent of tile removal & repair TBD upon review / confirmation onsite

Acoustical Ceiling:

Scope:

1. Provide labor, equipment, & materials for acoustical ceiling & grid, includes:

- a. Rework: New Ceiling Tiles and Grid Patch as Required
 - i. USG Sheetrock CP - #3270 2x4 Vinyl SQ Lay-in ceiling tile
 - ii. USG #DX26 HD 15/16 Exposed T-bar grid
 - iii. Install new ceiling tile into existing grid: 1530 SF.
 - iv. New 2x4 ceiling grid as required: 150 SF.
 - v. Ceiling wires will use shot-in anchors, seismic splay wires will use shot-in anchors.

Tile Flooring & Base:

Scope:

1. Provide labor, equipment, & materials for tile flooring and base, includes:
 - a. Restrooms #3, #4, #6, & #7, \$5.00/SF material allowance is being provided for 12"x24" floor tile and 4"x24" base tile:
 - i. 4" Tile Base throughout. Tile Base to be cut down from floor tile
 - ii. Schluter-Jolly Satin Anodized Aluminum trim on to edge of cut tile base
 - iii. Schluter-Dilex-AHK Satin Anodized Aluminum Cove transition
 - iv. Schluter-Schiene Satin Anodized Aluminum floor transition at doorway threshold.
 - v. Liquid-Applied waterproofing membrane beneath floor tile
 - vi. Floor Prep Allowance - up to 1/4" self-leveling @ restrooms
 - vii. Grout Seal

Painting:

Scope:

1. Provide labor, equipment, and materials for painting, includes:
 - a. Mask surrounding finishes
 - b. Back RR's & Unisex RR's:
 - i. Prep & paint walls, ceilings, doors & frames
 - c. Break room, women's Front RR, Storage Rm & Corridor:
 - i. Prime & paint (N) walls
 - d. Spot prime & paint existing GWB walls affected by (N) construction to nearest break

Code Signage (Allowance):

Scope:

1. Allowance for new code signage if required.

Restroom Accessories & Partitions:

Scope:

1. Provide labor, materials, and equipment for restroom partitions & accessories, includes:
 - a. Toilet Accessories:
 - i. (2) B-6806x48 Straight grab bar – 48" length
 - ii. (2) B-6806x36 Straight grab bar – 36" length
 - iii. (2) B-3974 Recessed automatic universal roll paper towel dispenser/ waster receptacle – 12 gallon
 - iv. (7) B-2888 multi-roll toilet tissue dispenser, stainless steel
 - v. (7) B-221 Toilet seat cover dispenser, stainless steel
 - vi. (5) B-270 Sanitary Napkin disposal, stainless steel – 1.0 gallon
 - vii. (4) B-B26.1B Starter Kit B-826 Dispenser, 800ml lotion soap refill, 4 batteries
 - viii. (2) B-290 24x36 - 24" wide x 36" high ROOMS 6 & 7 only
 - ix. Accessories 3 & 4 new accessories
 - x. Rooms 6, 7, 8 & 9 Re-install exiting accessories

- b. Toilet Partitions: reuse existing, included deinstallation, storing, and reinstallation
 - i. reuse existing partitions, included deinstallation, storing, and reinstallation
 - ii. Add (1) new partition at the women's front restroom

Plumbing:

Scope:

1. Provide labor, equipment, and materials for plumbing, includes:
 - a. Back Restrooms Locations 8 & 9:
 - i. Remove (2) existing drop-in lavatories with manual faucets, salvage for reuse, and reinstall after new countertops
 - b. Breakroom
 - i. Remove and replace with new at existing location (1) undermount stainless steel kitchen sink with manual faucet
 - ii. Furnish and install (1) point-of-use water heater
 - c. Unisex Restrooms - Locations 6 & 7:
 - i. Remove and replace with new at existing locations (2) wall-hung lavatories with manual faucets
 - ii. Furnish and install (2) point-of-use water heaters
 - d. Women's Restroom – Location 3:
 - i. Remove (2) existing drop-in lavatories with manual faucets, salvage for reuse, and reinstall after new countertops
 - ii. Furnish and install (1) new floor mount tank type water closet
 - e. Safe off and demolition
 - f. Sanitary waste and vent piping at new water closet only
 - g. Domestic cold water supply piping at new water closet only
 - h. Testing
 - i. Concrete sawcut with overcuts, excavation and patch at new water closet only
 - j. Pipe hangers/supports at new water closet only
 - k. Receive and install 1 existing toilet and flush valve for the new toilet at Women's bathroom note 1.

HVAC Mechanical:

Scope:

1. Provide labor, equipment, and materials for HVAC Mechanical, includes:
 - a. (2) new ceiling exhaust fans
 - b. Remove and replace (8) existing T-bar registers (like-for-like – in same location)
 - c. (2) unisex RR assuming replace grills, existing fan to remain.

Electrical & Fire Life Safety (NIC):

Scope:

1. All electrical lighting and fire life safety work to be performed by building owner.
2. ~~Allowance for electrical utility outlets or appliance requirements at the back break room new cabinetry and countertop: \$15,000. Scope Removed~~