

File No. 211086

Committee Item No. 7

Board Item No. 17

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date December 1, 2021

Board of Supervisors Meeting Date December 7, 2021

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Digest                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

#### OTHER (Use back side if additional space is needed)

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|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Executed Lease Agreement - 4/11/16</u>           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Amendment No. 1 4/18/19</u>                      |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Airport Commission Reso No. 21-196 - 10/5/21</u> |
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Completed by: Brent Jalipa Date November 22, 2021

Completed by: Brent Jalipa Date December 2, 2021

1 [Lease Modification - United States Government - United States Federal Bureau of  
2 Investigation - Annual Rent \$665,489]

3 **Resolution approving Modification No. 2 of Lease No. GS-09P-LCA03395, between the**  
4 **United States of America and the City and County of San Francisco, acting by and**  
5 **through its Airport Commission, to extend the term by three years, for a new term**  
6 **ending January 3, 2025, and increasing the annual rent to \$665,489, totaling \$1,996,467**  
7 **for the extension term, for offices occupied by the U.S. Federal Bureau of Investigation**  
8 **at the International Terminal, to commence following approval by the Board of**  
9 **Supervisors.**

10  
11 WHEREAS, The Federal Bureau of Investigation (FBI), an agency of the United States  
12 of America (Tenant), currently occupies offices at San Francisco International Airport (Airport);  
13 and

14 WHEREAS, On October 13, 2015, by Resolution No. 15-0214, the Airport Commission  
15 (Commission) approved General Services Administration (GSA) Lease  
16 No. GS-09P-LCA03395 (Lease), providing approximately 2,396 square feet of Category II  
17 office space in the International Terminal for use as administrative and operations offices for  
18 the FBI; and

19 WHEREAS, On January 26, 2016, by Resolution No. 16-16, the Board of Supervisors  
20 approved the Lease; and

21 WHEREAS, On November 6, 2018, by the Resolution No. 18-0360, the Commission  
22 approved Modification No. 1 to the Lease, extending the term by three years and increasing  
23 the annual rent; and

24 WHEREAS, On February 5, 2019, by Resolution No. 62-19, the Board of Supervisors  
25 approved Modification No. 1 to the Lease; and

1           WHEREAS, The Lease currently terminates on January 3, 2022; and

2           WHEREAS, Tenant wishes to extend the Lease term for an additional three-year  
3 period, with a commensurate increased rental rate during the extension term; and

4           WHEREAS, Airport staff negotiated Modification No. 2 to the Lease with the GSA,  
5 acting on behalf of the Tenant, to extend the term of the Lease by three years and increase  
6 the annual rent to \$665,489.00; and

7           WHEREAS, On October 5, 2021, by Resolution No. 21-0196, the Commission  
8 approved Modification No. 2, a copy of which is on file with the Clerk of the Board of  
9 Supervisors in File No. 211086, which is hereby declared to be part of this Resolution as if set  
10 forth fully herein; now, therefore, be it

11           RESOLVED, That the Board of Supervisors hereby approves Modification No. 2 of  
12 Lease No. GS-09P-LCA03395 between the United States of America and the City and County  
13 of San Francisco, acting by and through its Airport Commission, to 1) extend the term of the  
14 Lease for three years, and 2) increase the annual rent to \$665,489, totaling \$1,996,467 for the  
15 extension term; and, be it

16           FURTHER RESOLVED, That within thirty (30) days of the contract being fully executed  
17 by all parties, the Airport Commission shall provide a copy of the final contract to the Clerk of  
18 the Board for inclusion into the official file.

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<b>Item 7</b> <b>File 21-1086</b>	<b>Department:</b> Airport
<b>EXECUTIVE SUMMARY</b>	
<p style="text-align: center;"><b>Legislative Objectives</b></p> <ul style="list-style-type: none"> <li>• The proposed resolution would approve Modification No. 2 of the lease between the Airport and the FBI for the continued use of 2,396 square feet of office space located at the International Terminal of the Airport. Modification No. 2 would extend the lease term by an additional three years, for a total of a nine-year term from January 4, 2016 through January 3, 2025, and increase the annual rent to \$665,489, which includes base rent of \$632,304, and annual operating costs of \$33,185.</li> </ul> <p style="text-align: center;"><b>Key Points</b></p> <ul style="list-style-type: none"> <li>• The FBI has occupied this office space since July 2010. According to the Airport, the FBI's Airport office often serves as a command post for federal investigative operations involving national security issues and all crimes aboard aircraft.</li> </ul> <p style="text-align: center;"><b>Fiscal Impact</b></p> <ul style="list-style-type: none"> <li>• The total payments to be made by the FBI to the Airport for the proposed three-year lease term extension would be \$1,996,467 including \$1,896,912 in rent and \$99,555 in operating costs. These operating services are provided by the Airport Facilities Division and are reimbursed by the FBI under the lease.</li> </ul> <p style="text-align: center;"><b>Policy Consideration</b></p> <ul style="list-style-type: none"> <li>• The proposed resolution continues the practice of providing eight parking permits to the FBI free of charge. According to the Airport this is a common practice at other U.S. airports. If the Airport were to charge the FBI the full rate for each permit, it would receive an additional \$10,752 per year, or \$32,256 over the course of the three-year term of the lease extension.</li> </ul> <p style="text-align: center;"><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>• Approve the proposed resolution.</li> </ul>	

**MANDATE STATEMENT**

City Charter Section 9.118(c) states that any lease of real property for a period of ten years or more or that has revenue to the City of \$1 million or more is subject to Board of Supervisors approval.

**BACKGROUND**

On January 26, 2016, the Board of Supervisors approved a resolution for a lease between the Airport and the US Federal Bureau of Investigation (FBI) for 2,396 square feet of office space in the International Terminal. The original lease term was for a duration of three years, from January 4, 2016 through January 3, 2019, with an annual rent of \$542,766 (File 15-1221). On February 5, 2019, the Board of Supervisors approved Modification No. 1 to the lease to extend the term by three years from January 3, 2019 to January 3, 2022, and increase the annual rent to \$615,385 (File 19-0014).

The FBI has occupied this office space since July 2010, and according to the Airport, they have no plans to relocate. According to the Airport, the FBI's Airport office often serves as a command post for federal investigative operations involving national security issues and all crimes aboard aircraft. Nine FBI Airport Liaison Agents are assigned to the office, and they conduct onsite planning and logistics in coordination with other law enforcement agencies to respond to federal criminal investigations. They work with other federal counterparts located at the Airport, including the Drug Enforcement Agency, the Department of Homeland Security, the Transportation Security Administration, and Customs and Border Protection. The Airport considers FBI services critical to security.

**DETAILS OF PROPOSED LEGISLATION**

The proposed resolution would approve Modification No. 2 of the lease between the Airport and the FBI for the continued use of 2,396 square feet of office space located at the International Terminal of the Airport. Modification No. 2 would extend the lease term by an additional three years, for a total of a nine-year term from January 4, 2016 through January 3, 2025, and increase the annual rent to \$665,489, which includes base rent of \$632,304, and annual operating costs of \$33,185 as shown in Exhibit 1 below.

**Exhibit 1: Key Lease Provisions**

	<b>Current Lease</b>	<b>Proposed Modification No. 2</b>
<b>Lease Term</b>	6 years	Plus 3 years
<b>Term Dates</b>	January 4, 2016 – January 3, 2022	January 4, 2016 – January 3, 2025
<b>Size of Space</b>	2,396 square feet	No Change
<b>Parking</b>	8 free parking spaces	No Change
<b>Annual Space Rent</b>	\$592,780 (\$247.40 per SF)	\$632,304 (\$263.90 per SF)
<b>Annual Operating Costs (Paid by Tenant)</b>	\$22,605 (\$9.43 per SF)	\$33,185 (\$13.85 per SF)
<b>Total Annual Rent</b>	\$615,385	\$665,489
<b>Consumer Price Index Adjustments</b>	None. Fixed annual rent for the entire term based on negotiated escalation rates	No Change
<b>Utilities and Services</b>	FBI pays operating costs as part of the rent, and the Airport provides all utilities and janitorial services.	No Change
<b>Options to Extend</b>	None	No Change

Source: Airport

As shown above, under the proposed lease extension, the total annual rent paid by the FBI to the Airport increases from \$615,385 to \$665,489 or by 8.1 percent.

**Rate Determination**

The fixed annual rent rate of \$263.90 per square foot is based on the FY 2021-22 Category II Terminal Rental Rate of \$255.21 per square foot per year and projected increases averaged over the three-year term, as provided by Airport Finance Division. Annual operating costs of \$13.85 per square foot consist of current estimated FBI office maintenance, janitorial and utility costs, which during the current fiscal year is \$12.81 per square foot per year, and projected increases averaged over the three-year term. These operating services are provided by the Airport Facilities Division and are reimbursed by the FBI under the lease.

**COVID**

The proposed amendment incorporates into the lease Executive Order 14042, Ensuring Adequate COVID-19 Safety Protocols for Federal Contractors. The Executive Order requires workplace safety protocols including COVID-19 vaccination of federal contractor employees (in this case, the Airport), masking and physical distancing while in the workplace, and designation of a person to coordinate COVID-19 workplace safety efforts at the workplace.

**FISCAL IMPACT**

The total payments to be made by the FBI to the Airport for the proposed three-year lease term extension would be \$1,996,467 including \$1,896,912 in rent and \$99,555 in operating costs, as shown in Exhibit 2.

**Exhibit 2: Proposed Total Payments from FBI to Airport**

<b>Year</b>	<b>Annual Rent</b>	<b>Operating Costs</b>	<b>Annual Payment</b>
1	\$632,304	\$33,185	\$665,489
2	632,304	33,185	665,489
3	632,304	33,185	665,489
<b>Total</b>	<b>\$1,896,912</b>	<b>\$99,555</b>	<b>\$1,996,467</b>

Source: Airport

**POLICY CONSIDERATION**

**Free Parking**

The proposed resolution continues the practice of providing eight parking permits to the FBI free of charge. According to the Airport this is a common practice at other U.S. airports. The Airport’s FY 2021-22 Rates and Charges state that employee parking permits in the Domestic and International Terminal Garages cost \$112 per month. If the Airport were to charge the FBI the full rate for each permit, it would receive an additional \$10,752 per year, or \$32,256 over the course of the three-year term of the lease extension. The Airport provides a total of 1,459 free parking permits to Federal agencies, including eight allocated to the FBI. This practice of providing parking permits to Federal agencies free of charge represents an opportunity cost of \$163,408 per month, or \$1,960,896 per year, to the Airport.

**RECOMMENDATION**

Approve the proposed resolution.

<b>GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE</b>	LEASE AMENDMENT No. 2
	TO LEASE NO. GS-09P-03395
<b>LEASE AMENDMENT</b>	
ADDRESS OF PREMISES San Francisco International Airport San Francisco, CA 94128	PDN Number: N/A

**THIS AMENDMENT** is made and entered into between **City and County of San Francisco, acting by and through its Airport Commission, c/o the Airport Director, San Francisco International Airport, organized and existing under the laws of the State of California**

whose address is: AIRPORT COMMISSION – SAN FRANCISCO INTERNATIONAL  
AIRPORT ADMINISTRATIVE OFFICES  
BUILDING 100 - INTERNATIONAL TERMINAL  
P.O. BOX 8097  
San Francisco, CA 94128

hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government:

**WHEREAS**, the parties hereto desire to amend the above Lease to extend the term for a period of 3 years, all years being FIRM, increase the annual rent, and to add FAR Clause 52.223-99

NOW THEREFORE, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective upon execution by the Government as follows:

**Paragraph 1.03A Rent and Other Consideration is amended:**

To extend the term of the Lease for three (3) years FIRM. The Extension Term shall commence on **January 4, 2022** and terminate on **January 3, 2025**.

This Lease Amendment contains 3 pages.

All other terms and conditions of the lease shall remain in force and effect.  
IN WITNESS WHEREOF, the parties subscribed their names as of the below date.

**FOR THE LESSOR:**

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Entity: \_\_\_\_\_  
Date: \_\_\_\_\_

**FOR THE GOVERNMENT:**

\_\_\_\_\_  
Name: Clara E. Lee  
Title: Lease Contracting Officer  
General Services Administration, Public Buildings Service  
Date: \_\_\_\_\_



**WITNESSED FOR THE LESSOR BY:**

\_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

**APPROVED AS TO FORM FOR THE LESSOR:**

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

	1/4/2016 – 1/3/2019		1/4/2019– 1/3/2022		1/4/2022 – 1/3/2025	
	Annual Rent	Annual Rate/RSF	Annual Rent	Annual Rate/RSF	Annual Rent	Annual Rate/RSF
<b>Shell Rental Rate</b>	\$519,428.84	\$216.79	\$592,779.89	\$247.40	<b>\$632,304.40</b>	<b>\$263.90</b>
<b>Operating Costs</b>	\$23,337.04	\$9.74	\$22,604.68	\$9.43	<b>\$33,184.60</b>	<b>\$13.85</b>
<b>Full Service Rate</b>	\$542,765.88	226.53	\$615,384.57	\$256.84	<b>\$665,489.00</b>	<b>\$277.75</b>

LESSOR: \_\_\_\_\_ GOVERNMENT: \_\_\_\_\_

The following FAR Clause 52.223-99, ENSURING ADEQUATE COVID-19 SAFETY PROTOCOLS FOR FEDERAL CONTRACTORS (OCT 2021) (DEVIATION), is hereby incorporated into the Lease:

52.223-99 ENSURING ADEQUATE COVID-19 SAFETY PROTOCOLS FOR FEDERAL CONTRACTORS (OCT 2021) (DEVIATION)

(a) *Definition.* As used in this clause -

*United States or its outlying areas* means—

- (1) The fifty States;
- (2) The District of Columbia;
- (3) The commonwealths of Puerto Rico and the Northern Mariana Islands;
- (4) The territories of American Samoa, Guam, and the United States Virgin Islands; and
- (5) The minor outlying islands of Baker Island, Howland Island, Jarvis Island, Johnston Atoll, Kingman Reef, Midway Islands, Navassa Island, Palmyra Atoll, and Wake Atoll.

(b) *Authority.* This clause implements Executive Order 14042, Ensuring Adequate COVID Safety Protocols for Federal Contractors, dated September 9, 2021 (published in the Federal Register on September 14, 2021, 86 FR 50985).

(c) *Compliance.* The Contractor shall comply with all guidance, including guidance conveyed through Frequently Asked Questions, as amended during the performance of this contract, for contractor or subcontractor workplace locations published by the Safer Federal Workforce Task Force (Task Force Guidance) at <https://www.saferfederalworkforce.gov/contractors/>.

(d) *Subcontracts.* The Contractor shall include the substance of this clause, including this paragraph (d), in subcontracts at any tier that exceed the simplified acquisition threshold, as defined in Federal Acquisition Regulation 2.101 on the date of subcontract award, and are for services, including construction, performed in whole or in part within the United States or its outlying areas.

(End of clause)

**LEASE NO. GS-09P-LCA03395**

On-Airport Lease  
GSA FORM L201D ( January 2016)

This Lease is made and entered into between

City and County of San Francisco, acting by and through its Airport Commission, c/o the Airport Director, San Francisco International Airport (Lessor), whose principal place of business is:

Airport Commission-San Francisco International Airport  
Administrative Offices  
Building 100 – International Terminal  
P.O. Box 8097  
San Francisco, CA 94128

And whose interest in the Property described herein is that of Fee Owner, and

**The United States of America**

(Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

San Francisco International Airport  
South Shoulder Building of the International Terminal  
Fifth Floor, Room Number I.5.112  
San Francisco, CA 94128

and more fully described in Section 1 and Exhibit 1, together with rights to the use of parking and other areas as set forth herein, to be used for administrative and operations offices for the U.S. Federal Bureau of Investigation, and such purposes as determined by GSA.

**LEASE TERM**

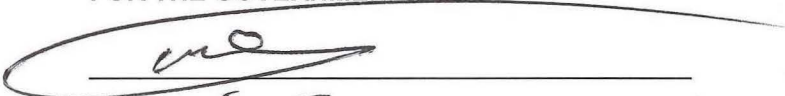
To Have and To Hold the said Premises with its appurtenances for the term beginning upon January 4, 2016, as required by this Lease and continuing for a period of 3 Years Firm, subject to termination and renewal rights as may be hereinafter set forth.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.


**FOR THE LESSOR:**

  
\_\_\_\_\_  
Name: John L. Martin  
Title: Airport Director  
Entity Name: San Francisco International Airport  
Date: 2/25/16

**FOR THE GOVERNMENT:**

  
\_\_\_\_\_  
Eric Johnson  
Title: Lease Contracting Officer  
General Services Administration, Public Buildings Service  
Date: 4/11/16

**WITNESSED FOR THE LESSOR BY:**

  
\_\_\_\_\_  
Name: Chris Arrigale  
Title: Executive Assistant to the COO  
Date: 2/25/16





4. All services, utilities, and maintenance required for the proper operation of the Property and the Building in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

**1.04 DOCUMENTS INCORPORATED IN THE LEASE (ON-AIRPORT) (SEP 2013)**

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
Exhibit 1 - Floor Plan(s)		1
GSA Form 3517B, General Clauses	47	2
GSA Form 3518, Representations and Certifications	10	3

**1.05 OPERATING COST (SEP 2013)**

The parties agree that the Lessor's base rate for operating costs shall be \$9.74 per RSF (\$23,337.04/annum).

**1.06 HOLD HARMLESS**

In accordance with and subject to the conditions, limitations and exceptions set forth in the Federal Tort Claims Act of 1948, as amended ( 28 U.S.C. 2671, et., seq.), hereafter termed "The Act," the Government will be liable to persons damaged by any personal injury, death or injury to or loss of property, which is caused by a negligent or wrongful act or omission of any employees of the Government while acting within the scope of his office or employment under the same circumstances where a private person would be liable in accordance with the law of the place where the Act or omission occurred. The foregoing shall not be deemed to extend the Government's liability beyond that existing under the Act at the time of such act or omission or to preclude the Government from using any defense available in law or equity. The Government shall maintain a program of self-insurance.

**1.07 SAN FRANCISCO CONTRACTING REQUIREMENTS**

A. No Advertising. The Government shall have no right to conduct any advertising or promotional activities at the Premises or the Airport.

B. Sunshine Ordinance. In accordance with Section 67.24(e) of the San Francisco Administrative Code, contracts, contractors' bids, leases, agreements, responses to Requests for Solicitations, and all other records of communications between City and persons or firms seeking contracts will be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract, lease, agreement or other benefit until and unless that person or organization is awarded the contract, lease, agreement or benefit. Information provided which is covered by this Section will be made available to the public upon request.

C. Notification of Limitations on Contributions. The Government acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City of San Francisco for the leasing of any building from the City whenever such transaction would require approval by a City elective officer or the board on which that City elective officer serves, from making any campaign contribution to the officer at any time from the commencement of negotiations for such contract until the termination of negotiations for such contract or three (3) months has elapsed from the date the contract is approved by the City elective officer, or the board on which that City elective officer serves.

D. Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Airport Director's prior consent.

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## SECTION 2 GENERAL TERMS, CONDITIONS, AND STANDARDS

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### 2.01 DEFINITIONS AND GENERAL TERMS (SEP 2013)

Unless otherwise specifically noted, all terms and conditions set forth in this Lease shall be interpreted by reference to the following definitions, standards, and formulas:

- A. Appurtenant Areas. Appurtenant Areas are defined as those areas and facilities on the Property that are not located within the Premises, but for which rights are expressly granted under this Lease, or for which rights to use are reasonably necessary or reasonably anticipated with respect to the Government's enjoyment of the Premises and express appurtenant rights.
- B. Broker. If GSA awarded this Lease using a contract real estate broker, Broker shall refer to GSA's broker.
- C. Building. The building(s) situated on the Property in which the Premises are located shall be referred to as the Building(s).
- D. Commission Credit. If GSA awarded this Lease using a Broker, and the Broker agreed to forego a percentage of its commission to which it is entitled in connection with the award of this Lease, the amount of this credit is referred to as the Commission Credit.
- E. Common Area Factor (CAF). Intentionally Deleted.
- F. Contract. Contract and contractor means Lease and Lessor, respectively.
- G. Days. All references to "day" or "days" in this Lease shall mean calendar days, unless specified otherwise.
- H. FAR/GSAR. All references to the FAR shall be understood to mean the Federal Acquisition Regulation, codified at 48 CFR Chapter 1. All references to the GSAR shall be understood to mean the GSA supplement to the FAR, codified at 48 CFR Chapter 5.
- I. Firm Term/Non-Firm Term. The Firm Term is that part of the Lease term that is not subject to termination rights. The Non-Firm Term is that part of the Lease term following the end of the Firm Term.
- J. Lease Term Commencement Date. The Lease Term Commencement Date means the date on which the Lease term commences.
- K. Lease Award Date. The Lease Award Date means the date of execution of the Lease by the LCO and the mailing or otherwise furnishing written notification of the executed Lease to the successful Offeror (and on which the parties' obligations under the Lease begin).
- L. Premises. The Premises are defined as the total Office Area or other type of Space, together with all associated common areas, described in Section 1 of this Lease, and delineated by plan in the attached exhibit. Parking and other areas to which the Government has rights under this Lease are not included in the Premises.
- M. Property. The Property is defined as the land and Buildings in which the Premises are located, including all Appurtenant Areas (e.g., parking areas) to which the Government is granted rights.
- N. Rentable Space or Rentable Square Feet (RSF). Rentable Space is the area for which a tenant is charged rent. It is determined by the Building owner and may vary by city or by building within the same city. The Rentable Space may include a share of Building support/common areas such as elevator lobbies, Building corridors, and floor service areas. Floor service areas typically include restrooms, janitor rooms, telephone closets, electrical closets, and mechanical rooms. The Rentable Space does not include vertical building penetrations and their enclosing walls, such as stairs, elevator shafts, and vertical ducts. Rentable Square Feet is calculated using the following formula for each type of Space (e.g., office, warehouse, etc.) included in the Premises: Usable SF of Space x (1 + CAF) = RSF.
- O. Space. The Space shall refer to that part of the Premises to which the Government has exclusive use, such as Office Area. Parking areas to which the Government has rights under this Lease are not included in the Space.
- P. Working Days. Working Days shall mean weekdays, excluding Saturdays and Sundays and Federal holidays.

### 2.02 AUTHORIZED REPRESENTATIVES (JUN 2012)

The signatories to this Lease shall have full authority to bind their respective principals with regard to all matters relating to this Lease. No other persons shall be understood to have any authority to bind their respective principals, except to the extent that such authority may be explicitly delegated by notice to the other party, or to the extent that such authority is transferred by succession of interest. The Government shall have the right to substitute its Lease Contracting Officer (LCO) by notice, without an express delegation by the prior LCO.

### 2.03 WAIVER OF RESTORATION (APR 2011) (DELETED)

### 2.04 RELOCATION RIGHTS (JUN 2012) (DELETED)

**2.05 ACCEPTANCE OF SPACE AND CERTIFICATE OF OCCUPANCY (ON-AIRPORT) (SEP 2013)**

A. The Lessor shall provide floor plans for the Space and a valid Certificate of Occupancy (C of O), issued by the local jurisdiction, for the intended use of the Government. If the local jurisdiction does not issue C of O's or if the C of O is not available, the Lessor may satisfy this condition by providing a report prepared by a licensed fire protection engineer that verifies that the Space complies with all applicable local fire protection and life safety codes and ordinances.

B. Neither the Government's acceptance of the Premises for occupancy or acceptance of related appurtenances, nor the Government's occupancy of the Premises, shall be construed as a waiver of any requirement or right of the Government under this Lease, or as otherwise prejudicing the Government with respect to any such requirement or right, or as an acceptance of any latent defect or condition.

**2.06 ALTERATIONS PRIOR TO ACCEPTANCE (JUN 2012) (DELETED)**

**2.07 CENTRAL CONTRACTOR REGISTRATION (SEP 2013)**

The Offeror must have an active registration in the Central Contractor Registration (CCR) database, now the System for Award Management (SAM), via the Internet at <https://www.acquisition.gov>, prior to the Lease award and throughout the life of the Lease. To remain active, the Offeror/Lessor is required to update or renew its registration annually. The Government will not process rent payments to Lessor without an active registration in SAM. No change of ownership of the leased Premises will be recognized by the Government until the new owner registers in SAM.

**2.08 SECURITY UPGRADES DUE TO IMMEDIATE THREAT (APR 2011)**

The Government reserves the right, at its own expense and with its own personnel, to heighten security in the Building under Lease during heightened security conditions due to emergencies such as terrorist attacks, natural disaster, and civil unrest.



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## SECTION 3 CONSTRUCTION STANDARDS AND SHELL COMPONENTS

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### 3.01 BUILDING SHELL REQUIREMENTS (ON-AIRPORT) (SEP 2013)

A. The Building Shell shall be designed, constructed, and maintained in accordance with the standards set forth herein and completed prior to acceptance of Space. For pricing, fulfillment of all requirements not specifically designated as operating costs or other rent components as indicated shall be deemed included in the Shell Rent.

B. Base structure and Building enclosure components shall be complete. All common areas accessible by the Government, such as lobbies, fire egress corridors and stairwells, elevators, garages, and service areas, shall be complete. Restrooms shall be complete and operational. All newly installed Building shell components, including but not limited to, heating, ventilation, and air conditioning (HVAC), electrical, ceilings, sprinklers, etc., shall be furnished, installed, and coordinated with TIs. Circulation corridors are provided as part of the base Building only on multi-tenanted floors where the corridor is common to more than one tenant. On single tenant floors, only the fire egress corridor(s) necessary to meet code is provided as part of the shell.

### 3.02 MEANS OF EGRESS (SEP 2013)

A. The Premises and any parking garage areas shall meet the applicable egress requirements in the National Fire Protection Association, Life Safety Code (NFPA 101) or the International Code Council, International Building Code (IBC), (both current as of the Lease Award Date).

B. The Space shall have unrestrictive access to a minimum of two remote exits on each floor of Government occupancy.

C. Interlocking or scissor stairs located on the floor(s) where Space is located shall only count as one exit stair.

D. A fire escape located on the floor(s) where Space is located shall not be counted as an approved exit stair.

E. Doors shall not be locked in the direction of egress unless equipped with special locking hardware in accordance with requirements of NFPA 101 or the IBC.

### 3.03 AUTOMATIC FIRE SPRINKLER SYSTEM (SEP 2013)

A. Any portion of the Space located below-grade, including parking garage areas, and all areas in a Building referred to as "hazardous areas" (defined in National Fire Protection Association (NFPA) 101) that are located within the entire Building (including non-Government areas) shall be protected by an automatic fire sprinkler system or an equivalent level of safety.

B. For Buildings in which any portion of the Space is on or above the sixth floor, then, at a minimum, the Building up to and including the highest floor of Government occupancy shall be protected by an automatic fire sprinkler system or an equivalent level of safety.

C. For Buildings in which any portion of the Space is on or above the sixth floor, and lease of the Space will result, either individually or in combination with other Government Leases in the Building, in the Government leasing 35,000 or more ANSI/BOMA Office Area SF of Space in the Building, then the entire Building shall be protected throughout by an automatic fire sprinkler system or an equivalent level of safety.

E. Automatic fire sprinkler system(s) shall be maintained in accordance with the requirements of NFPA 25, Standard for the Inspection, Testing, and Maintenance of Water-based Fire Protection Systems (current as of the Lease Award Date).

F. "Equivalent level of safety" means an alternative design or system (which may include automatic fire sprinkler systems), based upon fire protection engineering analysis, which achieves a level of safety equal to or greater than that provided by automatic fire sprinkler systems.

### 3.04 FIRE ALARM SYSTEM (SEP 2013)

A. A Building-wide fire alarm system shall be installed in the entire Building in which any portion of the Space is located on the 3<sup>rd</sup> floor or higher.

B. The fire alarm system shall be maintained in accordance with the requirements of NFPA 72, National Fire Alarm and Signaling Code (current as of the Lease Award Date).

C. The fire alarm system shall transmit all fire alarm signals to the local fire department via any of the following means: directly to the local fire department, to the (911) public communications center, to a central station, to a remote supervising station, or to a proprietary supervising station.

D. If the Building's fire alarm control unit is over 25 years old as of the Lease Award Date, Lessor shall install a new fire alarm system in accordance with the requirements of NFPA 72, National Fire Alarm and Signaling Code (current as of the Lease Award Date), prior to Government acceptance and occupancy of the Space.

### 3.05 ENERGY INDEPENDENCE AND SECURITY ACT (DEC 2011) (INTENTIONALLY DELETED)

**3.06 ACCESSIBILITY (FEB 2007)**

The Building, leased Space, and areas serving the leased Space shall be accessible to persons with disabilities in accordance with the Architectural Barriers Act Accessibility Standard (ABAAS), Appendices C and D to 36 CFR Part 1191 (ABA Chapters 1 and 2, and Chapters 3 through 10). To the extent the standard referenced in the preceding sentence conflicts with local accessibility requirements, the more stringent shall apply.

**3.07 MECHANICAL, ELECTRICAL, PLUMBING: GENERAL (APR 2011)**

The Lessor shall provide and operate all Building equipment and systems in accordance with applicable technical publications, manuals, and standard procedures. Mains, lines, and meters for utilities shall be provided by the Lessor. Exposed ducts, piping, and conduits are not permitted in office Space.

**3.08 RESTROOMS (ON-AIRPORT) (JUN 2012)**

Government employees shall have access to all public restroom facilities for men and women in the Airport terminal at all times without additional payment.

**3.09 HEATING, VENTILATION, AND AIR CONDITIONING (ON-AIRPORT) (APR 2011)**

A. Temperatures shall conform to local commercial equivalent temperature levels and operating practices to maximize tenant satisfaction. These temperatures shall be maintained throughout the leased Premises and service areas, regardless of outside temperatures, during the hours of operation specified in this Lease. The Lessor shall perform any necessary systems start-up required to meet the commercially equivalent temperature levels prior to the first hour of each day's operation. Humidity shall be maintained at or around 60 percent relative humidity.

B. The Lessor shall conduct Building HVAC system balancing after all HVAC system alterations during the term of the Lease and shall make a reasonable attempt to schedule major construction outside of office hours.

C. Normal Building HVAC systems maintenance shall not disrupt tenant operations.

**3.10 TELECOMMUNICATIONS: LOCAL EXCHANGE ACCESS (ON-AIRPORT) (SEP 2013)**

A. The Government may elect to contract its own telecommunications (voice, data, video, Internet, or other emerging technologies) service in the Space. The Government may contract with one or more parties to have inside wiring (or other transmission medium) and telecommunications equipment installed.

B. The Lessor shall allow the Government's designated telecommunications providers access to utilize existing Building wiring to connect its services to the Government's Space. If the existing Building wiring is insufficient to handle the transmission requirements of the Government's designated telecommunications providers, the Lessor shall provide access from the point of entry into the Building to the Government's floor Space, subject to any inherent limitations in the pathway involved.

C. With prior written approval of the Lessor, the Government's designated telecommunications providers may affix telecommunications antennas (high frequency, mobile, microwave, satellite, or other emerging technologies), subject to weight and wind load conditions, to roof, parapet, or Building envelope as required. Such access is contingent upon the review and approval of Lessor, which shall not be unreasonably withheld.

**SECTION 4 UTILITIES, SERVICES, AND OBLIGATIONS DURING THE LEASE TERM**

**4.01 SERVICES, UTILITIES, AND MAINTENANCE (ON-AIRPORT) (XXX 2013)**

The Lessor is responsible for providing all utilities necessary for base building and tenant operations and all associated costs are included as a part of the established rental rates. The following services, utilities, and maintenance shall be provided by the Lessor as part of the rental consideration (check all that apply):

- |  |  |   |  |  |
|--|--|---|--|--|
| <input checked="" type="checkbox"/> HEAT               | <input checked="" type="checkbox"/> TRASH REMOVAL            | <input type="checkbox"/> ELEVATOR SERVICE | <input type="checkbox"/> INITIAL & REPLACEMENT LAMPS, TUBES & BALLASTS | <input type="checkbox"/> OTHER (Specify below) |
| <input checked="" type="checkbox"/> ELECTRICITY        | <input type="checkbox"/> CHILLED DRINKING WATER              | <input type="checkbox"/> WINDOW WASHING   | <input type="checkbox"/> PAINTING FREQUENCY                            | _____  |
| <input type="checkbox"/> POWER (Special Equip.)        | <input checked="" type="checkbox"/> AIR CONDITIONING         | Frequency _____                           | Space _____  |  |
| <input checked="" type="checkbox"/> WATER (Hot & Cold) | <input checked="" type="checkbox"/> RESTROOM SUPPLIES        | <input type="checkbox"/> CARPET CLEANING  | Public Areas _____   |  |
| <input type="checkbox"/> SNOW REMOVAL                  | <input checked="" type="checkbox"/> JANITORIAL SERV. & SUPP. | Frequency _____                           |  |  |

The Lessor shall have an onsite building superintendent or a locally designated representative available to promptly respond to deficiencies, and immediately address all emergency situations.

**4.02 PROVISION OF SERVICES, ACCESS, AND NORMAL HOURS FOR AIRPORT OCCUPANCIES (SEP 2013)**

The Government shall have access to the Premises and its Appurtenant Areas at all times without additional payment, including the use, during other than normal hours, of necessary services and utilities such as elevators, restrooms, lights, and electric power. Cleaning shall be performed after tenant working hours unless daytime cleaning is specified as a special requirement elsewhere in this Lease. Janitorial Services shall not be required on weekends or Federal holidays. Janitorial Services, and utilities shall be provided from **6:00 AM to 6:00 PM**, Monday through Friday.

**4.03 MAINTENANCE AND TESTING OF SYSTEMS (SEP 2013)**

A. The Lessor is responsible for the total maintenance and repair of the leased Premises in accordance with Section 12 of the General Clauses. Such maintenance and repairs include the site and private access roads. All equipment and systems shall be maintained to provide reliable, energy efficient service without unusual interruption, disturbing noises, exposure to fire or safety hazards, uncomfortable drafts, excessive air velocities, or unusual emissions of dirt. The Lessor's maintenance responsibility includes initial supply and replacement of all supplies, materials, and equipment necessary for such maintenance. Maintenance, testing, and inspection of appropriate equipment and systems shall be done in accordance with current applicable codes, and inspection certificates shall be displayed as appropriate. Copies of all records in this regard shall be forwarded to the Government's designated representative.

B. At the Lessor's expense, the Government reserves the right to require documentation of proper operations, inspection, testing, and maintenance of fire protection systems, such as, but not limited to, fire alarm, fire sprinkler, standpipes, fire pump, emergency lighting, illuminated exit signs, emergency generator, prior to occupancy to ensure proper operation. These tests shall be witnessed by the Government's designated representative.

**4.04 RECYCLING (ON-AIRPORT) (JUN 2012)**

Where state or local law, code, or ordinance requires recycling programs (including mercury-containing lamps) for the Space to be provided pursuant to this Lease, the Lessor shall comply with such state and local law, code, or ordinance in accordance with GSA Form 3517, General Clauses, 552.270-8, *Compliance with Applicable Law*. During the lease term, the Lessor agrees, upon request, to provide the Government with additional information concerning recycling programs maintained in the Building and in the Leased Space.

**4.05 RANDOLPH-SHEPPARD COMPLIANCE (SEP 2013)**

During the term of the Lease, the Lessor may not establish vending facilities within the leased Space that will compete with any Randolph-Sheppard vending facilities.

**4.06 SAFEGUARDING AND DISSEMINATION OF SENSITIVE BUT UNCLASSIFIED (SBU) BUILDING INFORMATION (SEP 2013)**

This paragraph applies to all recipients of SBU Building information, including, bidders, awardees, contractors, subcontractors, Lessors, suppliers, and manufacturers.

A. **MARKING SBU.** Contractor-generated documents that contain Building information must be reviewed by GSA to identify any SBU content, before the original or any copies are disseminated to any other parties. If SBU content is identified, the LCO may direct the contractor, as specified elsewhere in this contract, to imprint or affix SBU document markings to the original documents and all copies, before any dissemination.

B. **AUTHORIZED RECIPIENTS.** Building information considered SBU must be protected with access strictly controlled and limited to those individuals having a need to know such information. Those with a need to know may include Federal, state, and local government entities, and nongovernment entities engaged in the conduct of business on behalf of or with GSA. Nongovernment entities may include architects, engineers, consultants, contractors, subcontractors, suppliers, and others submitting an offer or bid to GSA or performing work under a GSA contract or subcontract. Contractors must provide SBU Building information when needed for the performance of official Federal, state, and local government functions, such as for code compliance reviews and for the issuance of Building permits. Public safety entities such as fire and utility departments may require access to

SBU Building information on a need to know basis. This paragraph must not prevent or encumber the dissemination of SBU Building information to public safety entities.

C. DISSEMINATION OF SBU BUILDING INFORMATION:

1. BY ELECTRONIC TRANSMISSION. Electronic transmission of SBU information outside of the GSA firewall and network must use session (or alternatively file encryption). Sessions (or files) must be encrypted with an approved NIST algorithm, such as Advanced Encryption Standard (AES) or Triple Data Encryption Standard (3DES), in accordance with Federal Information Processing Standards Publication (FIPS PUB) 140-2, Security Requirements for Cryptographic Modules. Encryption tools that meet FIPS 140-2 are referenced on the NIST web page found at the following URL: <http://csrc.nist.gov/groups/STM/cmvp/documents/140-1/1401vend.htm>. All encryption products used to satisfy the FIPS 140-2 requirement should have a validation certificate that can be verified at the <http://csrc.nist.gov/groups/STM/cmvp/validation.html#02>. (Not all vendors of security products that claim conformance with FIPS 140-2 have validation certificates.) Contractors must provide SBU Building information only to authorized representatives of state, Federal, and local government entities and firms currently registered as "active" in the SAM database at <https://www.acquisition.gov> that have a need to know such information. If a subcontractor is not registered in SAM and has a need to possess SBU Building information, the subcontractor shall provide to the contractor its DUNS number or its tax ID number and a copy of its business license.

2. BY NON-ELECTRONIC FORM OR ON PORTABLE ELECTRONIC DATA STORAGE DEVICES. Portable electronic data storage devices include but are not limited to CDs, DVDs, and USB drives. Non-electronic forms of SBU Building information include paper documents.

a. By mail. Utilize only methods of shipping that provide services for monitoring receipt such as track and confirm, proof of delivery, signature confirmation, or return receipt.

b. In person. Contractors must provide SBU Building information only to authorized representatives of state, Federal, and local government entities and firms currently registered as "active" in the SAM database that have a need to know such information.

3. RECORD KEEPING. Contractors must maintain a list of the state, Federal, and local government entities and the firms to which SBU is disseminated under sections C1 and C2 of this paragraph. This list must include at a minimum

- a. The name of the state, Federal, or local government entity or firm to which SBU has been disseminated;
- b. The name of the individual at the entity or firm who is responsible for protecting the SBU Building information, with access strictly controlled and limited to those individuals having a need to know such information;
- c. Contact information for the named individual; and
- d. A description of the SBU Building information provided.

Once work is completed, or for leased Space with the submission of the as built drawings, the contractor must collect all lists maintained in accordance with this paragraph, including those maintained by any subcontractors and suppliers, and submit them to the LCO.

D. RETAINING SBU DOCUMENTS. SBU Building information (both electronic and paper formats) must be protected, with access strictly controlled and limited to those individuals having a need to know such information.

E. DESTROYING SBU BUILDING INFORMATION. SBU Building information must be destroyed such that the marked information is rendered unreadable and incapable of being restored, or returned to the LCO, when no longer needed, in accordance with guidelines provided for media sanitization available at <http://csrc.nist.gov/publications/PubsTC.html#Forensics>. At the Web site, locate SP 800-88, Guidelines for Media Sanitization, available at [HTTP://CSRC.NIST.GOV/PUBLICATIONS/NISTPUBS/800-88/NISTSP800-88\\_REV1.PDF](http://CSRC.NIST.GOV/PUBLICATIONS/NISTPUBS/800-88/NISTSP800-88_REV1.PDF) and click on the file name NISTSP800-88\_REV1.pdf. From there, you can choose to "Save" or "Download" the file. If SBU Building information is not returned to the LCO, examples of acceptable destruction methods for SBU Building information are burning or shredding hardcopy; physically destroying portable electronic storage devices such as CDs, DVDs, and USB drives; deleting and removing files from electronic recycling bins; and removing material from computer hard drives using a permanent-erase utility such as bit-wiping software or disk crushers.

F. NOTICE OF DISPOSAL. The contractor must notify the LCO that all SBU Building information has been destroyed, or returned to the LCO, by the contractor and its subcontractors or suppliers in accordance with section (e) of this paragraph, with the exception of the contractor's record copy. This notice must be submitted to the LCO at the completion of the contract in order to receive final payment. For Leases, this notice must be submitted to the LCO at the completion of the Lease term.

G. INCIDENTS. All improper disclosures of SBU Building information must be reported immediately to the LCO. If the contract provides for progress payments, the LCO may withhold approval of progress payments until the contractor provides a corrective action plan explaining how the contractor will prevent future improper disclosures of SBU Building information. Progress payments may also be withheld for failure to comply with any provision in this paragraph until the contractor provides a corrective action plan explaining how the contractor will rectify any noncompliance and comply with the paragraph in the future.

H. SUBCONTRACTS. The Contractor must insert the substance of this paragraph in all subcontracts.

4.07 INDOOR AIR QUALITY (SEP 2013)

A. The Lessor shall control contaminants at the source and/or operate the Space in such a manner that the GSA indicator levels for carbon monoxide (CO), carbon dioxide (CO<sub>2</sub>), and formaldehyde (HCHO) are not exceeded. The indicator levels for office areas shall be: CO 9 ppm time weighted average (TWA 8 hour sample); CO<sub>2</sub> 1,000 ppm (TWA); HCHO 0.1 ppm (TWA).

B. The Lessor shall make a reasonable attempt to apply insecticides, paints, glues, adhesives, and HVAC system cleaning compounds with highly volatile or irritating organic compounds, outside of working hours. Except in an emergency, the Lessor shall provide at least 72 hours advance notice to the Government before applying noxious chemicals in occupied spaces and shall adequately ventilate those spaces during and after application.

C. The Lessor shall promptly investigate indoor air quality (IAQ) complaints and shall implement the necessary controls to address the complaint.

D. The Government reserves the right to conduct independent IAQ assessments and detailed studies in Space that it occupies, as well as in space serving the Space (e.g., common use areas, mechanical rooms, HVAC systems, etc.). The Lessor shall assist the Government in its assessments and detailed studies by:

1. Making available information on Building operations and Lessor activities;
2. Providing access to Space for assessment and testing, if required; and
3. Implementing corrective measures required by the LCO.

E. The Lessor shall provide to the Government material safety data sheets (MSDS) upon request for the following products prior to their use during the term of the Lease: adhesives, caulking, sealants, insulating materials, fireproofing or firestopping materials, paints, carpets, floor and wall patching or leveling materials, lubricants, clear finish for wood surfaces, janitorial cleaning products, pesticides, rodenticides, and herbicides. The Government reserves the right to review such products used by the Lessor within:

1. The Space;
2. Common Building areas;
3. Ventilation systems and zones serving the Space; and
4. The area above suspended ceilings and engineering space in the same ventilation zone as the Space.

F. Where hazardous gasses or chemicals (any products with data in the Health and Safety section of the MSDS sheets) may be present or used, including large-scale copying and printing rooms, segregate areas with deck-to-deck partitions with separate outside exhausting at a rate of at least 0.5 cubic feet per minute per SF, no air recirculation. The mechanical system must operate at a negative pressure compared with the surrounding spaces of at least an average of 5 Pa (pascal) (0.02 inches of water gauge) and with a minimum of 1 Pa (0.004 inches of water gauge) when the doors to the rooms are closed.

**4.08 HAZARDOUS MATERIALS (ON-AIRPORT) (SEP 2013)**

The leased Space shall be free of hazardous materials, hazardous substances, and hazardous wastes, as defined by and according to applicable Federal, state, and local environmental regulations including, but not limited to, the following:

A. The leased Space shall be free of all asbestos containing materials, except undamaged asbestos flooring in the Space or undamaged boiler or pipe insulation outside the Space, in which case an asbestos management program conforming to EPA guidance shall be implemented.

**4.09 OCCUPANT EMERGENCY PLANS (SEP 2013)**

The Lessor is required to cooperate, participate and comply with the development and implementation of the Government's Occupant Emergency Plan (OEP) and if necessary, a supplemental Shelter-in Place (SIP) Plan. Periodically, the Government may request that the Lessor assist in reviewing and revising its OEP and SIP. The Plan, among other things, must include an annual emergency evacuation drill, emergency notification procedures for the Lessor's Building engineer or manager, Building security, local emergency personnel, and Government agency personnel.

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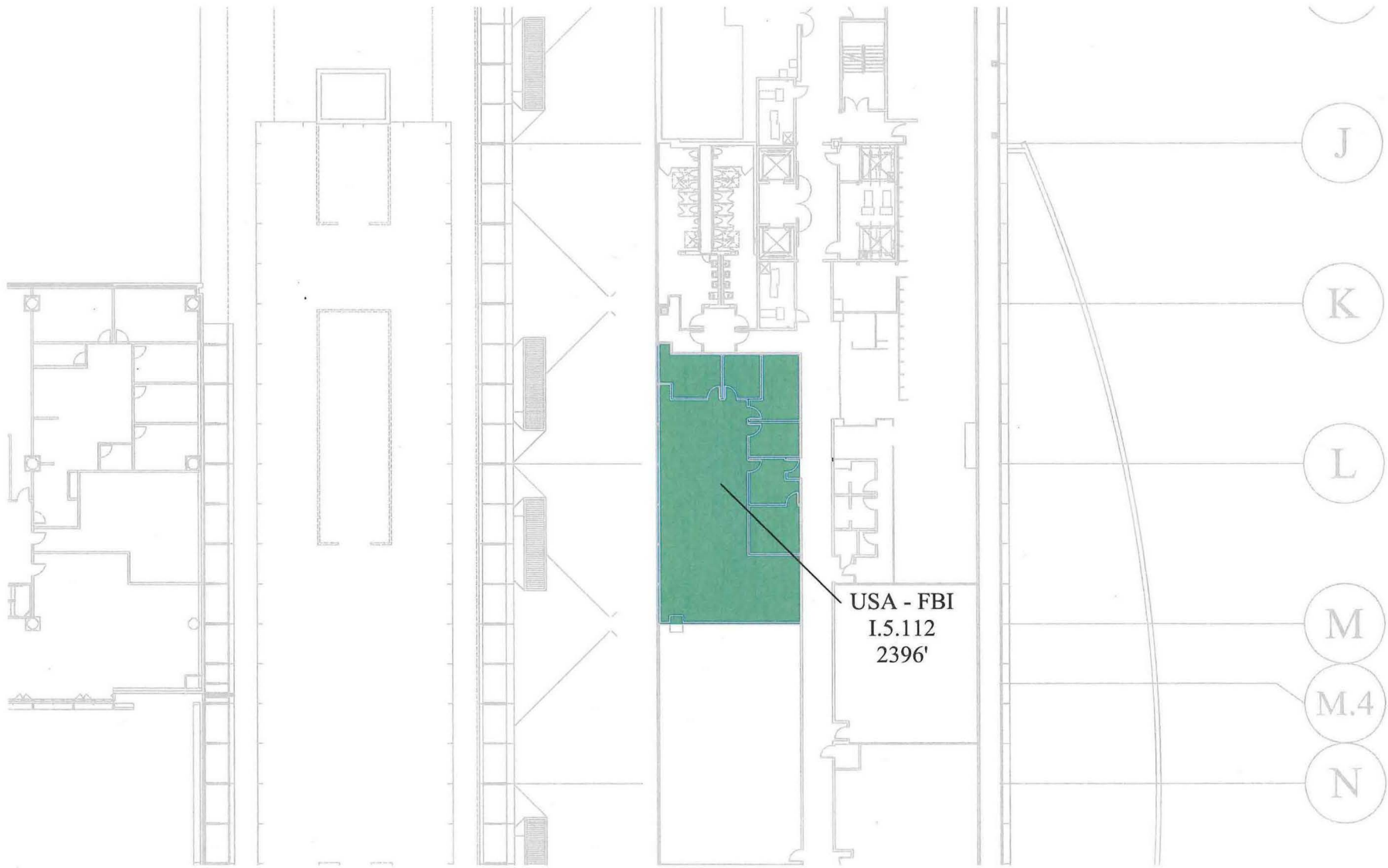
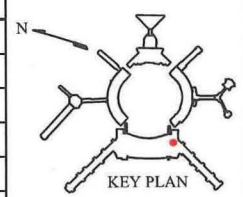


EXHIBIT 1

LEASE DRAWING		ROOM NUMBER	AREA	CAT	CONTRACT
			I.5.112	2396'	2
LOCATION: INTERNATIONAL TERMINAL - 5TH FLOOR					
TENANT: UNITED STATES OF AMERICA - FBI					
AIRPORT COMMISSION			DWG: IT5FBI		
CITY & COUNTY OF SAN FRANCISCO			DATE: 08/18/2015		
SAN FRANCISCO INTERNATIONAL AIRPORT			SCALE: NTS		



**REPRESENTATIONS AND CERTIFICATIONS**  
(Acquisition of Leasehold Interests in Real Property)

Solicitation Number  
**GS-09P-LCA03395**

Dated

Complete appropriate boxes, sign the form, and attach to offer.

The Offeror makes the following Representations and Certifications. NOTE: The "Offeror," as used on this form, is the owner of the property offered, not an individual or agent representing the owner.

**1. 52.219-1 - SMALL BUSINESS PROGRAM REPRESENTATIONS (APR 2011)**

- (a) (1) The North American Industry Classification System (NAICS) code for this acquisition is 531190.
- (2) The small business size standard is \$20.5 Million in annual average gross revenue of the concern for the last 3 fiscal years.
- (3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.
- (b) Representations.
- (1) The offeror represents as part of its offer that it  is,  is not a small business concern.
- (2) *[Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The offeror represents, for general statistical purposes, that it  is,  is not, a small disadvantaged business concern as defined in 13 CFR 124.1002.
- (3) *[Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The offeror represents as part of its offer that it  is,  is not a women-owned small business concern.
- (4) Women-owned small business (WOSB) concern eligible under the WOSB Program. *[Complete only if the offeror represented itself as a women-owned small business concern in paragraph (b)(3) of this provision.]* The offeror represents as part of its offer that—
- (i) It  is,  is not a WOSB concern eligible under the WOSB Program, has provided all the required documents to the WOSB Repository, and no change in circumstances or adverse decisions have been issued that affects its eligibility; and
- (ii) It  is,  is not a joint venture that complies with the requirements of 13 CFR part 127, and the representation in paragraph (b)(4)(i) of this provision is accurate in reference to the WOSB concern or concerns that are participating in the joint venture. *[The offeror shall enter the name or names of the WOSB concern or concerns that are participating in the joint venture: \_\_\_\_\_.]* Each WOSB concern participating in the joint venture shall submit a separate signed copy of the WOSB representation.
- (5) Economically disadvantaged women-owned small business (EDWOSB) concern. *[Complete only if the offeror represented itself as a women-owned small business concern eligible under the WOSB Program in (b)(4) of this provision.]* The offeror represents as part of its offer that—

INITIALS:  &   
LESSOR GOVERNMENT

- (i) It  is,  is not an EDWOSB concern eligible under the WOSB Program, has provided all the required documents to the WOSB Repository, and no change in circumstances or adverse decisions have been issued that affects its eligibility; and
  - (ii) It  is,  is not a joint venture that complies with the requirements of 13 CFR part 127, and the representation in paragraph (b)(5)(i) of this provision is accurate in reference to the EDWOSB concern or concerns that are participating in the joint venture. [*The offeror shall enter the name or names of the EDWOSB concern or concerns that are participating in the joint venture: \_\_\_\_\_.*] Each EDWOSB concern participating in the joint venture shall submit a separate signed copy of the EDWOSB representation.
- (6) [*Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.*] The offeror represents as part of its offer that it  is,  is not a veteran-owned small business concern.
  - (7) [*Complete only if the offeror represented itself as a veteran-owned small business concern in paragraph (b)(6) of this provision.*] The offeror represents as part of its offer that it  is,  is not a service-disabled veteran-owned small business concern.
  - (8) [*Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.*] The offeror represents, as part of its offer, that—
    - (i) It  is,  is not a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration, and no material changes in ownership and control, principal office, or HUBZone employee percentage have occurred since it was certified in accordance with 13 CFR Part 126; and
    - (ii) It  is,  is not a HUBZone joint venture that complies with the requirements of 13 CFR Part 126, and the representation in paragraph (b)(8)(i) of this provision is accurate for each HUBZone small business concern participating in the HUBZone joint venture. [*The offeror shall enter the names of each of the HUBZone small business concerns participating in the HUBZone joint venture: \_\_\_\_\_.*] Each HUBZone small business concern participating in the HUBZone joint venture shall submit a separate signed copy of the HUBZone representation.

(c) *Definitions.* As used in this provision—

“Economically disadvantaged women-owned small business (EDWOSB) concern” means a small business concern that is at least 51 percent directly and unconditionally owned by, and the management and daily business operations of which are controlled by, one or more women who are citizens of the United States and who are economically disadvantaged in accordance with 13 CFR part 127. It automatically qualifies as a women-owned small business concern eligible under the WOSB Program.

“Service-disabled veteran-owned small business concern”—

- (1) Means a small business concern—
  - (i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and

INITIALS:

                      
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(ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a service-disabled veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

(2) "Service-disabled veteran" means a veteran, as defined in [38 U.S.C. 101\(2\)](#), with a disability that is service-connected, as defined in [38 U.S.C. 101\(16\)](#).

"Small business concern" means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR Part 121 and the size standard in paragraph (a) of this provision.

"Veteran-owned small business concern" means a small business concern—

- (1) Not less than 51 percent of which is owned by one or more veterans (as defined at [38 U.S.C. 101\(2\)](#)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and
- (2) The management and daily business operations of which are controlled by one or more veterans.

"Women-owned small business concern" means a small business concern—

- (1) That is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and
- (2) Whose management and daily business operations are controlled by one or more women.

"Women-owned small business (WOSB) concern eligible under the WOSB Program" (in accordance with 13 CFR part 127), means a small business concern that is at least 51 percent directly and unconditionally owned by, and the management and daily business operations of which are controlled by, one or more women who are citizens of the United States.

(d) Notice.

- (1) If this solicitation is for supplies and has been set aside, in whole or in part, for small business concerns, then the clause in this solicitation providing notice of the set-aside contains restrictions on the source of the end items to be furnished.
- (2) Under [15 U.S.C. 645\(d\)](#), any person who misrepresents a firm's status as a business concern that is small, HUBZone small, small disadvantaged, service-disabled veteran-owned small, economically disadvantaged women-owned small, or women-owned small eligible under the WOSB Program in order to obtain a contract to be awarded under the preference programs established pursuant to section 8, 9, 15, 31, and 36 of the Small Business Act or any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility, shall—
  - (i) Be punished by imposition of fine, imprisonment, or both;
  - (ii) Be subject to administrative remedies, including suspension and debarment; and
  - (iii) Be ineligible for participation in programs conducted under the authority of the Act.

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LABOR STANDARDS	34	52.222-26	EQUAL OPPORTUNITY
	35	52.222-21	PROHIBITION OF SEGREGATED FACILITIES
	36	52.219-28	POST-AWARD SMALL BUSINESS PROGRAM REREPRESENTATION
	37	52.222-35	EQUAL OPPORTUNITY FOR VETERANS
	38	52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES
	39	52.222-37	EMPLOYMENT REPORTS VETERANS
SUBCONTRACTING	40	52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT
	41	52.215-12	SUBCONTRACTOR CERTIFIED COST OR PRICING DATA
	42	52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS
	43	52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN
	44	52.219-16	LIQUIDATED DAMAGES—SUBCONTRACTING PLAN
	45	52.204-10	REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS

The information collection requirements contained in this solicitation/contract that are not required by regulation have been approved by the Office of Management and Budget (OMB) pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

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(1) Failure by the Lessor to perform any service, to provide any item, or satisfy any requirement of this Lease, without excuse, shall constitute a default by the Lessor. Subject to provision of notice of default to the Lessor, and provision of a reasonable opportunity for the Lessor to cure its default, the Government may perform the service, provide the item, or obtain satisfaction of the requirement by its own employees or contractors. If the Government elects to take such action, the Government may deduct from rental payments its costs incurred in connection with taking the action. Alternatively, the Government may reduce the rent by an amount reasonably calculated to approximate the cost or value of the service not performed, item not provided, or requirement not satisfied, such reduction effective as of the date of the commencement of the default condition.

(2) Grounds for Termination. The Government may terminate the Lease if:

(i) The Lessor's default persists notwithstanding provision of notice and reasonable opportunity to cure by the Government, or

(ii) The Lessor fails to take such actions as are necessary to prevent the recurrence of default conditions,

and such conditions (i) or (ii) substantially impair the safe and healthful occupancy of the Premises, or render the Space unusable for its intended purposes.

(3) Excuse. Failure by the Lessor to timely deliver the Space or perform any service, provide any item, or satisfy any requirement of this Lease shall not be excused if its failure in performance arises from:

(i) Circumstances within the Lessor's control;

(ii) Circumstances about which the Lessor had actual or constructive knowledge prior to the Lease Award Date that could reasonably be expected to affect the Lessor's capability to perform, regardless of the Government's knowledge of such matters;

(iii) The condition of the Property;

(iv) The acts or omissions of the Lessor, its employees, agents or contractors; or

(v) The Lessor's inability to obtain sufficient financial resources to perform its obligations.

(4) The rights and remedies specified in this clause are in addition to any and all remedies to which the Government may be entitled as a matter of law.

**11. 552.270-19 PROGRESSIVE OCCUPANCY (SEP 1999) (Deleted)**

**12. MAINTENANCE OF THE PROPERTY, BUILDING, AND PREMISES RIGHT TO INSPECT (JAN 2011) (Modified)**

Except in the case of damage arising out of the willful act or negligence of a Government employee, the Lessor shall maintain in good repair and tenantable condition, the Property and Building, including the major structural maintenance, repair and replacement of the Building infrastructure, Building envelope, Building systems, and provide routine maintenance, repair and replacement of the same so that they are suitable in appearance and capable of supplying hot and cold air to support heating and air conditioning, ventilation, light, safety systems, and access without reasonably preventable or recurring disruption, as is required for the Government's access to, occupancy, possession, use and enjoyment of the Premises as provided in this lease. For the purpose of so maintaining the Property, the Lessor may at reasonable times enter the Premises with the approval of the authorized Government representative in charge. Upon request of the LCO, the Lessor shall provide written documentation that building systems have been properly maintained, tested, and are operational within manufacturer's warranted operating standards. The Lessor shall maintain the Property and Building in a safe and healthful condition according to applicable OSHA standards and all other requirements of this Lease, including standards governing indoor air

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quality, existence of mold and other biological hazards, presence of hazardous materials, etc. The Government shall have the right, at any time after the Lease Award Date and during the term of the Lease, to inspect all areas of the Property to which access is necessary for the purpose of determining the Lessor's compliance with this clause.

The Government hereby expressly waives any claims for damages arising or resulting from failures or interruptions of utility services to the Premises, including electricity, gas, water, plumbing, sewage, telephone communications, heat, ventilation, air conditioning, or for the failure or interruptions of any public or passenger conveniences, including any failures or interruptions due to force majeure. This provision shall be interpreted to require the Government to pay for services not received or rent on premises that it cannot use.

Except as provided herein, the Government shall at all times during the term and at the Government's sole cost and expense, maintain the Premises in good condition an repair, and in compliance with applicable laws and the Airport Tenant Improvement (TI) Guide pertaining to maintenance for the Premises.

### **13. FIRE AND CASUALTY DAMAGE (MAR 2013)**

If the Building in which the Premises are located is totally destroyed or damaged by fire or other casualty, this Lease shall immediately terminate. If the Building in which the Premises are located are only partially destroyed or damaged, so as to render the Premises untenable, or not usable for their intended purpose, the Lessor shall have the option to elect to repair and restore the Premises or terminate the Lease. The Lessor shall be permitted a reasonable amount of time, not to exceed **270 days** from the event of destruction or damage, to repair or restore the Premises, provided that the Lessor submits to the Government a reasonable schedule for repair of the Premises within **60 days** of the event of destruction or damage. If the Lessor fails to timely submit a reasonable schedule for completing the work, the Government may elect to terminate the Lease effective as of the date of the event of destruction or damage. If the Lessor elects to repair or restore the Premises, but fails to repair or restore the Premises within **270 days** from the event of destruction or damage, or fails to diligently pursue such repairs or restoration so as to render timely completion commercially impracticable, the Government may terminate the Lease effective as of the date of the destruction or damage. During the time that the Premises are unoccupied, rent shall be abated. Termination of the Lease by either party under this clause shall not give rise to liability for either party.

This clause shall not apply if the event of destruction or damage is caused by the Lessor's negligence or willful misconduct.


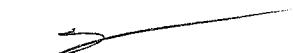
### **14. COMPLIANCE WITH APPLICABLE LAW (JAN 2011)**

Lessor shall comply with all Federal, state and local laws applicable to its ownership and leasing of the Property, including, without limitation, laws applicable to the construction, ownership, alteration or operation of all buildings, structures, and facilities located thereon, and obtain all necessary permits, licenses and similar items at its own expense. The Government will comply with all Federal, state and local laws applicable, including the Airport's Rules and Regulations, to and enforceable against it as a tenant under this lease, provided that nothing in this Lease shall be construed as a waiver of the sovereign immunity of the Government. This Lease shall be governed by Federal law.

### **15. 552.270-12 ALTERATIONS (SEP 1999) (Modified)**

With prior written consent of Lessor, the Government shall have the right during the existence of this lease to make alterations, attach fixtures, and erect structures or signs in or upon the premises hereby leased, which fixtures, additions or structures so placed in, on, upon, or attached to the said premises shall be and remain the property of the Government and may be removed or otherwise disposed of by the Government. If the lease contemplates that the Government is the sole occupant of the building, for purposes of this clause, the leased premises include the land on which the building is sited and the building itself. Otherwise, the Government shall have the right to tie into or make any physical connection with any structure located on the property as is reasonably necessary for appropriate utilization of the leased space.

### **16. ACCEPTANCE OF SPACE AND CERTIFICATE OF OCCUPANCY (JAN 2011) (Deleted)**

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17. 52.204-7 CENTRAL CONTRACTOR REGISTRATION (DEC 2012)

(a) Definitions. As used in this provision—

“Central Contractor Registration (CCR) database” means the primary Government repository for Contractor information required for the conduct of business with the Government.

“Data Universal Numbering System (DUNS) number” means the 9-digit number assigned by Dun and Bradstreet, Inc. (D&B) to identify unique business entities.

“Data Universal Numbering System +4 (DUNS+4) number” means the DUNS number assigned by D&B plus a 4-character suffix that may be assigned by a business concern. (D&B has no affiliation with this 4-character suffix.) This 4-character suffix may be assigned at the discretion of the business concern to establish additional CCR records for identifying alternative Electronic Funds Transfer (EFT) accounts (see the FAR at [Subpart 32.11](#)) for the same concern.

“Registered in the CCR database” means that—

(1) The offeror has entered all mandatory information, including the DUNS number or the DUNS+4 number, as well as data required by the Federal Funding Accountability and Transparency Act of 2006 (see [Subpart 4.14](#)) into the CCR database; and

(2) The Government has validated all mandatory data fields, to include validation of the Taxpayer Identification Number (TIN) with the Internal Revenue Service (IRS), and has marked the record “Active”. The offeror will be required to provide consent for TIN validation to the Government as a part of the CCR registration process.

(b)(1) By submission of an offer, the offeror acknowledges the requirement that a prospective awardee shall be registered in the CCR database prior to award, during performance, and through final payment of any contract, basic agreement, basic ordering agreement, or blanket purchasing agreement resulting from this solicitation.

(2) The offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation “DUNS” or “DUNS +4” followed by the DUNS or DUNS +4 number that identifies the offeror’s name and address exactly as stated in the offer. The DUNS number will be used by the Contracting Officer to verify that the offeror is registered in the CCR database.



(c) If the offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one.

(1) An offeror may obtain a DUNS number—

(i) Via the Internet at <http://fedgov.dnb.com/webform> or if the offeror does not have internet access, it may call Dun and Bradstreet at 1-866-705-5711 if located within the United States; or

(ii) If located outside the United States, by contacting the local Dun and Bradstreet office. The offeror should indicate that it is an offeror for a U.S. Government contract when contacting the local Dun and Bradstreet office.

(2) The offeror should be prepared to provide the following information:

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for the purpose of prompt payment under this contract. The prompt payment terms of the contract regarding notice of an improper invoice and delays in accrual of interest penalties apply.

(e) Liability for uncompleted or erroneous transfers.

(1) If an uncompleted or erroneous transfer occurs because the Government used the Contractor's EFT information incorrectly, the Government remains responsible for—

- (i) Making a correct payment;
- (ii) Paying any prompt payment penalty due; and
- (iii) Recovering any erroneously directed funds.

(2) If an uncompleted or erroneous transfer occurs because the Contractor's EFT information was incorrect, or was revised within 30 days of Government release of the EFT payment transaction instruction to the Federal Reserve System, and—

(i) If the funds are no longer under the control of the payment office, the Government is deemed to have made payment and the Contractor is responsible for recovery of any erroneously directed funds; or

(ii) If the funds remain under the control of the payment office, the Government shall not make payment, and the provisions of paragraph (d) of this clause shall apply.

(f) *EFT and prompt payment.* A payment shall be deemed to have been made in a timely manner in accordance with the prompt payment terms of this contract if, in the EFT payment transaction instruction released to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.

(g) *EFT and assignment of claims.* If the Contractor assigns the proceeds of this contract as provided for in the assignment of claims terms of this contract, the Contractor shall require as a condition of any such assignment, that the assignee shall register separately in the CCR database and shall be paid by EFT in accordance with the terms of this clause. Notwithstanding any other requirement of this contract, payment to an ultimate recipient other than the Contractor, or a financial institution properly recognized under an assignment of claims pursuant to [Subpart 32.8](#), is not permitted. In all respects, the requirements of this clause shall apply to the assignee as if it were the Contractor. EFT information that shows the ultimate recipient of the transfer to be other than the Contractor, in the absence of a proper assignment of claims acceptable to the Government, is incorrect EFT information within the meaning of paragraph (d) of this clause.

(h) *Liability for change of EFT information by financial agent.* The Government is not liable for errors resulting from changes to EFT information made by the Contractor's financial agent.

(i) *Payment information.* The payment or disbursing office shall forward to the Contractor available payment information that is suitable for transmission as of the date of release of the EFT instruction to the Federal Reserve System. The Government may request the Contractor to designate a desired format and method(s) for delivery of payment information from a list of formats and methods the payment office is capable of executing. However, the Government does not guarantee that any particular format or method of delivery is available at any particular payment office and retains the latitude to use the format and delivery method most convenient to the Government. If the Government makes payment by check in accordance with paragraph (a) of this clause, the Government shall mail the payment information to the remittance address contained in the CCR database.

**22. 52.203-13 CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT (APR 2010) (NOT APPLICABLE TO THIS LEASE)**

(Applicable to leases over \$5 million and performance period is 120 days or more.)

(a) *Definitions.* As used in this clause—

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"Agent" means any individual, including a director, an officer, an employee, or an independent Contractor, authorized to act on behalf of the organization.

"Full cooperation"—

(1) Means disclosure to the Government of the information sufficient for law enforcement to identify the nature and extent of the offense and the individuals responsible for the conduct. It includes providing timely and complete response to Government auditors' and investigators' request for documents and access to employees with information;

(2) Does not foreclose any Contractor rights arising in law, the FAR, or the terms of the contract. It does not require—

(i) A Contractor to waive its attorney-client privilege or the protections afforded by the attorney work product doctrine; or

(ii) Any officer, director, owner, or employee of the Contractor, including a sole proprietor, to waive his or her attorney client privilege or Fifth Amendment rights; and

(3) Does not restrict a Contractor from—

(i) Conducting an internal investigation; or

(ii) Defending a proceeding or dispute arising under the contract or related to a potential or disclosed violation.

"Principal" means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a division or business segment; and similar positions).

"Subcontract" means any contract entered into by a subcontractor to furnish supplies or services for performance of a prime contract or a subcontract.

"Subcontractor" means any supplier, distributor, vendor, or firm that furnished supplies or services to or for a prime contractor or another subcontractor.

"United States," means the 50 States, the District of Columbia, and outlying areas.

(b) *Code of business ethics and conduct.*

(1) Within 30 days after contract award, unless the Contracting Officer establishes a longer time period, the Contractor shall—

(i) Have a written code of business ethics and conduct; and

(ii) Make a copy of the code available to each employee engaged in performance of the contract.

(2) The Contractor shall—

(i) Exercise due diligence to prevent and detect criminal conduct; and

(ii) Otherwise promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law.

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(3) (i) The Contractor shall timely disclose, in writing, to the agency Office of the Inspector General (OIG), with a copy to the Contracting Officer, whenever, in connection with the award, performance, or closeout of this contract or any subcontract thereunder, the Contractor has credible evidence that a principal, employee, agent, or subcontractor of the Contractor has committed—

(A) A violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code; or

(B) A violation of the civil False Claims Act ([31 U.S.C. 3729-3733](#)).

(ii) The Government, to the extent permitted by law and regulation, will safeguard and treat information obtained pursuant to the Contractor's disclosure as confidential where the information has been marked "confidential" or "proprietary" by the company. To the extent permitted by law and regulation, such information will not be released by the Government to the public pursuant to a Freedom of Information Act request, [5 U.S.C. Section 552](#), without prior notification to the Contractor. The Government may transfer documents provided by the Contractor to any department or agency within the Executive Branch if the information relates to matters within the organization's jurisdiction.

(iii) If the violation relates to an order against a Governmentwide acquisition contract, a multi-agency contract, a multiple-award schedule contract such as the Federal Supply Schedule, or any other procurement instrument intended for use by multiple agencies, the Contractor shall notify the OIG of the ordering agency and the IG of the agency responsible for the basic contract.

(c) Business ethics awareness and compliance program and internal control system. This paragraph (c) does not apply if the Contractor has represented itself as a small business concern pursuant to the award of this contract or if this contract is for the acquisition of a commercial item as defined at FAR 2.101. The Contractor shall establish the following within 90 days after contract award, unless the Contracting Officer establishes a longer time period:

(1) An ongoing business ethics awareness and compliance program.

(i) This program shall include reasonable steps to communicate periodically and in a practical manner the Contractor's standards and procedures and other aspects of the Contractor's business ethics awareness and compliance program and internal control system, by conducting effective training programs and otherwise disseminating information appropriate to an individual's respective roles and responsibilities.

(ii) The training conducted under this program shall be provided to the Contractor's principals and employees, and as appropriate, the Contractor's agents and subcontractors.

(2) An internal control system.

(i) The Contractor's internal control system shall—

(A) Establish standards and procedures to facilitate timely discovery of improper conduct in connection with Government contracts; and

(B) Ensure corrective measures are promptly instituted and carried out.

(ii) At a minimum, the Contractor's internal control system shall provide for the following:

(A) Assignment of responsibility at a sufficiently high level and adequate resources to ensure effectiveness of the business ethics awareness and compliance program and internal control system.

(B) Reasonable efforts not to include an individual as a principal, whom due diligence would have exposed as having engaged in conduct that is in conflict with the Contractor's code of business ethics and conduct.

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(C) Periodic reviews of company business practices, procedures, policies, and internal controls for compliance with the Contractor's code of business ethics and conduct and the special requirements of Government contracting, including—

- Monitoring and auditing to detect criminal conduct;
- Periodic evaluation of the effectiveness of the business ethics awareness and compliance program and internal control system, especially if criminal conduct has been detected; and
- Periodic assessment of the risk of criminal conduct, with appropriate steps to design, implement, or modify the business ethics awareness and compliance program and the internal control system as necessary to reduce the risk of criminal conduct identified through this process.

(D) An internal reporting mechanism, such as a hotline, which allows for anonymity or confidentiality, by which employees may report suspected instances of improper conduct, and instructions that encourage employees to make such reports.

(E) Disciplinary action for improper conduct or for failing to take reasonable steps to prevent or detect improper conduct.

(F) Timely disclosure, in writing, to the agency OIG, with a copy to the Contracting Officer, whenever, in connection with the award, performance, or closeout of any Government contract performed by the Contractor or a subcontract thereunder, the Contractor has credible evidence that a principal, employee, agent, or subcontractor of the Contractor has committed a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 U.S.C. or a violation of the civil False Claims Act (31 U.S.C. 3729-3733).

- If a violation relates to more than one Government contract, the Contractor may make the disclosure to the agency OIG and Contracting Officer responsible for the largest dollar value contract impacted by the violation.

- If the violation relates to an order against a Governmentwide acquisition contract, a multi-agency contract, a multiple-award schedule contract such as the Federal Supply Schedule, or any other procurement instrument intended for use by multiple agencies, the contractor shall notify the OIG of the ordering agency and the IG of the agency responsible for the basic contract, and the respective agencies' contracting officers.

- The disclosure requirement for an individual contract continues until at least 3 years after final payment on the contract.

- The Government will safeguard such disclosures in accordance with paragraph (b)(3)(ii) of this clause.

(G) Full cooperation with any Government agencies responsible for audits, investigations, or corrective actions.

(d) *Subcontracts.*

(1) The Contractor shall include the substance of this clause, including this paragraph (d), in subcontracts that have a value in excess of \$5,000,000 and a performance period of more than 120 days.

(2) In altering this clause to identify the appropriate parties, all disclosures of violation of the civil False Claims Act or of Federal criminal law shall be directed to the agency Office of the Inspector General, with a copy to the Contracting Officer.

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**23. 552.270-32 COVENANT AGAINST CONTINGENT FEES (JUN 2011)**

(Applicable to leases over \$150,000 average net annual rental including option periods.)

(a) The Contractor warrants that no person or agency has been employed or retained to solicit or obtain this contract upon an agreement or understanding for a contingent fee, except a bona fide employee or agency. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or, in its discretion, to deduct from the contract price or consideration, or otherwise recover the full amount of the contingent fee.

(b) *Bona fide agency*, as used in this clause, means an established commercial or selling agency (including licensed real estate agents or brokers), maintained by a Contractor for the purpose of securing business, that neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds itself out as being able to obtain any Government contract or contracts through improper influence.

(1) *Bona fide employee*, as used in this clause, means a person, employed by a Contractor and subject to the Contractor's supervision and control as to time, place, and manner of performance, who neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds out as being able to obtain any Government contract or contracts through improper influence.

(2) *Contingent fee*, as used in this clause, means any commission, percentage, brokerage, or other fee that is contingent upon the success that a person or concern has in securing a Government contract.

(3) *Improper influence*, as used in this clause, means any influence that induces or tends to induce a *Government* employee or officer to give consideration or to act regarding a Government contract on any basis other than the merits of the matter.

**24. 52.203-7 ANTI-KICKBACK PROCEDURES (OCT 2010)**

(Applicable to leases over \$150,000 average net annual rental including option periods.)

(a) *Definitions.*

"Kickback," as used in this clause, means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided, directly or indirectly, to any prime Contractor, prime Contractor employee, subcontractor, or subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contractor in connection with a subcontract relating to a prime contract.

"Person," as used in this clause, means a corporation, partnership, business association of any kind, trust, joint-stock company, or individual.

"Prime contract," as used in this clause, means a contract or contractual action entered into by the United States for the purpose of obtaining supplies, materials, equipment, or services of any kind.

"Prime Contractor" as used in this clause, means a person who has entered into a prime contract with the United States.

"Prime Contractor employee," as used in this clause, means any officer, partner, employee, or agent of a prime Contractor.

"Subcontract," as used in this clause, means a contract or contractual action entered into by a prime Contractor or subcontractor for the purpose of obtaining supplies, materials, equipment, or services of any kind under a prime contract.

"Subcontractor," as used in this clause, (1) means any person, other than the prime Contractor, who offers to furnish or furnishes any supplies, materials, equipment, or services of any kind under a prime contract or a subcontract entered into in connection with such prime contract, and (2) includes any person who offers to furnish or furnishes general supplies to the prime Contractor or a higher tier subcontractor.

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"Subcontractor employee," as used in this clause, means any officer, partner, employee, or agent of a subcontractor.

(b) The Anti-Kickback Act of 1986 (41 U.S.C. 51-58) (the Act), prohibits any person from—

(1) Providing or attempting to provide or offering to provide any kickback;

(2) Soliciting, accepting, or attempting to accept any kickback; or

(3) Including, directly or indirectly, the amount of any kickback in the contract price charged by a prime Contractor to the United States or in the contract price charged by a subcontractor to a prime Contractor or higher tier subcontractor.

(c) (1) The Contractor shall have in place and follow reasonable procedures designed to prevent and detect possible violations described in paragraph (b) of this clause in its own operations and direct business relationships.

(2) When the Contractor has reasonable grounds to believe that a violation described in paragraph (b) of this clause may have occurred, the Contractor shall promptly report in writing the possible violation. Such reports shall be made to the inspector general of the contracting agency, the head of the contracting agency if the agency does not have an inspector general, or the Department of Justice.

(3) The Contractor shall cooperate fully with any Federal agency investigating a possible violation described in paragraph (b) of this clause.

(4) The Contracting Officer may (i) offset the amount of the kickback against any monies owed by the United States under the prime contract and/or (ii) direct that the Prime Contractor withhold from sums owed a subcontractor under the prime contract the amount of the kickback. The Contracting Officer may order that monies withheld under subdivision (c)(5)(ii) of this clause be paid over to the Government unless the Government has already offset those monies under subdivision (c)(5)(i) of this clause. In either case, the Prime Contractor shall notify the Contracting Officer when the monies are withheld.

(5) The Contractor agrees to incorporate the substance of this clause, including paragraph (c)(5) but excepting paragraph (c)(1), in all subcontracts under this contract which exceed \$150,000.

**25. 52.223-6 DRUG-FREE WORKPLACE (MAY 2001)**

(Applicable to leases over \$150,000 average net annual rental including option periods, as well as to leases of any value awarded to an individual.)

(a) Drug-Free Workplace Policy. The Lessor acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited on Airport property.

**26. 52.203-14 DISPLAY OF HOTLINE POSTER(S) (DEC 2007) (NOT APPLICABLE TO THIS LEASE)**

(Applicable to leases over \$5 Million and performance period is 120 days or more.)

(a) *Definition.*

"United States," as used in this clause, means the 50 States, the District of Columbia, and outlying areas.

(b) *Display of fraud hotline poster(s).* Except as provided in paragraph (c)—

(1) During contract performance in the United States, the Contractor shall prominently display in common work areas within business segments performing work under this contract and at contract work sites—

(i) Any agency fraud hotline poster or Department of Homeland Security (DHS) fraud hotline poster identified in paragraph (b)(3) of this clause; and

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\$100,000 and (b) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

**32. 52.215-2 AUDIT AND RECORDS—NEGOTIATION (OCT 2010)**

(Applicable to leases over \$150,000 average net annual rental including option periods.)

(a) As used in this clause, "records" includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form.

(b) *Examination of costs.* If this is a cost-reimbursement, incentive, time-and-materials, labor-hour, or price re-determinable contract, or any combination of these, the Contractor shall maintain and the Contracting Officer, or an authorized representative of the Contracting Officer, shall have the right to examine and audit all records and other evidence sufficient to reflect properly all costs claimed to have been incurred or anticipated to be incurred directly or indirectly in performance of this contract. This right of examination shall include inspection at all reasonable times of the Contractor's plants, or parts of them, engaged in performing the contract.

(c) *Certified cost or pricing data.* If the Contractor has been required to submit certified cost or pricing data in connection with any pricing action relating to this contract, the Contracting Officer, or an authorized representative of the Contracting Officer, in order to evaluate the accuracy, completeness, and currency of the certified cost or pricing data, shall have the right to examine and audit all of the Contractor's records, including computations and projections, related to—

- (1) The proposal for the contract, subcontract, or modification;
- (2) The discussions conducted on the proposal(s), including those related to negotiating;
- (3) Pricing of the contract, subcontract, or modification; or
- (4) Performance of the contract, subcontract or modification.

(d) Comptroller General—

(1) The Comptroller General of the United States, or an authorized representative, shall have access to and the right to examine any of the Contractor's directly pertinent records involving transactions related to this contract or a subcontract hereunder and to interview any current employee regarding such transactions.

(2) This paragraph may not be construed to require the Contractor or subcontractor to create or maintain any record that the Contractor or subcontractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e) *Reports.* If the Contractor is required to furnish cost, funding, or performance reports, the Contracting Officer or an authorized representative of the Contracting Officer shall have the right to examine and audit the supporting records and materials, for the purpose of evaluating—

(1) The effectiveness of the Contractor's policies and procedures to produce data compatible with the objectives of these reports; and

(2) The data reported.

(f) *Availability.* The Contractor shall make available at its office at all reasonable times the records, materials, and other evidence described in paragraphs (a), (b), (c), (d), and (e) of this clause, for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in [Subpart 4.7](#), Contractor Records Retention, of the Federal Acquisition Regulation (FAR), or for any longer period required by statute or by other clauses of this contract. In addition—

(1) If this contract is completely or partially terminated, the Contractor shall make available the records relating to the work terminated until 3 years after any resulting final termination settlement; and

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(2) The Contractor shall make available records relating to appeals under the Disputes clause or to litigation or the settlement of claims arising under or relating to this contract until such appeals, litigation, or claims are finally resolved.

(g) The Contractor shall insert a clause containing all the terms of this clause, including this paragraph (g), in all subcontracts under this contract that exceed the simplified acquisition threshold, and—

(1) That are cost-reimbursement, incentive, time-and-materials, labor-hour, or price re-determinable type or any combination of these;

(2) For which certified cost or pricing data are required; or

(3) That require the subcontractor to furnish reports as discussed in paragraph (e) of this clause.

The clause may be altered only as necessary to identify properly the contracting parties and the Contracting Officer under the Government prime contract.

### 33. 52.233-1 DISPUTES (JUL 2002)

(a) This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613).

(b) Except as provided in the Act, all disputes arising under or relating to this contract shall be resolved under this clause.

(c) "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. However, a written demand or written assertion by the Contractor seeking the payment of money exceeding \$100,000 is not a claim under the Act until certified. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act, by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

(d) (1) A claim by the Contractor shall be made in writing and, unless otherwise stated in this contract, submitted within 6 years after accrual of the claim to the Contracting Officer for a written decision. A claim by the Government against the Contractor shall be subject to a written decision by the Contracting Officer.


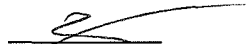
(2) (i) The Contractor shall provide the certification specified in paragraph (d)(2)(iii) of this clause when submitting any claim exceeding \$100,000.

(ii) The certification requirement does not apply to issues in controversy that have not been submitted as all or part of a claim.

(iii) The certification shall state as follows: "I certify that the claim is made in good faith; that the supporting data are accurate and complete to the best of my knowledge and belief; that the amount requested accurately reflects the contract adjustment for which the Contractor believes the Government is liable; and that I am duly authorized to certify the claim on behalf of the Contractor."

(3) The certification may be executed by any person duly authorized to bind the Contractor with respect to the claim.

(e) For Contractor claims of \$100,000 or less, the Contracting Officer must, if requested in writing by the Contractor, render a decision within 60 days of the request. For Contractor-certified claims over \$100,000, the Contracting Officer must, within 60 days, decide the claim or notify the Contractor of the date by which the decision will be made.

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(f) The Contracting Officer's decision shall be final unless the Contractor appeals or files a suit as provided in the Act.

(g) If the claim by the Contractor is submitted to the Contracting Officer or a claim by the Government is presented to the Contractor, the parties, by mutual consent, may agree to use alternative dispute resolution (ADR). If the Contractor refuses an offer for ADR, the Contractor shall inform the Contracting Officer, in writing, of the Contractor's specific reasons for rejecting the offer.

(h) The Government shall pay interest on the amount found due and unpaid from (1) the date that the Contracting Officer receives the claim (certified, if required); or (2) the date that payment otherwise would be due, if that date is later, until the date of payment. With regard to claims having defective certifications, as defined in FAR 33.201, interest shall be paid from the date that the Contracting Officer initially receives the claim. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury as provided in the Act, which is applicable to the period during which the Contracting Officer receives the claim and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim.

(i) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the Contracting Officer.

**34. 52.222-26 EQUAL OPPORTUNITY (MAR 2007)**

(a) Lessor shall have on file affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2).

**35. 52.222-21 PROHIBITION OF SEGREGATED FACILITIES (FEB 1999)**

(a) "Segregated facilities," as used in this clause, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, or national origin because of written or oral policies or employee custom. The term does not include separate or single-user rest rooms or necessary dressing or sleeping areas provided to assure privacy between the sexes.

(b) The Contractor agrees that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Contractor agrees that a breach of this clause is a violation of the Equal Opportunity clause in this contract.

(c) The Contractor shall include this clause in every subcontract and purchase order that is subject to the Equal Opportunity clause of this contract.

**36. 52.219-28 POST-AWARD SMALL BUSINESS PROGRAM REREPRESENTATION (APR 2012)  
(Deleted)**

**37. 52.222-35 EQUAL OPPORTUNITY FOR VETERANS (SEP 2010)  
(Applicable to leases over \$100,000.)**

(a) Lessor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor (Secretary) issued under the Vietnam Era Veterans' Readjustment Assistance Act of 1972 (the Act), as amended. If Lessor does not comply with the requirements of this clause, appropriate actions may be taken under the rules, regulations, and relevant orders of the Secretary issued pursuant to the Act.

**38. 52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (OCT 2010)  
(Applicable to leases over \$15,000.)**

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(a) Lessor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor (Secretary) issued under the Rehabilitation Act of 1973 (29 USC 793) (the Act), as amended. If Lessor does not comply with the requirements of this clause, appropriate actions may be taken under the rules, regulations, and relevant orders of the Secretary issued pursuant to the Act.

**39. 52.222-37 EMPLOYMENT REPORTS VETERANS (SEP 2010) (NOT APPLICABLE TO THIS LEASE)**  
(Applicable to leases over \$100,000.)

(a) *Definitions.* As used in this clause, "Armed Forces service medal veteran," "disabled veteran," "other protected veteran," and "recently separated veteran," have the meanings given in the Equal Opportunity for Veterans clause [52.222-35](#).

(b) Unless the Contractor is a State or local government agency, the Contractor shall report at least annually, as required by the Secretary of Labor, on—

(1) The total number of employees in the contractor's workforce, by job category and hiring location, who are disabled veterans, other protected veterans, Armed Forces service medal veterans, and recently separated veterans.

(2) The total number of new employees hired during the period covered by the report, and of the total, the number of disabled veterans, other protected veterans, Armed Forces service medal veterans, and recently separated veterans; and

(3) The maximum number and minimum number of employees of the Contractor or subcontractor at each hiring location during the period covered by the report.

(c) The Contractor shall report the above items by completing the Form VETS-100A, entitled "Federal Contractor Veterans' Employment Report (VETS-100A Report)."

(d) The Contractor shall submit VETS-100A Reports no later than September 30 of each year.

(e) The employment activity report required by paragraphs (b)(2) and (b)(3) of this clause shall reflect total new hires, and maximum and minimum number of employees, during the most recent 12-month period preceding the ending date selected for the report. Contractors may select an ending date—

(1) As of the end of any pay period between July 1 and August 31 of the year the report is due; or

(2) As of December 31, if the Contractor has prior written approval from the Equal Employment Opportunity Commission to do so for purposes of submitting the Employer Information Report EEO-1 (Standard Form 100).

(f) The number of veterans reported must be based on data known to the contractor when completing the VETS-100A. The contractor's knowledge of veterans status may be obtained in a variety of ways, including an invitation to applicants to self-identify (in accordance with 41 CFR 60-300.42), voluntary self-disclosure by employees, or actual knowledge of veteran status by the contractor. This paragraph does not relieve an employer of liability for discrimination under [38 U.S.C. 4212](#).

(g) The Contractor shall insert the terms of this clause in subcontracts of \$100,000 or more unless exempted by rules, regulations, or orders of the Secretary of Labor.

**40. 52.209-6 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (DEC 2010)**  
(Applicable to leases over \$30,000.)

(a) *Definition.* "Commercially available off-the-shelf (COTS)" item, as used in this clause—

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&

  
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- 43. 52.219-9 **SMALL BUSINESS SUBCONTRACTING PLAN (JAN 2011) ALTERNATE III (JUL 2010)**  
(Applicable to leases over \$650,000.) (Deleted)
- 44. 52.219-16 **LIQUIDATED DAMAGES—SUBCONTRACTING PLAN (JAN 1999) (Deleted)**  
(Applicable to leases over \$650,000.)
- 45. 52.204-10 **REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS (AUG 2012) (Deleted)**  
(Applicable if over \$25,000.)

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INITIALS:  &   
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<b>GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE</b>  <b>LEASE AMENDMENT</b>	LEASE AMENDMENT No. 1
	TO LEASE NO. <b>GS-09P-03395</b>
ADDRESS OF PREMISES: <b>San Francisco International Airport SAN FRANCISCO, CA 94128</b>	

**THIS AMENDMENT** is made and entered into between **City and County of San Francisco, acting by and through its Airport Commission, c/o the Airport Director, San Francisco International Airport, organized and existing under the laws of the State of California**

whose address is: AIRPORT COMMISSION -SAN FRANCISCO INTERNATIONAL AIRPORT  
ADMINISTRATIVE OFFICES  
BUILDING 100 - INTERNATIONAL TERMINAL  
P.O. BOX 8097  
SAN FRANCISCO, CA 94128

hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government:

**WHEREAS**, the parties hereto desire to amend the above referenced Lease for the purpose of extending said Lease for a period of 3 years, 2 years FIRM, (the "Extension Term").

**WHEREAS**, the parties hereto are negotiating a new lease for space in the Airport's Courtyard 3 Connector Building, which is under development, and with a projected completion date of July 2021. Government reserves the right to terminate this Lease in the third year of the Extension Term with prior written notification ("Early Termination Right"). Such Early termination Right is at the sole discretion of the Government and is not contingent upon the execution of a new lease for the Courtyard 3 Connector Building.

**NOW THEREFORE**, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective upon execution by the Government as follows:

**Paragraph 1.03A Rent and Other Consideration is amended:**

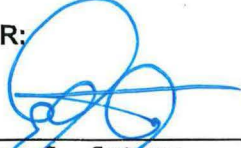
To extend the term of the Lease for two (2) years FIRM and one (1) year SOFT. The Extension Term shall commence on January 4, 2019 and terminate on January 3, 2022.

Early Termination Right: The Government reserves the right to terminate the Lease effective during the third year of the Extension Term by transmitting written notification to Lessor no later than sixty (60) days prior to the date upon which it will relinquish possession of the Premises to Lessor.


This Lease Amendment contains {3} pages.

All other terms and conditions of the lease shall remain in force and effect.  
IN WITNESS WHEREOF, the parties subscribed their names as of the below date.

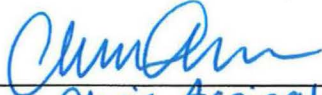
**FOR THE LESSOR:**

Signature:   
Name: Ivar C. Satero *IS*  
Title: Airport Director  
Entity Name: San Francisco Airport Commission  
Date: 4/19/19

**FOR THE GOVERNMENT:**

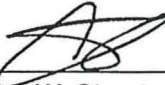
Signature:   
Name: GABRIEL SHUKER  
Title: Lease Contracting Officer  
GSA, Public Buildings Service  
Date: 5/6/19

WITNESSED FOR THE LESSOR BY:

Signature:   
Name: Chris Arrigale  
Title: Exec. Assistant to the Airport Director  
Date: 4/18/19

APPROVED AS TO FORM FOR THE LESSOR:

Dennis J. Herrera, City Attorney

By:   
Name: Christopher W. Stuart  
Title: Deputy City Attorney  
Date: 12/10/18



Room 1.5.112	Years 4-6	
	Annual Rent	Annual Rate / RSF
Shell Rental Rate	\$ \$592,779.89	\$ 247.40
Operating Costs	\$22,604.68	\$9.43
<b>Full Service Rate</b>	<b>\$ \$615,384.57</b>	<b>\$ 256.84</b>

**All other terms and conditions of the Lease shall remain in force and effect.**

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INITIALS:  LESSOR &  GOVT





**MEMORANDUM**

October 5, 2021

TO: AIRPORT COMMISSION  
Hon. Larry Mazzola, President  
Hon. Eleanor Johns, Vice President  
Hon. Everett A. Hewlett, Jr.  
Hon. Jane Natoli  
Hon. Malcolm Yeung

21-0196  
OCT 5 2021

FROM: Airport Director

SUBJECT: Approval of Modification No. 2 to Lease No. GS-09P-LCA03395 with the United States of America to Extend the Term and Increase the Annual Rent for Offices Occupied by the U.S. Federal Bureau of Investigation

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 2 TO LEASE NO. GS-09P-LCA03395 WITH THE UNITED STATES OF AMERICA TO EXTEND THE TERM OF THE LEASE BY THREE YEARS AND INCREASE THE ANNUAL RENT TO \$665,489.00 FOR OFFICES OCCUPIED BY THE U.S. FEDERAL BUREAU OF INVESTIGATION, AND DIRECTING THE COMMISSION SECRETARY TO FORWARD LEASE MODIFICATION NO. 2 TO THE BOARD OF SUPERVISORS FOR APPROVAL.

**Executive Summary**

The U.S. Federal Bureau of Investigation (FBI) currently occupies approximately 2,396 square feet of Category II space in the International Terminal at San Francisco International Airport (SFO or Airport) under Lease No. GS-09P-LCA03395 (Lease). The Lease expires on January 3, 2022, and the FBI wishes to continue occupancy for an additional three years. The proposed Lease modification (Modification) will extend the Lease term by three years and increase the annual rent to \$665,489.00.

**Background**

On October 13, 2015, by Resolution No. 15-0214, the Airport Commission (Commission) approved the Lease, providing approximately 2,396 square feet of Category II administrative office space on the fifth floor of the International Terminal South Shoulder Building (Premises) for the FBI. On January 26, 2016, by Resolution No. 16-16, the Board of Supervisors approved the Lease.

On November 6, 2018, by Resolution No. 18-0360, the Commission approved Lease Modification No. 1 extending the term by three years and increasing the annual rent. On February 5, 2019, by Resolution No. 62-19, the Board of Supervisors approved Lease Modification No. 1.

The current fixed annual rent is \$615,384.57. The Lease requires the Airport to provide maintenance, janitorial services, and utilities, including electricity and water. The Airport is reimbursed for the cost of these services by incorporation of an operating cost component into the rental rate, as more fully described below.

THIS PRINT COVERS CALENDAR ITEM NO. 5

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED MAYOR    LARRY MAZZOLA PRESIDENT    ELEANOR JOHNS VICE PRESIDENT    EVERETT A. HEWLETT, JR.    JANE NATOLI    MALCOLM YEUNG    IVAR C. SATERO AIRPORT DIRECTOR

The FBI wishes to extend the Lease for three years, pursuant to the proposed Modification, and has agreed to increase the fixed annual rent to \$665,489.00.

### Proposal

Airport staff seeks approval of the proposed Modification No. 2 on the following business terms:

1. **Extension Term.** Three years, Firm.
2. **Effective Date.** January 4, 2022 through January 3, 2025.
3. **Annual Rent.** \$665,489.00 per year fixed for the Extension Term. This represents an increase of \$50,104.43 per year, or a total of \$150,313.29 over the Extension Term. Annual Rent is comprised of:
  - Category II Terminal Rent pursuant to current Airport Rates & Charges (\$255.21/SF/YR) and projected increases averaged over the three-year term.
  - Operating costs for maintenance, janitorial services, and utilities pursuant to Airport Facilities' current projections (\$12.81/SF/YR) and future increases averaged over the three-year term.

Initial rates and average rates are summarized below.

Rate Category	Three-Year Average Rate/SF/YR	Annual Rent
Category II Terminal Rent	\$263.90	\$632,304.40
Operating Cost	\$13.85	\$33,184.60
Total	\$277.75	\$665,489.00

The Resolution would also delegate authority to the Director to negotiate and execute the final form of Modification, subject to obtaining approval of the Board of Supervisors.

### Recommendation

I recommend adoption of the accompanying Resolution approving Modification No. 2 to the Lease and directing the Commission Secretary to forward the Modification to the Board of Supervisors for approval under Section 9.118 of the Charter of the City and County of San Francisco.



Ivar C. Satero  
Airport Director

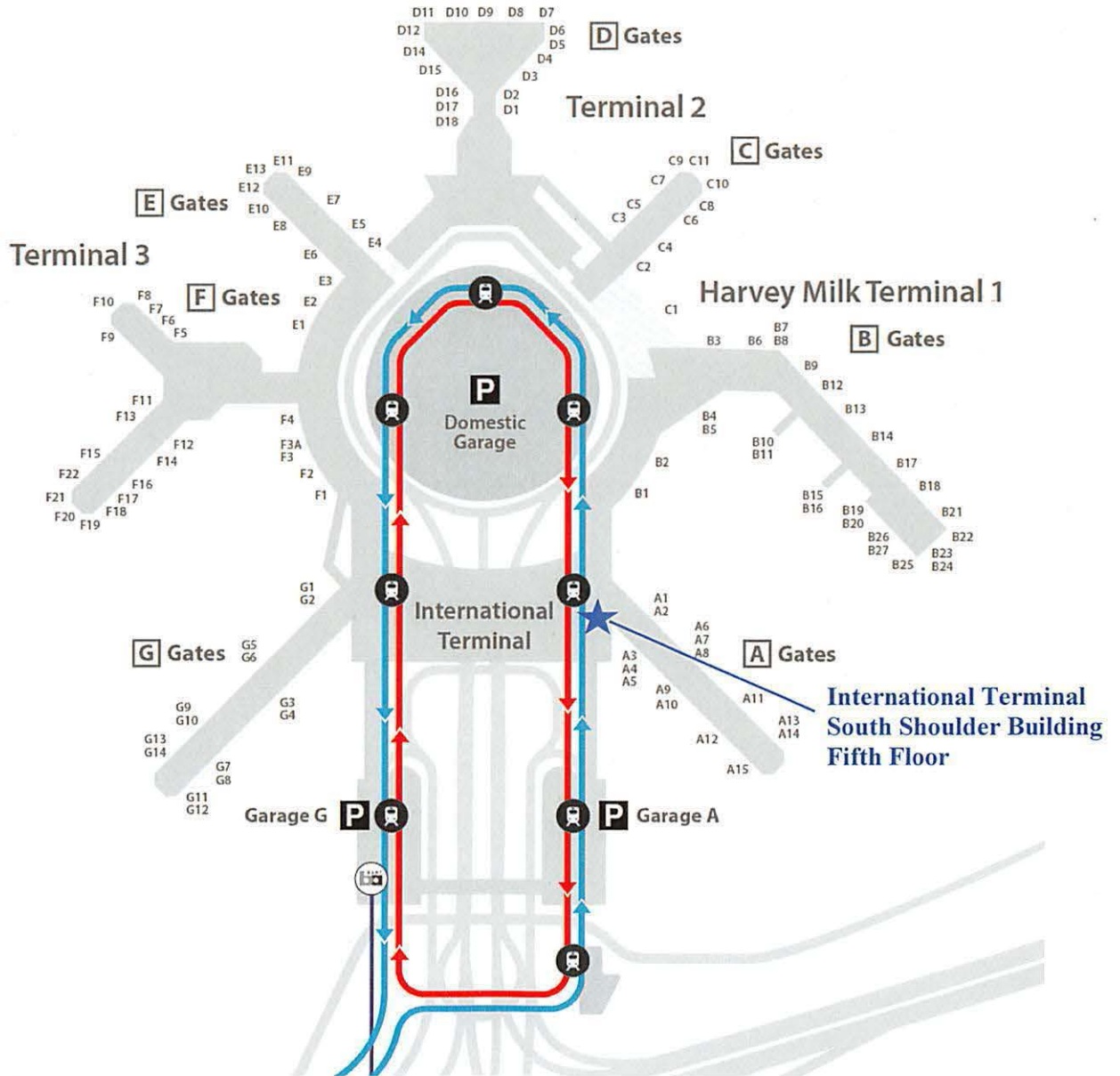
Prepared by: Kevin Bumen  
Chief Commercial Officer

Attachments

Attachment A

PREMISES

LEASE NO. GS-09P-LCA03395 U.S. FEDERAL BUREAU OF INVESTIGATION







San Francisco International Airport

October 8, 2021

Ms. Angela Calvillo  
Clerk of the Board  
Board of Supervisors  
City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102-4689

Subject: Modification No. 2 of Lease No. GS-09P-LCA03395 between the U.S. Government General Services Administration and the City and County of San Francisco, acting by and through its Airport Commission

Dear Ms. Calvillo:

Pursuant to Section 9.118 of the City Charter, I am forwarding for the Board of Supervisors' approval the proposed Resolution, which approves Modification No. 2 of Lease No. GS-09P-LCA03395 between the City and County of San Francisco, acting by and through its Airport Commission, and the U.S. Government General Services Administration.

The following is a list of accompanying documents:

- Board of Supervisors Resolution;
- Approved Airport Commission Resolution No. 21-0196 with accompanying Memorandum;
- A copy of Lease No. GS-09P-LCA03395;
- A copy of Modification No. 1 of Lease No. GS-09P-LCA03395; and
- A copy of Modification No. 2 of Lease No. GS-09P-LCA03395.

The following person may be contacted regarding this matter:

Steve Lash  
Senior Property Manager  
(650) 821-4525  
steve.lash@flysfo.com

Very truly yours,

*Kantrice Ogletree /s/*

Kantrice Ogletree  
Commission Secretary

Enclosures

cc: Steve Lash, Aviation Management  
Cathy Widener, Governmental Affairs

**AIRPORT COMMISSION** CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED  
MAYOR

LARRY MAZZOLA  
PRESIDENT

ELEANOR JOHNS  
VICE PRESIDENT

EVERETT A. HEWLETT, JR.

JANE NATOLI

MALCOLM YEUNG

IVAR C. SATERO  
AIRPORT DIRECTOR