

**LEASE AMENDMENT TO EXTEND TERM
AND GRANT ADDITIONAL EXTENSION OPTION**

THIS LEASE AMENDMENT (this "Amendment") is made as of September 11, 2020, in San Francisco, California, by and between WCPI Commercial, LLC, a California limited liability company ("Landlord") and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City" or "Tenant").

RECITALS

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

A. City and Landlord have previously entered into a lease agreement, dated as of September 2, 2008 (the "Lease"), for the lease of approximately 3,900 square feet of space on the ground floor of a building located at 1449 Webster Street in San Francisco, CA (the "Premises").

B. The parties agreed to extend the Lease, most recently to a term that ended August 31, 2020. As such City is currently occupying the space under a monthly holdover provision.

C. The parties now desire to extend the Lease on the terms set forth in this Amendment.

ACCORDINGLY, for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the City and Landlord agree as follows:

1. **Extension of Lease.** The term of the Lease is extended to August 31, 2023 (the "Expiration Date").
2. **Rent.** For the one-year period from September 1, 2020 to August 31, 2021 (inclusive of the holdover period prior to the effective date of this Amendment), the Annual Base Rent is \$139,170 (\$35.68 per square foot) with monthly payments of \$11,597.46. Starting September 1, 2021 and each September 1 thereafter, the Annual Base Rent shall be increased by the proportionate increase in the Consumer Price Index, as described in Lease Section 4.2. Such increase shall not be less than 2% or more than 5% of the previous Annual Base Rent.
3. **Additional Option to Extend.** The City shall have an option to extend the term for three years, from September 1, 2023 to August 31, 2026, exercisable by City by notice to Landlord not later than April 1, 2023. The Director of Property shall have the authority to exercise the option to extend subject to appropriation but without the need for approval by the Board of Supervisors. Annual Base Rent for the start of the option term will be adjusted to 95% of the then current prevailing market rent as determined in accordance with Section 3.4.
4. **References.** No reference to this Amendment is necessary in any instrument or document at any time referring to the Lease. Any future reference to the Lease shall be deemed a reference to such document as amended hereby.

5. **Applicable Law.** This Amendment shall be governed by, construed and enforced in accordance with the laws of the State of California.

6. **Notification of Prohibition on Contributions.** By executing this Lease, Landlord acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) a City elected official if the lease must be approved by that official, (b) a candidate for that City elective office, or (c) a committee controlled by that elected official or a candidate for that office, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Landlord acknowledges that the foregoing restriction applies only if the lease or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Landlord further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person with an ownership interest of more than 10 percent (10%) in Landlord; any subcontractor listed in the lease; and any committee that is sponsored or controlled by Landlord; and (ii) within thirty (30) days of the submission of a proposal for the Lease, the City department with whom Landlord is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subcontractor. Additionally, Landlord certifies that it has informed each such person of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the lease, and has provided the names of the persons required to be informed to the City department with whom it is leasing.

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

8. **Reporting.** San Francisco Administrative Code Sections 23.38 and 23.39 require that certain information relating to the creation, renewal, extension, assignment, sublease, or other transfer of this Lease be provided to the County Assessor within sixty (60) days after the transaction. Accordingly, Tenant agrees to provide a copy of this Lease to the County Assessor not later than sixty (60) days after the Effective Date.

9. **Consideration of Salary History.** Tenant shall comply with San Francisco Administrative Code Chapter 12K, the Consideration of Salary History Ordinance or "Pay Parity Act." For each employment application to Tenant for work that relates to this Agreement or for work to be performed in the City or on City property, Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant. Tenant shall not (1) ask such applicants about their current or past salary or (2) disclose a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty

provisions in Chapter 12K. Information about Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>.

10. Effective Date. This Amendment shall become effective as of the date this Amendment is duly executed and exchanged by the parties, and the City's Board of Supervisor's adopts a resolution approving this Amendment.

11. Miscellaneous. Except as expressly modified herein, the terms, covenants and conditions of the Lease shall remain unmodified and in full force and effect. The Lease as amended by this Amendment constitutes the entire agreement of the parties concerning the subject matter hereof, and supersedes and conceals any and all previous negotiations, agreements, or understandings, if any, regarding the matters contained herein. The execution of this Amendment shall not constitute a waiver of relinquishment of any rights which the City may have relating to the Lease. Landlord and City hereby ratify and confirm all of the provisions of the Lease as amended by this Amendment.

In witness whereof, the parties hereto have executed this Amendment as of the date written above.

LANDLORD: WCPI COMMERCIAL LLC, a California limited liability company

By: ARPI, LLC, a California limited liability company, its Manager

By:  _____

Kwok Hung Szeto

Its: Managing Manager

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

By: _____
Andrico Q. Penick
Director of Property

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Charles Sullivan
Deputy City Attorney

Board Resolution No. _____
Approved _____, 2020