

Free Recording Requested Pursuant to
California Government Code Section 27383

Recording requested by and
when recorded mail to:

City and County of San Francisco
Real Estate Division
25 Van Ness Avenue, Suite 400
San Francisco, CA 94102
Attn: Director of Property

(Space above this line reserved for Recorder's use only)

EASEMENT AGREEMENT
(Portion of Assessor Block 4154 Lot 001, San Francisco)

THIS EASEMENT AGREEMENT (this "**Agreement**"), dated for reference purposes only as of _____, 2015 ("**Agreement Date**"), is made by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("**City**"), and PACIFIC GAS AND ELECTRIC COMPANY, a California corporation ("**PG&E**").

RECITALS

A. The City owns, and, through its Department of Public Health ("**DPH**"), operates and maintains the campus of San Francisco General Hospital, located on Potrero Avenue in San Francisco, California, including the parcel of real property known as Assessor's Block 4154 Lot 001 (the "**SFGH Parcel**"), more particularly described in the attached Exhibit C.

B. PG&E has the right to install poles, wires, conduits, and related appurtenances for the distribution and transmission of electricity ("**Electrical Facilities**") in City's streets pursuant to a franchise granted by Ordinance No. 414, adopted by the City's Board of Supervisors on December 19, 1939, and Section 6201 of the California Public Utilities Code (together, the "**Franchise Agreement**").

C. Pursuant to the Franchise Agreement, PG&E installed above ground Electrical Facilities comprised of distribution poles and related wires, conduits, and related appurtenances within the City streets known as 23rd Street and Potrero Avenue. An existing PG&E power pole (#110015363) (the "**Power Pole**") is presently located in the improved sidewalk portion of 23rd Street near the intersection with Potrero Avenue, adjacent to the SFGH Parcel.

D. The City concludes the Power Pole will interfere with the placement of and impair the visibility of new electrified way finding signage for San Francisco General Hospital scheduled to be installed on the SFGH Parcel. The City has requested that PG&E remove the Power Pole from its current location and install a replacement pole (or relocate the Power Pole) in a location that will not interfere with the hospital signage. PG&E has proposed a new location for the Power Pole that is satisfactory to the City. The proposed new power pole location is within the area governed by the Franchise Agreement, however the resulting realignment of the associated overhead power lines would be such that some of the power lines would cross over a corner of the SFGH Parcel, which is not within the area governed by the Franchise Agreement. The City is willing to grant PG&E an overhead easement over a portion of the SFGH Parcel in order to accommodate the relocation of the Power Pole to the new location.

E. PG&E and City wish to enter into this Agreement to provide for PG&E's use of that portion of the SFGH Parcel comprised of a strip of land of the uniform width of 10 feet, as described in the attached Exhibit A and depicted on the plat attached hereto as Exhibit B (the "**Easement Area**"), all on the terms and conditions set forth in this Agreement.

AGREEMENT

ACCORDINGLY, City grants PG&E an easement as follows:

1. Relocation of Power Pole. PG&E, at PG&E's sole cost, shall remove the Power Pole from its current location not later than June 12, 2015.
2. Grant of Easement. In consideration of the covenants and conditions of this Agreement and the sum of Ten Thousand Six Hundred Dollars (\$10,600.00), City grants to PG&E a non-exclusive easement to enter upon and use the Easement Area for the Easement Activities (as defined in Section 3) on the conditions and restrictions set forth below. PG&E shall have no right to install any improvement on or below the surface of the Easement Area or otherwise use the surface or subsurface of the Easement Area, except as specifically provided in this Agreement.
3. Use of Easement Area.
 - 3.1 Easement Activities. PG&E shall have the right from time to time to construct, reconstruct, install, inspect, maintain, replace, remove and use the Overhead Electrical Facilities (as defined below) and any Replacement Improvements (as defined in Section 4) and to perform its obligations under this Agreement (collectively, the "**Easement Activities**"). As used in this Agreement, "**Overhead Electrical Facilities**" means such overhanging wires and cables running between power poles located in dedicated public streets as PG&E deems necessary for the distribution of electric energy and communication purposes allowed under the franchise applicable to such dedicated public streets, provided no Overhead Electrical Facilities shall be installed lower than 17 feet above the surface of the Easement Area.
 - 3.2 Vegetation Management. PG&E shall have the right, from time to time, to trim or cut down any and all trees and brush now or hereafter within the Easement Area to the extent required to maintain proper clearance from energized electric lines or to comply with applicable state or federal regulations. After any pruning or vegetation removal, PG&E shall restore the Easement Area to substantially the condition it was in prior to its arrival. If PG&E elects to prune or remove any vegetation within the Easement Area, PG&E shall consult with the Director of Property or his or her designee to identify and mutually agree upon the scope of work. Except in emergency circumstances, PG&E will notify and request approval from the Director of Property or his or her designee prior to any modification to vegetation within the Easement Area, which approval shall not be unreasonable withheld, conditioned or delayed.
 - 3.3 Access; Conditions to Access. PG&E shall only access the Easement Area by such streets as now or hereafter exist or, in the absence of any paved streets, by such route as shall occasion the least injury to the adjoining property. Except in an emergency, as defined in Section 4216 of the California Government Code, PG&E shall obtain the prior written approval of City's Director of Property, and shall comply with such conditions as the Director of Property may reasonably impose, and follow such procedures as the Director of Property may reasonably require, with respect to such access and work (with conditions and procedures may, at the election of the Director of Property, be similar to those imposed by the City Street Regulations, as defined below, on similar work within the public right of way). Except in the event of an

emergency, PG&E shall submit a written request for access to the Director of Property at least thirty (30) calendar days' prior to commencement of such work for any maintenance, service, repair, replacement or construction activities or in any way as required under Section 4 below. Notwithstanding the foregoing, written approval shall not be required in the event of an emergency which presents immediate danger to health or property, however in such events PG&E shall verbally notify City of PG&E's required entry as soon as reasonably possible and shall coordinate any required repairs with the Director of Property and DPH staff. As used herein, "City Street Regulations" means, collectively, the San Francisco Public Works Code, together with orders and regulations adopted by City's Department of Public Works and orders, regulations, and rules of the San Francisco Municipal Transportation Agency (or any successor statute or departments).

3.4 Compliance with Laws; Maintenance. PG&E shall conduct the Easement Activities in compliance with all applicable laws, through sound construction practices and in a lien-free manner, and PG&E shall diligently pursue its construction or maintenance activities to completion. PG&E shall secure and pay for any building and other permits and approvals, government fees, licenses and inspections necessary for the proper performance and completion of its construction or maintenance activities in the Easement Area, including, but not limited to any approvals required by City acting in its regulatory capacity. PG&E shall be solely responsible for maintaining all Overhead Electrical Facilities, including all replacements installed in the Easement Area pursuant to Section 4, in good and safe condition, and City shall have no duty whatsoever for any maintenance of the Easement Area, except as specifically provided herein, or for any maintenance of the Electrical Facilities or any Replacement Improvements.

3.5 City's Reserved Rights. City reserves and retains all of the following rights relating to the Easement Area (collectively, the "**Reserved Rights**"): (i) any and all water, timber, mineral and oil rights of any kind; (ii) any and all rights to install, use, operate, maintain, repair, enlarge, modify, expand, replace and reconstruct any of existing City facilities in or near the Easement Area; (iii) the right to grant future rights to a third party over, across, under, in and on the Easement Area as City shall determine in its sole discretion, including use of the Easement Area for non-City utilities; (iv) the right to maintain or install telecommunication facilities or other City facilities or property; (v) the right to install, maintain, replace and remove any type of signage, landscaping and hardscaping, including, but not limited to, plantings, trees, shrubs, bushes, flowers, stairs, seats, benches, and similar improvements, subject to the provisions of Section 3.2 above and Section 3.6 below; and (vi) the right to use the surface of the Easement Area for the construction and operation of a driveway, sidewalk, or other improvements, including the installation of facilities and improvements and relocation or revisions to existing City utilities and improvements as part of such construction and demolition work. City's exercise of the Reserved Rights shall not materially interfere with PG&E's rights granted herein; provided, however, that such limitation shall not apply to City's exercise of its relocation rights under Section 5.2.

3.6 Limitation on City's Use. City shall not erect or construct any building or other structure other than fencing, retaining walls, benches, hardscape, signage and the like not exceeding twelve (12) feet in height, installed within the Easement Area, or drill or operate any well under or within five (5) feet of the center line of the Overhead Electrical Facilities installed by PG&E.

4. Installation of Replacement Improvements; Maintenance and Repair Activities. PG&E may replace the Overhead Electrical Facilities with like kind items that are placed in the same location within the Easement Area ("**Replacement Improvements**"), and perform maintenance and repairs on the Overhead Electrical Facilities and any Replacement Improvements, on satisfaction of the following conditions, which are for the sole benefit of City:

4.1 Permits and Approvals. Before beginning any work, that will require access to or installations on the SFGH Parcel, PG&E shall obtain all applicable permits, licenses and approvals (collectively, "**Approvals**") of any regulatory agencies with jurisdiction required to commence and complete the permitted work, including any permits required by City's Public Utilities Commission. PG&E recognizes and agrees that no approval by City for purposes of PG&E's installation work hereunder shall be deemed to constitute the approval of any federal, state or local regulatory authority with jurisdiction, and nothing herein shall limit PG&E's obligation to obtain all such Approvals, at PG&E's sole cost.

4.3 Exercise of Due Care. PG&E shall use, and shall cause its Agents (as defined in Section 14 below) to use, due care at all times to avoid any damage or harm to City's property. PG&E shall do everything reasonably within its power, both independently and upon request by City, to prevent and suppress unsafe conditions or fires on and adjacent to the Easement Area attributable to PG&E's use hereunder. PG&E shall not excavate in the Easement Area.

4.4 Cooperation with City Personnel. PG&E and its Agents shall work closely with City personnel to minimize any potential disturbance (even if temporary) of the natural features of the Easement Area and to avoid disruption (even if temporary) of City property in, under, on or about the Easement Area and the uses of the Easement Area by City and its tenants, subtenants, licensees, sublicensees and invitees. Work shall be conducted during hours reasonably acceptable to City.

5. Restrictions on Use; Required Relocation.

5.1 Restrictions. PG&E agrees that, by way of example only and without limitation, the following uses of the Easement Area by PG&E or any other person claiming by or through PG&E are inconsistent with the limited purpose of this Agreement and are strictly prohibited as provided below:

(a) Improvements; Signs. Except for the Overhead Electrical Facilities and any Replacement Improvements authorized hereunder, PG&E shall not construct or place any temporary or permanent structures, improvements, including but not limited to signs, advertisements, banners or similar objects on or about the Easement Area.

(b) Hazardous Material. PG&E shall not cause, nor shall PG&E allow any of its Agents or Invitees (as defined in Section 14 below) to cause, any Hazardous Material (as defined below) to be brought upon, kept, used, stored, generated or disposed of in, on or about the Easement Area, or transported to or from the Easement Area. PG&E shall immediately notify City when PG&E learns of, or has reason to believe that, a release of Hazardous Material has occurred in, on or about the Easement Area. PG&E shall further comply with all laws requiring notice of such releases or threatened releases to governmental agencies, and shall take all action necessary to mitigate the release or minimize the spread of contamination. In the event that PG&E or its Agents or Invitees cause a release of Hazardous Material, PG&E shall, without cost to City and in accordance with all laws and regulations, return the Easement Area to the condition immediately prior to the release. In connection therewith, PG&E shall afford City a full opportunity to participate in any discussion with governmental agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree or other compromise proceeding involving Hazardous Material. For purposes hereof, "**Hazardous Material**" means material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to public health, welfare or the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance, pollutant or contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sections 9601 *et seq.*, or

pursuant to Section 25316 of the California Health & Safety Code; a "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the Easement Area or are naturally occurring substances in the Easement Area, and any petroleum, including, without limitation, crude oil or any fraction thereof, natural gas or natural gas liquids. The term "release" or "threatened release" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under or about the Easement Area.

(c) Dumping; Nuisances; Damage. PG&E shall not dump or dispose of refuse or other unsightly materials on, in, under or about the Easement Area, nor shall PG&E conduct any activities on or about the Easement Area that constitute waste, nuisance or unreasonable annoyance (including, without limitation, emission of objectionable odors, noises or lights) to City, to the owners or occupants of neighboring property or to the public or will cause damage to any of City's property.

5.2 Relocation of Overhead Electrical Facilities and Easement Area. If City reasonably determines that PG&E's use of the Easement Area pursuant to this Agreement interferes with any City municipal purpose, including an existing or future City utility, PG&E, at PG&E's expense, shall relocate the interfering Overhead Electrical Facilities or Replacement Improvements, as applicable, to a location reasonably designated by City, which location may be within the dedicated public streets.

If City exercises its relocation right under this Section, City shall deliver written notice of such election, the proposed replacement location for the Overhead Electrical Facilities or the Replacement Improvements, as applicable, and the proposed date for completion of such relocation, to PG&E no less than one hundred eighty (180) days prior to the proposed completion date for such relocation. PG&E shall perform and complete any relocation work pursuant to this Section in a good and diligent manner and in compliance with all applicable laws.

If PG&E fails to timely relocate the interfering Overhead Electrical Facilities or Replacement Improvements, as applicable, pursuant to this Section and PG&E fails to commence to cure such matter within twenty (20) business days' of receiving written notice of such failure from City, City shall have the right to perform such relocation work at PG&E's cost.

PG&E's obligation to pay the cost of relocation under this Section 5.2 is personal to the City, and shall not apply to any successor in interest of the City. PG&E shall reasonably cooperate with any relocation requested by a third party, provided (i) such third party shall be responsible for the costs of all related relocation, rearrangement and removal work and (ii) in connection with such relocation PG&E shall have the option to remove its existing facilities or to abandon such facilities in place.

6. Term of Easement. The easement given to PG&E pursuant to this Agreement shall commence on the date on which that (i) the City's Board of Supervisors adopts a resolution or ordinance approving this Agreement, and (ii) the parties hereto have duly executed and delivered this Agreement, and shall only terminate if PG&E surrenders or abandons the Easement Area or PG&E and City enter into a writing that terminates this Agreement or PG&E realigns its Electrical Facilities in the adjacent streets such that it no longer requires the use of the Easement Area.

7. Compliance with Laws. PG&E shall, at its expense, conduct and cause to be conducted all activities on the Easement Area allowed hereunder in a safe and prudent manner and in compliance with all laws, regulations, codes, ordinances and orders of any governmental or other regulatory entity (including, without limitation, the Americans with Disabilities Act), whether

presently in effect or subsequently adopted and whether or not in the contemplation of the parties. PG&E shall, at its sole expense, procure and maintain in force at all times during its use of the Easement Area any and all business and other licenses or approvals necessary to conduct the activities allowed hereunder. PG&E understands and agrees that City is entering into this Agreement in its capacity as a property owner with a proprietary interest in the Easement Area and not as a regulatory agency with police powers. Nothing herein shall limit in any way PG&E's obligation to obtain any required regulatory approvals from City departments, boards or commissions or other governmental regulatory authorities or limit in any way City's exercise of its police powers.

8. Covenant to Maintain Easement Area. In connection with its use hereunder, PG&E shall at all times, at its sole cost, maintain the Easement Area in a good, clean, safe, secure, sanitary and slightly condition, so far as the Easement Area may be affected by PG&E's activities hereunder.

9. Waiver of Claims; Waiver of Consequential and Incidental Damages. Neither City nor any of its commissions, departments, boards, officers, agents or employees shall be liable for any damage to the property of PG&E, its officers, agents, employees, contractors or subcontractors, or their employees, or for any bodily injury or death to such persons, resulting or arising from the condition of the Easement Area or its use by PG&E.

10. Repair of Damage. If any portion of the Easement Area or any property of City or any City licensee, sublicensee, tenant or subtenant located on or about the Easement Area is damaged by any of the activities conducted by PG&E hereunder, PG&E shall immediately, at its sole cost, repair any and all such damage and restore such damaged Easement Area or property to its previous condition.

11. Location of Utilities. This Agreement is subject to all licenses, leases, easements, restrictions, conditions, covenants, encumbrances, liens and claims of title affecting the Easement Area as of the date of this Agreement. City has no responsibility or liability of any kind with respect to any utilities that may be on, in or under the Easement Area. PG&E has the sole responsibility to locate such utilities and protect them from damage. PG&E shall arrange and pay for any necessary temporary relocation of City and public utility company facilities performed in connection with PG&E's exercise of its rights under this Agreement, subject to the prior written approval by City and any such utility companies of any such relocation. PG&E shall be solely responsible for arranging and paying directly for any utilities or services necessary for its activities hereunder.

12. City's Right to Cure Defaults by PG&E. If PG&E fails to perform any of its obligations under this Agreement, to restore the Easement Area or repair damage, or if PG&E defaults in the performance of any of its other obligations under this Agreement, then City may, at its election, remedy such failure for PG&E's account and at PG&E's expense by providing PG&E with thirty (30) days' prior written or oral notice of City's intention to cure such default (except that no such prior notice shall be required in the event of an emergency as determined by City). Such action by City shall not be construed as a waiver of any rights or remedies of City under this Agreement, and nothing herein shall imply any duty of City to do any act that PG&E is obligated to perform. PG&E shall pay to City upon demand, all costs, damages, expenses or liabilities incurred by City, including, without limitation, reasonable attorneys' fees, in remedying or attempting to remedy such default. PG&E's obligations under this Section shall survive the termination of this Agreement.

13. No Costs to City. PG&E shall bear all costs or expenses of any kind or nature in connection with its use of the Easement Area, and shall keep the Easement Area free and clear of any liens or claims of lien arising out of or in any way connected with its use of the Easement

Area.

14. Indemnity. PG&E shall indemnify, defend and hold harmless City, its officers, agents, employees and contractors, and each of them, from and against any and all demands, claims, legal or administrative proceedings, losses, costs, penalties, fines, liens, judgments, damages and liabilities of any kind (collectively, "**Losses**"), arising in any manner out of (a) any injury to or death of any person or damage to or destruction of any property occurring in, on or about the Easement Area, or any part thereof, whether the person or property of PG&E, its officers, agents, employees, contractors or subcontractors (collectively, "**Agents**"), its invitees, guests or business visitors (collectively, "**Invitees**"), or third persons, relating in any manner to any use or activity under this Agreement, (b) any failure by PG&E to faithfully observe or perform any of the terms, covenants or conditions of this Agreement, (c) the use of the Easement Area or any activities conducted thereon by PG&E, its Agents or Invitees, or (d) any release or discharge, or threatened release or discharge, of any Hazardous Material caused or allowed by PG&E, its Agents or Invitees, on, in, under or about the Easement Area, any improvements permitted thereon, including but not limited to the Overhead Electrical Facilities and the Replacement Improvements, or into the environment; except solely to the extent of Losses resulting directly from the willful misconduct of City or City's authorized representatives. The foregoing indemnity shall include, without limitation, reasonable attorneys' and consultants' fees, investigation and remediation costs and all other reasonable costs and expenses incurred by the indemnified parties, including, without limitation, damages for decrease in the value of the Easement Area and claims for damages or decreases in the value of adjoining property. PG&E specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to PG&E by City and continues at all times thereafter. PG&E's obligations under this Section shall survive the expiration or other termination of this Agreement.

15. "As Is" Condition; Disclaimer of Representations. PG&E accepts the Easement Area in its "AS IS" condition, without representation or warranty of any kind by City, its officers, agents or employees, including, without limitation, the suitability, safety, or duration of availability of the Easement Area or any facilities on the Easement Area for PG&E's use. City makes no warranty as to its title to the Easement Area or as to the existence of any encumbrance or utility installations affecting the Easement Area. Without limiting the foregoing, this Agreement is made subject to all applicable laws, rules and ordinances governing the use of the Easement Area, and to any and all covenants, conditions, restrictions, easements, encumbrances, claims of title and other title matters affecting the Easement Area, whether foreseen or unforeseen, and whether such matters are of record or would be disclosed by an accurate inspection or survey. It is PG&E's sole obligation to conduct an independent investigation of the Easement Area and all matters relating to its use of the Easement Area hereunder, including, without limitation, the suitability of the Easement Area for such uses. PG&E, at its own expense, shall obtain such permission or other approvals from any third parties with existing rights as may be necessary for PG&E to make use of the Easement Area in the manner contemplated hereby.

16. Assignment. This Agreement shall not be assigned, conveyed or otherwise transferred by PG&E without the prior written consent of City. Such consent shall not be unreasonably withheld.

17. No Joint Venture of Partnership; No Authorization. This Agreement does not create a partnership or joint venture between City and PG&E as to any activity conducted by PG&E on, in or relating to the Easement Area. PG&E is not a State actor with respect to any activity conducted by PG&E on, in, or under the Easement Area. The giving of this Agreement by City does not constitute authorization or approval by City of any activity conducted by PG&E on, in or relating to the Easement Area.

17. MacBride Principles - Northern Ireland. The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1 *et seq.* The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. PG&E acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

18. Non-Discrimination.

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

18.2 Subcontracts. PG&E shall include in all subcontracts relating to the Easement Area a non-discrimination clause applicable to such subcontractor in substantially the form of Subsection 18.1 above. In addition, PG&E shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. PG&E's failure to comply with the obligations in this Subsection shall constitute a material breach of this Agreement.

18.3 Non-Discrimination in Benefits. PG&E does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by City, or where the work is being performed for the City or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

18.4 Condition to Agreement. As a condition to this Agreement, PG&E shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission (the "HRC"). PG&E hereby represents that prior to execution of this Agreement, (i) PG&E executed and submitted to the HRC Form HRC-12B-101 with supporting documentation, and (ii) the HRC approved such form.

18.5 Incorporation of Administrative Code Provisions by Reference. The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to non-discrimination by parties contracting for the use of City property are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. PG&E shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, PG&E understands that pursuant to Section 12B.2(h) of the

San Francisco Administrative Code, a penalty of Fifty Dollars (\$50) for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against PG&E and/or deducted from any payments due PG&E.

19. Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product, except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code. PG&E agrees that, except as permitted by the application of Sections 802(b) and 803(b), PG&E shall not use or incorporate any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product in the performance of this Agreement.

20. Notification of Limitations on Contributions. Through its execution of this Agreement, PG&E 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 for the selling or leasing of any land or building to or 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 (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. PG&E acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. PG&E further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of PG&E's board of directors, chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than twenty percent (20%) in PG&E; any subcontractor listed in the contract; and any committee that is sponsored or controlled by PG&E. Additionally, PG&E acknowledges that PG&E must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. PG&E further agrees to provide to City the names of each person, entity or committee described above.

21. Possessory Interest Taxes. PG&E recognizes and understands that this Agreement may create a possessory interest subject to property taxation and that PG&E may be subject to the payment of property taxes levied on such interest under applicable law. PG&E agrees to pay taxes of any kind, including possessory interest taxes, if any, that may be lawfully assessed on PG&E's interest under this Agreement or use of the Easement Area pursuant hereto and to pay any other taxes, excises, licenses, permit charges or assessments based on PG&E's usage of the Easement Area that may be imposed upon PG&E by applicable law. PG&E shall pay all of such charges when they become due and payable and before delinquency.

22. Pesticide Prohibition. PG&E shall comply with the provisions of Section 308 of Chapter 3 of the San Francisco Environment Code (the "**Pesticide Ordinance**") which (i) prohibit the use of certain pesticides on City property, (ii) require the posting of certain notices and the maintenance of certain records regarding pesticide usage and (iii) require PG&E to submit to the City's Office of the City Administrator, Real Estate Division, an integrated pest management ("**IPM**") plan that (a) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that PG&E may need to apply to the Easement Area during the term of this Agreement, (b) describes the steps PG&E will take to meet the City's IPM Policy described in Section 300 of the Pesticide Ordinance and (c) identifies, by name, title, address and telephone number, an individual to act as the PG&E's primary IPM contact person with the City.

In addition, PG&E shall comply with the requirements of Sections 303(a) and 303(b) of the Pesticide Ordinance.

23. Prohibition of Tobacco Sales and Advertising. PG&E acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on the Easement Area. This advertising prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (i) communicate the health hazards of cigarettes and tobacco products, or (ii) encourage people not to smoke or to stop smoking.

24. Prohibition of Alcoholic Beverage Advertising. PG&E acknowledges and agrees that no advertising of alcoholic beverages is allowed on the Easement Area. For purposes of this section, "alcoholic beverage" shall be defined as set forth in California Business and Professions Code Section 23004, and shall not include cleaning solutions, medical supplies and other products and substances not intended for drinking. This advertising prohibition includes the placement of the name of a company producing, selling or distributing alcoholic beverages or the name of any alcoholic beverage in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (i) communicate the health hazards of alcoholic beverages, (ii) encourage people not to drink alcohol or to stop drinking alcohol, or (iii) provide or publicize drug or alcohol treatment or rehabilitation services.

25. Conflicts of Interest. Through its execution of this Agreement, PG&E acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Sections 87100 *et seq.* and Sections 1090 *et seq.* of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a violation of said provision, and agrees that if PG&E becomes aware of any such fact during the term of this Agreement, PG&E shall immediately notify the City.

26. Notices. Except as otherwise expressly provided herein, any notices given under this Agreement shall be effective only if in writing and given by delivering the notice in person, by sending it first class mail or certified mail, with a return receipt requested, or overnight courier, return receipt requested, with postage prepaid, addressed as follows:

City: City and County of San Francisco
Office of the City Administrator
City Hall, Room 362
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4682

with copies to: Director of Department of Public Works
Department of Public Works
City and County of San Francisco
Room 348, City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102

and: City Attorney, City of San Francisco
Room 234, City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102-4682
Attn: Real Estate Finance Team

PG&E: Manager, Land Asset Management
PG&E Land Management
245 Market Street, Room 1036
San Francisco, CA 94105

Notices herein shall be deemed given two (2) days after the date when it shall have been mailed if sent by first class, certified or overnight courier, or upon the date personal delivery is made.

In the event of any emergency situation caused by PG&E's use of the Easement Area, the Overhead Electrical Facilities or any Replacement Improvements, PG&E shall also immediately call Greg Chase, SFGH Chief Engineer at (415) 206-8522, and the Director of Facilities and Support Service for San Francisco General Hospital at (415) 206-8530.

27. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

28. Cooperative Drafting. This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

29. General Provisions. (a) This Agreement may be amended or modified only by a writing signed by City and PG&E and recorded in the Official Records of San Francisco County. (b) No waiver by any party of any of the provisions of this Agreement shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. (c) Except as otherwise provided herein, all approvals and determinations of City requested, required or permitted hereunder may be made in the sole and absolute discretion of the Director of Property or other authorized City official. (d) This instrument (including the exhibit(s) hereto) contains the entire agreement between the parties and all prior written or oral negotiations, discussions, understandings and agreements are merged herein. (e) The section and other headings of this Agreement are for convenience of reference only and shall be disregarded in the interpretation of this Agreement. (f) Time is of the essence. (g) This Agreement shall be governed by California law and the City's Charter. (h) If either party commences an action against the other or a dispute arises under this Agreement, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of City shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience. (i) Subject to the prohibition against assignments or other transfers by PG&E hereunder, this Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, successors and assigns.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

PG&E represents and warrants to City that it has read and understands the contents of this Agreement and agrees to comply with and be bound by all of its provisions.

PG&E: PACIFIC GAS AND ELECTRIC COMPANY,
a California corporation

By: _____
Its: _____

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

By: _____
JOHN UPDIKE
Director of Property

RECOMMENDED:

By: _____
BARBARA GARCIA, Director of Public Health

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Anita L. Wood, Deputy City Attorney

EXHIBIT A

Legal Description of Easement Area

All that certain real property situate in the City and County of San Francisco, State of California, being a portion of Lot 80 of that certain Map entitled "Rancho Del Potrero Nuevo" as filed March 21, 1864 in the Office of the County Recorder of the City and County of San Francisco, said portion being a strip of land 10 feet wide, lying 5 feet on each side of the following described centerline:

Beginning at a point on the northerly right-of-way line of 23rd Street (formerly Nevada Street), distant thereon, 19.42 feet easterly from the intersection of the easterly right-of-way line of Potrero Avenue with the northerly right-of-way line of said 23rd Street; thence, northwesterly in a direct line to a point on the easterly right-of-way line of Potrero Avenue, said point being 8.37 feet northerly from the intersection of the easterly right-of-way line of Potrero Avenue with the northerly right-of-way line of said 23rd Street.

The sidelines of said 10 foot wide strip shall be lengthened or shortened so as to terminate at the northerly right-of-way line of 23rd Avenue and at the easterly right-of-way line of Potrero Street.

Being a portion of Assessors Block 4154, Lot 001.

The above described strip of property is shown on the attached plat entitled "Exhibit B" and by reference made a part hereof.

Bruce Storrs P.L.S. Date
City and County Surveyor
City and County of San Francisco

EXHIBIT B

Plat Depicting Easement Area

[Attached]

EXHIBIT C

Description of SFGH Parcel

As used herein, the SFGH Parcel is that parcel of land bounded on the north by the southerly boundary line of the City Street known as 22nd Street, bounded on the east by the westerly boundary line of the City street known as Vermont Street, bounded on the south by the northerly boundary line of the City street known at 23rd Street, and bounded on the west by the easterly boundary line of the City street known as Potrero Avenue.

(APN 4154-001)