

OFFICE LEASE

between

Evans Investment Partners, LLC.
as Landlord

and

CITY AND COUNTY OF SAN FRANCISCO,
as Tenant

For the lease of premises at
752 Vallejo Street
San Francisco, California

August 1 2017

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- EXHIBIT A – Floor Plan(s) of Premises
- EXHIBIT B – Notice of Commencement Date
- EXHIBIT C – Scope of Work
- EXHIBIT D – Building Rules and Regulations
- EXHIBIT E – Space Plan
- EXHIBIT F – Design Standards for Storefronts
- SCHEDULE 1** – Energy Consumption Documents

OFFICE LEASE

THIS OFFICE LEASE (this "Lease"), dated for reference purposes only as of May 1, 2017, is by and between Evans Investment Partners, LLC a California limited liability corporation (collectively, "Landlord"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City" or "Tenant").

Landlord and City hereby agree as follows:

1. BASIC LEASE INFORMATION

The following is a summary of basic lease information (the "Basic Lease Information"). Each item below shall be deemed to incorporate all of the terms in this Lease pertaining to such item. In the event of any conflict between the information in this Section and any more specific provision of this Lease, the more specific provision shall control.

Lease Reference Date:	August 1 2017
Landlord:	Evans Investment partners a California Limited Liability Corporation
Tenant:	CITY AND COUNTY OF SAN FRANCISCO, A MUNICIPAL CORPORATION
Building (<u>Section 2.1</u>):	2 Emery Lane, 734, 736, 750 and 752 Vallejo Street, San Francisco, California. The Building and is located at Assessor's Block 0130 Lot 012, and contains approximately 10,686 rentable square feet including 100 square feet of common area.
Premises (<u>Section 2.1</u>):	752 Vallejo Street, San Francisco, California, the premises, as shown in Exhibit A.
Rentable Area of Premises (<u>Section 2.1</u>):	Approximately 750 rentable square feet
Term (<u>Section 3</u>):	Estimated commencement date: August 1, 2017 Expiration date: July 31, 2022
Extension Option (<u>Section 3.5</u>):	One (1) additional extension term of five (5) years, exercisable by City by notice to Landlord given not less than 180 days in advance, with rent determined by appraisal.

Base Rent (Section 4.1): Annual Base Rent: \$40,125 (\$53.50 per sq. ft.)
Monthly payments: \$3,345 (\$4.46 per sq. ft.)

Adjustment Dates (Section 4.2): On each anniversary date of the Lease commencement, the monthly Base Rent shall be adjusted upward by the proportional increase in the CPI with a minimum increase of 3% and a maximum of 5%.

Use (Section 5.1): Office space and related uses.

Leasehold Improvements (Section 6) Landlord shall perform the Leasehold improvements pursuant to Article 6 below. City shall receive an allowance from Landlord of \$11,250 (the "Allowance"). The Allowance shall be credited by Landlord against the cost of the Leasehold Improvements. City shall pay Landlord the amount, if any, by which the actual cost of the Leasehold Improvements exceeds the Allowance in the manner provided in Section 5.2(i), however in no event shall City's contribution exceed \$62,819. Landlord shall not incur costs above the Allowance amount without the prior written approval of the Director of Property.

Payments to Amortize Additional Leasehold Improvement allowance (Section ??) City shall make monthly payments (Additional Construction Allowance Amortization Payments) if applicable and as required to pay Landlord the Additional Leasehold Improvement Allowance utilized for the Leasehold Improvements, if any, amortized on a straight-line basis with interest at 7% per annum, as provided in Section 5.2(h).

Utilities (Section 8.1): Landlord will provide all utilities. Tenant to pay, directly to the utility provider, for any separately metered service brought to the unit. The cost of all utilities provided by Landlord to the Premises and the common areas are included in the rent, and will not be passed through to Tenant as a common area charge or otherwise.

Notice Address of Landlord (Section 23.1): Evans Investment partners a California Limited Liability Corporation
364 30th Avenue
San Francisco, CA 94121-1706

Key Contact for Landlord: Eric Chung

Landlord Contact Telephone No.: 415-264-2882
Notice Address for Tenant (Section 23.1): Real Estate Division
25 Van Ness Avenue, Suite 400
San Francisco, California 94102
Attn: John Updike
Director of Property
Re: 752 Vallejo

Fax No.: (415) 552-9216

and to: Office of the City Attorney
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4682
Attn: Real Estate/Finance
Deputy City Attorney
Re: 752 Vallejo
Fax No.: (415) 554-4757

Key Contact for Tenant: Jeff Sues
Tenant Contact Telephone No.: 415-554-9873
Alternate Contact for Tenant: Ivan Sequeira
Alternate Contact Telephone No.: 415-837-7260

2. PREMISES

2.1 Lease Premises

Landlord leases to City and City leases from Landlord, subject to the provisions of this Lease, those premises in the building identified in the Basic Lease Information (the "Building") and shown on the floor plans attached hereto as Exhibit A (the "Premises"). The Premises contain the rentable area and are located on the floor(s) of the Building specified in the Basic Lease Information. As used in this Lease, the term "rentable area" shall mean that measurement of interior floor area computed in accordance with the "Office Buildings: Standard Methods of Measurements" (ANSI/BOMA Z65.1-2010) adopted by the Building Owners and Managers Association (BOMA). The Building, land upon which the Building is located and all other improvements on or appurtenances to such land are referred to collectively as the "Property."

City shall have the right, within thirty (30) days following acceptance of the Premises, to cause the Premises to be remeasured in accordance with the BOMA standards specified above, to confirm the rentable area of the Premises. If as a result of such remeasurement the Premises contain more or less than the total rentable square feet specified in the Basic Lease Information, and Landlord reasonably agrees with such determination, the Base Rent and City's proportionate share of Real Estate Taxes and Operating Expenses pursuant to Sections 4.4 (Payment of Percentage Share of Operating Expenses) and 4.5 (Payment of Percentage Share of Real Estate Taxes) below shall be adjusted accordingly. Landlord and City agree to enter into an amendment to this Lease confirming any such adjustment. In the event Landlord disagrees with such determination, Landlord and City shall use their best efforts to meet and confer with one another in an attempt to agree upon the proper measurement of the Premises within thirty (30) days

thereafter. If, following such period, Landlord and City are still unable to agree, Landlord and City shall jointly select an independent consultant, experienced in measurements of leased space under BOMA standards, to remeasure the space, and the determination of such consultant shall be binding upon the parties. Landlord and City shall share equally the cost of such consultant.

2.2 Common Areas

City shall have the non-exclusive right to use, together with other tenants in the Building, the lobbies, corridors, elevators, stairways, basement, garage and other public areas of the Building and the Property (collectively, the "Common Areas"), and the non-exclusive right of access to and from the Premises by the main entrances to the Building and the Property.

2.3 Disability Access

California Civil Code Section 1938 requires commercial landlords to disclose to tenants whether the property being leased has undergone inspection by a Certified Access Specialist ("CASp") to determine whether the property meets all applicable construction-related accessibility requirements. City is hereby advised that the Premises have not been inspected by a CASp.

2.4 Energy Consumption

City acknowledges and agrees that Landlord delivered the Data Verification Checklist (as defined in the California Code of Regulations, Title 20, Division 2, Chapter 4, Article 9, Section 1681) for the Premises, copies of which are attached as Schedule 1 to this Lease, no less than 24 hours prior to City's execution of this Lease.

3. TERM

3.1 Term of Lease

The Premises are leased for an initial term (the "Initial Term") commencing on the date specified in the Basic Lease Information as the estimated commencement date (the "Estimated Commencement Date"), or such later date or earlier date, with City's written acceptance as Landlord shall have delivered the Premises to City with the Leasehold Improvements (as defined below) having been substantially completed by Landlord and accepted by City pursuant to Section 5.1 (Landlord's Obligation to Construct Improvements), and City's Mayor and Board of Supervisors shall have approved the transaction contemplated by this Lease, in their respective sole and absolute discretion, as further provided in this Lease. The Initial Term of this Lease shall end on the expiration date specified in the Basic Lease Information, or such earlier date on which this Lease terminates pursuant to the provisions of this Lease, provided that City shall have the right to extend the Initial Term pursuant to Section 3.4 (Extension Option, below). The word "Term" as used herein shall refer to the Initial Term and any Extended Term if City exercises the Extension Option as provided below.

3.2 Commencement Date and Expiration Date

The dates on which the Term commences and terminates pursuant hereto are referred to respectively as the "Commencement Date" and the "Expiration Date." If the Commencement Date occurs on a date other than the Estimated Commencement Date, then promptly thereafter Landlord shall deliver to City a notice substantially in the form of Exhibit B attached hereto, confirming the actual Commencement Date, but Landlord's failure to do so shall not affect the commencement of the Term.

3.3 Early Occupancy

Upon City's request, Landlord shall permit City to enter and use the Premises before the Commencement Date subject to such reasonable limitations as Landlord determines are necessary or appropriate to ensure that there is no interference with Landlord's completion of the Leasehold Improvements. Any such early entry shall be on all of the terms and conditions of this Lease, except for the payment of Rent.

3.4 Delay in Delivery of Possession

Landlord shall use its best efforts to deliver possession of the Premises with all of the Leasehold Improvements substantially completed and accepted by City's Director of Property pursuant to Section 5.1 (Landlord's Obligation to Construct Improvements) on or before the Estimated Commencement Date. However, if Landlord is unable to deliver possession of the Premises as provided above, then, subject to the provisions of this Section below, the validity of this Lease shall not be affected by such inability to deliver possession except that City's obligations to pay Base Rent or any other charges shall not commence until such time as Landlord has delivered the Premises as required under this Lease. If the Term commences later or earlier than the Estimated Commencement Date, this Lease shall nevertheless expire on the Expiration Date, unless sooner terminated pursuant to the provisions under this Lease. If Landlord is unable to deliver possession of the Premises to City as required hereunder within ninety (90) days after the Estimated Commencement Date, then City may, at its option, terminate this Lease, without any further liability under this Lease, upon written notice to Landlord.

3.5 Extension Option Determination of Base Rent for the Extended Term

At the commencement of the Extended Term, the Base Rent shall be adjusted to equal the prevailing market rate for space of comparable size and location to the Premises then being offered for rent in other buildings similar in age, location and quality to the Premises situated within the Russian Hill area of San Francisco ("Reference Area"); provided, however, in no event shall the Base Rent be reduced below the Base Rent for the lease year prior to commencement of such Extended Term. As used herein, the term "prevailing market rate" shall mean the base rental for such comparable space, taking into account (i) any additional rental and all other payments and escalations payable hereunder, (ii) floor location and size of the premises covered by leases of such comparable space, (iii) the duration of the renewal term and the term of such comparable leases, (iv) free rent given under such comparable leases and any other tenant concessions, and (v) building standard tenant improvement allowances and other allowances given under such comparable leases.

Within thirty (30) days following City's exercise of the Extension Option, Landlord shall notify City of Landlord's determination of the prevailing market rate for the Premises. If City disputes Landlord's determination of the prevailing market rate, City shall so notify Landlord within fourteen (14) days following Landlord's notice to City of the prevailing market rate and such dispute shall be resolved as follows:

(a) Within thirty (30) days following Landlord's notice to City of the prevailing market rate, Landlord and City shall attempt in good faith to meet no less than two (2) times, at a mutually agreeable time and place, to attempt to resolve any such disagreement.

(b) If within this thirty (30)-day period Landlord and City cannot reach agreement as to the prevailing market rate, they shall each select one appraiser to determine the prevailing market rate. Each such appraiser shall arrive at a determination of the prevailing market rate and submit his or her conclusions to Landlord and City within thirty (30) days of the expiration of the thirty (30) day consultation period described in (a) above.

(c) If only one appraisal is submitted within the requisite time period, it shall be deemed to be the prevailing market rate. If both appraisals are submitted within such time period, and if the two appraisals so submitted differ by less than ten percent (10%) of the higher of the two, then the average of the two shall be the prevailing market rate. If the two appraisals differ by more than ten percent (10%) of the higher of the two, then the two appraisers shall immediately select a third appraiser who will within thirty (30) days of his or her selection make a determination of the prevailing market rate and submit such determination to Landlord and City. This third appraisal will then be averaged with the closer of the two previous appraisals and the result shall be the prevailing market rate.

(d) If City's Director of Property does not approve of the prevailing market rate as determined by the appraisal procedure specified above, the Director of Property shall revoke the exercise of the Extension Option by City.

(e) All appraisers specified herein shall be "MAI" designated members of the Appraisal Institute with not less than five (5) years' experience appraising leases of commercial properties similar to the Premises in the City and County of San Francisco. Landlord and City shall pay the cost of the appraiser selected by such party and one-half of the cost of the third appraiser plus one-half of any other costs incurred in the arbitration.

3.6 Base Rent

Beginning on the Commencement Date, City shall pay to Landlord during the Term the annual Base Rent specified in the Basic Lease Information (the "Base Rent"). The Base Rent shall be payable in equal consecutive monthly payments on or before the first day of each month, in advance, at the address specified for Landlord in the Basic Lease Information, or such other place as Landlord may designate in writing upon not less than thirty (30) days' advance notice. City shall pay the Base Rent without any prior demand and without any deductions or setoff except as otherwise provided in this Lease. If the Commencement Date occurs on a day other than the first day of a calendar month or the Expiration Date occurs on a day other than the last day of a calendar month, then the monthly payment of the Base Rent for such fractional month shall be prorated based on a thirty (30)-day month.

3.7 Adjustments in Base Rent

On each date specified in the Basic Lease Information for the adjustment of Base Rent (an "Adjustment Date"), the Base Rent payable under Section 4.1 (Base Rent) shall be adjusted as follows:

The Consumer Price Index for All Urban Consumers (base years 1982-1984 = 100) for the San Francisco-Oakland-San Jose area, published by the United States Department of Labor, Bureau of Labor Statistics (the "Index"), which is published most immediately preceding the Adjustment Date (the "Adjustment Index"), shall be compared with the Index published most immediately preceding the Commencement Date in the case of the first Adjustment Date or, in the case of any subsequent Adjustment Date, the Index published most immediately preceding the prior Adjustment Date (the "Base Index").

If the Adjustment Index has increased over the Base Index, then the Base Rent payable on and after the Adjustment Date shall be set by multiplying the Base Rent by a fraction, the numerator of which is the Adjustment Index and the denominator of which is the Base Index. In no event shall the monthly Base Rent

on or after the Adjustment Date be less than three (3%) nor more than five (5%) of the monthly Base Rent in effect for the last full month immediately prior to the Adjustment Date.

If the Index is changed so that the base year differs from that used as of the date most immediately preceding the Commencement Date, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the Term, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

3.8 Additional Charges

City shall pay to Landlord any charges or other amounts required under this Lease as additional rent ("Additional Charges"). All such Additional Charges shall be payable to Landlord at the place where the Base Rent is payable. Landlord shall have the same remedies for a default in the payment of any Additional Charges as for a default in the payment of Base Rent. The Base Rent and Additional Charges are sometimes collectively referred to below as "Rent."

4. USE

4.1 Permitted Use

City may use the Premises for general office and compatible Police related uses and such other uses as may be specified in the Basic Lease Information, and for no other use without the prior written consent of Landlord, which shall not be unreasonably withheld or delayed.

4.2 Observance of Rules and Regulations

City shall observe Landlord's reasonable rules and regulations for the Building subject to the provisions of this Lease. City acknowledges and agrees to the current Building rules and regulations attached hereto as Exhibit D (the "Rules and Regulations"). Landlord may make reasonable additions or modifications thereto, which shall be binding upon City within a reasonable implementation period upon Landlord's delivery to City of a copy thereof, provided that such additions or modifications shall not reduce Landlord's obligations hereunder nor interfere with City's business in the Premises, and such additions or modifications must be applicable to the other Building tenants, are not in conflict with the provisions of this Lease, do not materially increase the burdens or obligations upon City, do not impose a charge upon City for services which this Lease expressly states are to be provided to City at no charge, and do not materially adversely affect the conduct of any business in the Premises which City is permitted to conduct pursuant to Section 4.1 (Permitted Use) hereof. Landlord shall administer the Rules and Regulations in a fair and nondiscriminatory manner and use reasonable efforts to cause other Building tenants to comply with them. City shall be entitled upon request to any waiver or special dispensation granted by Landlord to any other tenant in the Building with respect to the Rules and Regulations, and Landlord shall notify City of any such waiver or special dispensation.

4.3 Interference with Access

Landlord shall provide to City access to the Building and the Premises twenty-four (24) hours per day, seven (7) days per week, together with uninterrupted access thereto to the maximum extent possible, including, without limitation, during any power outages affecting the Premises or any portion of the Building; provided, however, that Landlord may, after consultation with the City's Administrator, interrupt City's access to the Premises or the

Building in the event of an immediate threat of the Premises, the Common Areas or any other portion of the Building being rendered unsafe for human occupancy. If City's use of any of the Premises or access thereto is interrupted as a result of the Premises, the Common Areas or any other portion of the Building being rendered unsafe for human occupancy due to Landlord's failure to comply with its obligations under this Lease or for any other reason other than City's default hereunder, then Landlord shall immediately undertake all necessary steps to correct such condition. In the event such condition impairs City's ability to carry on its business in the Premises, the Rent payable hereunder shall be abated based on the extent to which such default interferes with City's ability to carry on its business at the Premises. If any such default by Landlord shall continue for thirty (30) days or more after City's use is interrupted and impairs City's ability to carry on its business in the Premises, then City shall have the right, without limiting any of its other rights under this Lease to terminate this Lease, unless Landlord supplies City with evidence reasonably satisfactory to City that City's normal and safe use will be restored within sixty (60) days of the date City's use was interrupted, and such use is actually restored within such 60-day period. Nothing in this Section shall limit City's rights with respect to any disruption due to casualty pursuant to Section 12 (Damage and Destruction) hereof.

4.4 Payment of Percentage Share of Operating Costs

During the Term, commencing after the end of the Base Year, City shall pay to Landlord each month, as Additional Charges, one twelfth (1/12) of City's Percentage Share of the amount, if any, by which Operating Costs for each Expense Year exceed the Operating Costs for the Base Year. City shall make such payments, in advance, in an amount estimated by Landlord in reasonable detail in a writing delivered to City. Landlord may revise such estimates of Operating Costs from time to time and City shall thereafter make payments on the basis of such revised estimates, provided that no such revisions shall be retroactive and Landlord may not make any such revisions more than twice in any given Expense Year and no such revision may be made any earlier than four (4) months subsequent to the prior estimate for such Expense Year. With reasonable promptness not to exceed sixty (60) days after the expiration of each Expense Year, Landlord shall furnish City with a statement (herein called "Landlord's Expense Statement"), prepared by an independent certified public accountant, setting forth in reasonable detail the Operating Costs for such Expense Year and City's Percentage Share thereof. If City's Percentage Share of the actual Operating Costs for such Expense Year exceeds the estimated Operating Costs paid by City for such Expense Year, City shall pay to Landlord (whether or not this Lease has terminated) the difference between the amount of estimated Operating Costs paid by City and City's Percentage Share of the actual Operating Costs within thirty (30) days after the receipt of Landlord's Expense Statement. If the total amount paid by City for any such Percentage Share of Operating Costs exceeds City's Operating Costs Share of the actual Operating Costs for such Expense Year, such excess shall be credited against the next installments of Operating Costs due from City to Landlord hereunder, or refunded to City, at City's option. Notwithstanding anything to the contrary contained herein, in no event shall any annual increase in City's Percentage Share of Operating Costs for any Expense Year exceed three percent (3%) and the aggregate increase in City's Percentage Share of Operating Costs over the Term shall not exceed three percent (3%).

4.5 Payment of Percentage Share of Real Estate Taxes

During the Term, commencing after the end of the Base Year, City shall pay to Landlord each month, as Additional Charges, one twelfth (1/12) of City's Percentage Share of the amount, if any, by which Real Estate Taxes for each Tax Year exceed Real Estate Taxes for the Base Year. City shall make such payments, in advance, in an amount estimated by Landlord in reasonable detail in a writing delivered to City. With reasonable promptness not to exceed thirty (30) days after Landlord has received the tax bills for any Tax Year, Landlord shall furnish City with a statement ("Landlord's Tax Statement") setting forth the amount of Real Property Taxes for such Tax Year and City's Percentage Share thereof. If City's Percentage Share of the actual

Real Estate Taxes for such Tax Year exceeds the estimated Real Estate Taxes paid by City for such Tax Year, City shall pay to Landlord (whether or not this Lease has terminated) City's Percentage Share of the actual Real Estate Taxes within thirty (30) days after the receipt of Landlord's Tax Statement. If the total amount of estimated Real Estate Taxes paid by City for such Tax Year exceeds City's Percentage Share of the actual Real Estate Taxes for such Tax Year, such excess shall be credited against the next installments of Real Estate Taxes due from City hereunder, or at City's option, such excess shall be refunded to City.

5. LEASEHOLD IMPROVEMENTS

5.1 Landlord's Obligation to Construct Improvements

Landlord, through its general contractor approved by City, shall construct the Premises, perform the work and make the installations in the Premises at Landlord's sole cost pursuant to the Construction Documents (as defined in this Section below) approved by City, and in accordance with the provisions of this Section below. Such work and installations are referred to as the "Leasehold Improvement Work" and "Leasehold Improvements."

Before the reference date of this Lease, Landlord has caused its architect or space planner approved by City to prepare and submit to City for its approval plans and specifications meeting the requirements set forth in Exhibit C. **Permits**

Landlord 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 the Leasehold Improvement Work.

(b) Construction

Immediately upon Landlord's procurement of all necessary permits and approvals, Landlord shall commence construction and shall cause the Leasehold Improvements to be completed in a good and professional manner in accordance with sound building practice. Landlord shall comply with and give notices required by all laws, rules, regulations, ordinances, building restrictions and lawful orders of public authorities bearing on construction of the Leasehold Improvements. Without limiting the foregoing, construction of the Leasehold Improvements shall comply with all applicable disabled access laws, including, without limitation, the most stringent requirements of the Americans with Disabilities Act of 1990, Title 24 of the California Code of Regulations (or its successor) and City's requirements for program accessibility. Landlord shall pay prevailing wages in connection with construction of the Leasehold Improvement Work as further provided in Section 23.24 (Prevailing Wages and Working Conditions), below, and shall not use tropical hardwood wood products, or virgin redwood wood products as further provided in Section 23.25 (Tropical Hardwood and Virgin Redwood Ban), below.

(c) Construction Schedule; Substantial Completion

Landlord shall keep City apprised on a regular basis of the status of plan preparation, permit issuance and the progress of construction. When construction progress so permits, but not less than fifteen (15) days in advance of completion, Landlord shall notify City of the approximate date on which the Leasehold Improvement Work will be substantially completed. Landlord shall revise such notice of the approximate substantial completion date as appropriate from time to time and shall immediately notify City when the Leasehold Improvement Work is in fact substantially completed and the Premises are ready for occupancy by City. On such date or other mutually agreeable date as soon as practicable thereafter, City

and its authorized representatives shall have the right to accompany Landlord or its architect on an inspection of the Premises.

The Leasehold Improvement Work shall be deemed to be “substantially completed” for purposes of this Lease when the Leasehold Improvements shall have been sufficiently completed so that City can occupy the Premises and conduct its business for its intended uses and City, through its Director of Property, shall have approved the Leasehold Improvements. City may, at its option, approve the Leasehold Improvements even though there may remain minor details that would not interfere with City’s use. Landlord shall diligently pursue to completion all such details. Notwithstanding the foregoing, City shall have the right to present to Landlord within thirty (30) days after acceptance of the Premises, or as soon thereafter as practicable, a written punchlist consisting of any items that have not been finished in accordance with the Construction Documents. Landlord shall promptly complete all defective or incomplete items identified in such punchlist, and shall in any event complete all items within thirty (30) days after the delivery of such list. City’s failure to include any item on such list shall not alter the Landlord’s responsibility hereunder to complete all Leasehold Improvement Work in accordance with the approved Construction Documents, nor constitute any waiver of any latent defects.

No approval by City or any of its Agents of the plans and specifications or completion of the Leasehold Improvement Work for purposes of this Lease shall be deemed to constitute approval of any governmental or regulatory authority with jurisdiction over the Premises, and nothing herein shall limit Landlord’s obligations to obtain all such approvals.

(d) Required Documentation of Costs

Landlord shall enter into a contract with architects and contractors with a not to exceed price or other pricing methodology and amounts approved by the City’s Director of Property, which approval will not be unreasonably withheld or delayed. Landlord shall provide City with copies of (i) all invoices received by Landlord from the Architect or the Contractor in connection with the Leasehold Improvement Work, including preparation of the Construction Plans and any Change Order, (ii) satisfactory evidence of payment by Landlord of the Architect’s or Contractor’s invoices, and (iii) upon City’s request, such documentation as the Contractor may have provided to Landlord pursuant to the contract for the Leasehold Improvement Work, including copies of any and all unconditional or conditional lien waivers, and such additional supporting data substantiating the Architect’s or Contractor’s right to payment as the Architect or Contractor may have delivered under the contract for the Leasehold Improvement Work, such as copies of requisitions from subcontractors and material suppliers.

(e) Payment for Work; Allowance

Landlord shall pay for all cost of planning, constructing and installing the Leasehold Improvements (as defined below) up to a total sum of \$11,250 (the "Allowance"). Unused portions of the Allowance may not be credited against Base Rent or other obligations due and payable under this Lease, and shall not be payable to City. Landlord shall notify City promptly upon discovering that the Allowance is not sufficient to complete the work, and the parties shall meet and confer on any such overage and whether to reduce the scope of work or pay for the increase using the Additional Construction Allowance. In the event that the actual costs to construct and install the Leasehold Improvements incurred by Landlord exceed the amount of the Allowance, and the City has been notified and approved the use of the Additional Construction Allowance, then City shall pay such excess costs at the time of Substantial Completion upon receipt of required documentation in accordance with Section 5.1(e), subject to City’s right to request the Additional Construction Allowance in accordance with Section 5.1(h).

(f) Inclusions and Exclusions of Costs Paid from the Allowance or by City

The Leasehold Improvement costs shall include all actual hard costs of the Leasehold Improvements. Such costs shall include but not be limited to; costs of permits, application fees, testing and inspection fees, and Contractor and vendor costs for the Leasehold Improvement Work.

City shall not be responsible for, and the Allowance shall not be used for, any review, supervision, administration or management fees of any person or entity, any overhead or other general expenses of Landlord, or any other person or entity, or any charges for parking or use of hoists or freight elevators.

(g) Additional Construction Allowance

At City's request, in addition to the Allowance, Landlord shall provide an additional allowance for construction of the Leasehold Improvements (an "Additional Construction Allowance"). The Additional Construction Allowance shall not exceed Sixty two thousand, eight hundred and nineteen Dollars (\$62,819). Commencing on the Commencement Date, and continuing until such sum is repaid in full or this Lease is terminated (whichever occurs first), City shall pay Landlord on a monthly basis, as additional Rent, the sum required to amortize the Additional Construction Allowance on a straight-line basis with interest on unpaid sums at seven percent (7.0%) per annum, over the period commencing on the Commencement Date and ending on July 31, , 2022 (each such monthly payment, an "Additional Construction Allowance Amortization Payment"). City may prepay part or all of the Additional Construction Allowance at any time without pre-payment penalty. In no event shall City shall any obligation to make payments accruing from and after the date of termination of this Lease, and Landlord shall retain the benefit of the Leasehold Improvements for any future occupant of the premises.

No approval by City or any of its Agents of the Pricing Plans, Construction Documents or completion of the Leasehold Improvement Work for purposes of this Lease shall be deemed to constitute approval by any governmental or regulatory authority with jurisdiction over the Premises, and nothing herein shall limit Landlord's obligations to obtain all such approvals.

5.2 [intentionally deleted]

5.3 Installation of Telecommunications and Other Equipment

Landlord and City acknowledge that the Leasehold Improvement Work shall be completed by Landlord exclusive of the installation of telecommunications, data and computer cabling facilities and equipment. City shall be responsible for installing such facilities and equipment, provided that Landlord shall furnish access to City and its consultants and contractors to the main telephone service serving the floor(s) on which the Premises are located and all other parts of the Building for which access is needed for proper installation of all such facilities and equipment including, but not limited to, wiring. City shall have the right to enter the Premises and such other portions of the Building at reasonable times during the course of construction of the Leasehold Improvements in order to install such facilities and equipment. City and Landlord shall use their good faith efforts to coordinate any such activities to allow the Leasehold Improvements and the installation of such facilities and equipment to be completed in a timely and cost-effective manner.

5.4 Construction of Improvements that Disturb or Remove Exterior Paint

Landlord, on behalf of itself and its successors, assigns and agents, shall comply with all requirements of the San Francisco Building Code Chapter 34 and all other applicable local, state, and Federal laws, including but not limited to the California and United States Occupational and

Health Safety Acts and their implementing regulations, when the work of improvement or alteration disturbs or removes exterior or interior lead-based or “presumed” lead-based paint (as defined below). Landlord and its Agents shall give to City three (3) business days’ prior written notice of any disturbance or removal of exterior or interior lead-based or presumed lead-based paint. Landlord acknowledges that the required notification to the Department of Building Inspection regarding the disturbance or removal of exterior lead-based paint pursuant to Chapter 34 of the San Francisco Building Code does not constitute notification to City as Tenant under this Lease and similarly that notice under this Lease does not constitute notice under Chapter 34 of the San Francisco Building Code. Further, Landlord and its Agents, when disturbing or removing exterior or interior lead-based or presumed lead-based paint, shall not use or cause to be used any of the following methods: (a) acetylene or propane burning and torching; (b) scraping, sanding or grinding without containment barriers or a High Efficiency Particulate Air filter (“HEPA”) local vacuum exhaust tool; (c) hydroblasting or high-pressure wash without containment barriers; (d) abrasive blasting or sandblasting without containment barriers or a HEPA vacuum exhaust tool; and (e) heat guns operating above 1,100 degrees Fahrenheit. Landlord covenants and agrees to comply with the requirements of Title 17 of the California Code of Regulations when taking measures that are designed to reduce or eliminate lead hazards. Under this Section, paint on the exterior or interior of buildings built before January 1, 1979 is presumed to be lead-based paint unless a lead-based paint test, as defined by Chapter 34 of the San Francisco Building Code, demonstrates an absence of lead-based paint on the interior or exterior surfaces of such buildings. Under this Section, lead-based paint is disturbed or removed if the work of improvement or alteration involves any action that creates friction, pressure, heat or a chemical reaction upon any lead-based or presumed lead-based paint on a surface so as to abrade, loosen, penetrate, cut through or eliminate paint from that surface.

6. ALTERATIONS

6.1 Alterations by City

City shall not make or permit any alterations, installations, additions or improvements (collectively, “Alterations”) to the Premises without first obtaining Landlord’s written consent, which Landlord shall not unreasonably withhold or delay. However, the installation of furnishings, fixtures, equipment or decorative improvements, none of which affect the Building Systems or structural integrity of the Building, and the repainting and recarpeting of the Premises shall not constitute Alterations requiring Landlord’s consent. Any Alterations permitted hereunder shall be made at City’s cost in compliance with applicable Laws (as defined below). Landlord shall, without cost to itself, cooperate with City in securing building and other permits and authorizations needed in connection with any permitted Alterations. Landlord shall not be entitled to any construction or other administrative fee in connection with any Alteration. City shall not be required to remove any Alterations upon the expiration or sooner termination of this Lease unless Landlord notifies City in writing at the time Landlord approves such Alterations that they must be removed at the Expiration Date.

6.2 Title to Improvements

Except for City’s Personal Property (as defined in the next Section), all appurtenances, fixtures, improvements, equipment, additions and other property permanently installed in the Premises as of the Commencement Date or during the Term shall be and remain Landlord’s property. City may not remove such property unless Landlord consents thereto.

6.3 City’s Personal Property

All furniture, furnishings, equipment, trade fixtures and articles of movable personal property installed in the Premises by or for the account of City and that can be removed without structural damage to the Premises (collectively, “City’s Personal Property”) shall be and remain

City's property. At any time during the Term or at the expiration thereof, City may remove any of City's Personal Property, provided City shall repair any damage to the Premises resulting therefrom. Upon the expiration or earlier termination of this Lease, City shall remove City's Personal Property from the Premises in accordance with Section 20 (Surrender of Premises), below. Landlord acknowledges that some of City's Personal Property may be financed by an equipment lease financing otherwise subjected to a security interest, or owned by an equipment company and leased to City. Landlord, upon City's reasonable request, shall execute and deliver any document required by any supplier, lessor, or lender in connection with the installation in the Premises of any items of City's Personal Property, pursuant to which Landlord waives any rights it may have or acquire with respect to City's Personal Property, so long as the supplier, equipment lessor or lender agrees that it (i) will remove the Property from the Premises within thirty (30) days after the Expiration Date (but if it does not remove City's Personal Property within such time it shall have waived any rights it may have had to City's Personal Property), and (ii) will repair any damage caused by the removal of City's Personal Property. Landlord shall recognize the rights of any supplier, lessor or lender who has an interest in any items of City's Personal Property to enter the Premises and remove such property at any time during the Term or within thirty (30) days after the Expiration Date.

6.4 Alteration by Landlord

Landlord shall use its best efforts to minimize interference with or disruption to City's use and occupancy of the Premises during any alterations, installations, additions or improvements to the Building, including without limitation any leasehold improvement work for other tenants in the Building. Landlord shall promptly remedy any such interference or disruption upon receiving City's notice thereof.

7. REPAIRS AND MAINTENANCE

7.1 Landlord's Repairs

Landlord shall repair and maintain, at its cost and in first-class condition, the exterior and structural portions of the Building, including, without limitation, the roof, foundation, bearing and exterior walls and subflooring, and the heating, ventilating, air conditioning, plumbing, electrical, fire protection, life safety, security and other mechanical, electrical and communications systems of the Building (collectively, the "Building Systems") and the Common Areas. Without limiting the foregoing, Landlord shall maintain the Building in a clean, safe and attractive manner, shall provide exterior graffiti removal with reasonable frequency, and shall not permit any other tenants of the Building to disturb or interfere with City's use of the Premises or permit to be done in or about the Building or the Common Areas anything that is illegal, is dangerous to persons or property or constitutes a nuisance.

7.2 City's Repairs

Subject to Landlord's warranty under Section 10.1 (Premises Condition), any construction warranties or guaranties received in connection with Landlord's completion of the Leasehold Improvements, and Landlord's repair and maintenance obligations hereunder, City shall repair and maintain at its cost the interior portions of the Premises and shall keep the Premises in good working order and in a safe and sanitary condition, except for ordinary wear and tear and damage by casualty. City shall make any such required repairs and replacements that Landlord specifies in writing (i) at City's cost, (ii) by contractors or mechanics selected by City and reasonably approved by Landlord, (iii) so that same shall be at least substantially equal in quality, value and utility to the original work or installation prior to damage thereof, (iv) in a manner and using equipment and materials that will not materially interfere with or impair the operations, use or occupation of the Building or the Building Systems, and (v) in compliance with all applicable Laws, including, without limitation, any applicable contracting requirements

under City's Charter and Administrative Code. At all times during the Term of this Lease, Landlord shall, upon reasonable notice by City, afford City and its Agents with access to those portions of the Building which are necessary to maintain or repair the telecommunications and data and computer cabling facilities and equipment installed by City.

7.3 Liens

City shall keep the Premises free from liens arising out of any work performed, material furnished or obligations incurred by City during the Term. Landlord shall have the right to post on the Premises any notices permitted or required by law or that are needed for the protection of Landlord, the Premises, or the Building, from mechanics' and material suppliers' liens. City shall give Landlord at least ten (10) days' prior written notice of commencement of any repair or construction by City on the Premises.

8. UTILITIES AND SERVICES

8.1 Landlord's Provision of Utilities

Landlord shall furnish the following utilities and services to the Premises: (a) heating, air conditioning and ventilation in amounts required for City's comfortable use and occupancy of the Premises, twenty four (24) hours per day, three hundred sixty five (365) days a year, including holidays generally recognized in San Francisco; (b) electric current in amounts required for normal lighting and for the operation of personal computers and other normal office machines and equipment, on a twenty-four (24) hours-a-day, three hundred sixty-five (365) days-a-year basis ("Daily Basis"); and (d) water for lavatory, kitchen and drinking purposes on a Daily Basis. Without limiting Landlord's obligations hereunder, Landlord shall furnish all utilities and services required under this Lease in a manner consistent with such utilities and services normally provided in other first class buildings similar to the Buildings in San Francisco.

8.2 Conservation

Landlord may establish reasonable measures to conserve energy and water, including automatic light shut off after hours and efficient lighting forms, so long as these measures do not unreasonably interfere with City's use of the Premises.

8.3 Disruption in Essential Utilities or Services

In the event of any failure, stoppage or interruption of any utilities or services to be furnished by Landlord hereunder, Landlord shall immediately notify City of such failure, stoppage or interruption, diligently attempt to restore service as promptly as possible and shall keep City apprised of its efforts. In the event Landlord is unable to supply any of the Building's sanitary, electrical, heating, air conditioning, water, elevator, fire protection and security, audio, video or electronic communications, hazard detection and alarm, or other essential services serving the Premises (collectively, "Essential Services") and such inability of Landlord impairs City's ability to carry on its business in the Premises for a period of one (1) or more business days if such failure is in the reasonable control of Landlord or a period of five (5) or more consecutive business days if such failure is not within the reasonable control of Landlord, then the Rent shall be abated based on the extent such inability of Landlord impairs City's ability to carry on its business in the Premises, or, alternatively at City's election, City shall have the option to provide such services and offset the reasonable cost thereof against the Rent next due under this Lease. Such abatement, or right to provide the services and offset against Rent, shall continue until the Essential Services have been restored so that the lack of any remaining services no longer materially impairs City's ability to carry on its business in the Premises. Landlord shall use its best efforts to restore disrupted Essential Services as soon as possible.

However, if such failure to provide any Essential Services continues for any reason for thirty (30) days and such failure interferes with City's ability to carry on its business in the Premises, then City may, without limiting any of its other rights or remedies hereunder or at law or in equity, terminate this Lease upon written notice to Landlord, unless Landlord supplies City with evidence reasonably satisfactory to City that the Essential Services will be restored within sixty (60) days of the date City's use was interrupted, and the Essential Services are actually restored within such 60-day period. City shall not be entitled to any abatement of Rent or right to terminate if Landlord's inability to supply Essential Services to City is due solely to the acts, omissions or negligence of City and its Agents.

9. COMPLIANCE WITH LAWS; PREMISES CONDITION

9.1 Premises Condition and Landlord's Compliance with Laws; Indemnity

Landlord represents and warrants to City, and covenants with City, as follows to the best of Landlord's knowledge: **(a)** the physical structure, fixtures and permanent improvements of the Premises (including, without limitation, the Leasehold Improvements) and all portions of the Property and the Building along the path of travel to the Premises) are now, and as of the Commencement Date will be, in compliance with the requirements of the Americans With Disabilities Act of 1990 and Title 24 of the California Code of Regulations and all other applicable federal, state, local and administrative laws, rules, regulations, orders and requirements intended to provide equal accessibility for persons with disabilities (collectively, "Disabilities Laws"); **(b)** the Building is not an unreinforced masonry building, and is now, and as of the Commencement Date will be, in compliance with all applicable federal, state, local and administrative laws, rules, regulations, orders and requirements relating to seismic safety (collectively, "Seismic Safety Laws"); **(c)** the Building, the Common Areas and Building Systems serving the Premises are now, and as of the Commencement Date will be, in full compliance with all applicable federal, state, local and administrative laws, rules, regulations, orders and requirements relating to fire and life safety (including, without limitation, the San Francisco High-Rise Sprinkler Ordinance) (collectively, "Life Safety Laws"); **(d)** the Building, the Common Areas and Building Systems serving the Premises are now, and as of the Commencement Date will be, in compliance with all other applicable federal, state, local and administrative laws, rules, regulations, orders and requirements; and **(e)** there are not now, and as of the Commencement Date will not be, any material physical or mechanical defects in the Premises, Building or the Building Systems that would materially adversely affect City's intended use of the Premises. Landlord shall at all times during the Term maintain, at its cost, the Property, Building, Common Areas and the Building Systems serving the Premises in compliance with applicable present or future federal, state, local and administrative laws, rules, regulations, orders and requirements (collectively, "Laws"), including, without limitation, Disabilities Laws, Seismic Safety Laws, and Life Safety Laws. Without limiting Section 16.2 (Landlord's Indemnity), Landlord shall Indemnify City against any and all Claims arising out of any failure of the Property, Building, Common Areas, Building Systems, or any portion thereof, to comply with applicable Laws as provided in this Section or any misrepresentation by Landlord under this Section.

9.2 City's Compliance with Laws; Indemnity

City shall use the Premises during the Term in compliance with applicable Laws, except that City shall not be required to make any structural alterations, additions or other modifications in order to comply therewith unless such modifications are necessary solely because of any Alterations to the Premises made by City pursuant to Section 7 (Alterations) hereof and such modifications are not otherwise Landlord's responsibility under this Lease. City shall be responsible for complying with any requirement of the Disabilities Laws relating to the placement of City's furniture or other City Personal Property and the operation of any programs in the Premises, other than any requirement relating to the physical structure, fixtures and

permanent improvements of the Premises or portions of the Property or Building along the path of travel to the Premises, which are Landlord's obligation as provided in Section 10.1 (Premises Condition) above. Without limiting Section 16.1 (City's Indemnity), City shall Indemnify Landlord against any and all Claims arising out of City's failure to comply with all applicable Laws as provided in this Section.

9.3 City's Compliance with Insurance Requirements

City shall not conduct any use in or about the Premises that would: **(a)** invalidate or be in conflict with any fire or other casualty insurance policies covering the Building or any property located therein, **(b)** result in a refusal by fire insurance companies of good standing to insure the Building or any such property in amounts reasonably satisfactory to Landlord or the holder of any mortgage or deed of trust encumbering the Building, **(c)** cause an increase in the fire insurance premium for the Building unless City agrees to pay such increase, or **(d)** subject Landlord to any liability or responsibility for injury to any person or property by reason solely of any business operation being conducted by City in the Premises; provided, however, Landlord shall provide City with reasonable prior written notice of any applicable insurance requirements and no such insurance requirements shall materially and adversely interfere with City's normal business in the Premises.

10. SUBORDINATION

(a) Without the necessity of any additional document being executed by City for the purpose of effecting a subordination, and subject to subsection (b) below, this Lease shall be subject and subordinate at all times to the following (each an "Encumbrance"): **(a)** any reciprocal easement agreements, ground leases or other underlying leases that may hereafter be executed affecting Landlord's interest in the Property, or any portion thereof, and **(b)** the lien of any mortgages or deeds of trust and renewals, modifications, consolidations, replacements and extensions of any of the foregoing that may hereafter be executed by Landlord in any amount for which any part of the Property, any ground lease or underlying lease, or Landlord's interest or estate therein is subject. Notwithstanding the foregoing, if the ground lessor, mortgagee, trustee, or holder of any such mortgage or deed of trust elects to have City's interest in this Lease be superior to any such instrument, then upon notice thereof to City, this Lease shall be deemed superior, whether this Lease was executed before or after the date of said instrument or the recording thereof. At City's request, the holder of the Encumbrance shall enter into a subordination and non-disturbance agreement with City in a form reasonably acceptable to City evidencing such subordination or superiority of this Lease.

(b) In the event any mortgage or deed of trust to which this Lease is subordinate is foreclosed or a deed in lieu of foreclosure is given to the mortgagee or beneficiary, or in the event any ground lease or underlying lease to which this Lease is subordinate is terminated, this Lease shall not be barred, terminated, cut off, or foreclosed nor shall the rights and possession of City hereunder be disturbed if City shall not then be in default in the payment of rental or other sums due hereunder or otherwise be in default under the terms of this Lease. City shall attorn to and become the tenant of the successor-in-interest to Landlord, provided that City has received proper written notice of such succession and the name and address of the successor landlord. City's covenant under subsection (a) above to subordinate this Lease to any Encumbrance or other hypothecation hereafter executed is conditioned upon each such senior instrument containing the commitments specified in this subsection (b). The provisions of this Section shall be self-operative and no further instrument shall be required other than as provided in this Section. City agrees, however, to execute upon request by Landlord and in a form reasonably acceptable to City, any additional documents evidencing the priority or subordination of this Lease with respect to any such Encumbrance as provided herein.

11. DAMAGE AND DESTRUCTION

If the Premises, the Building or any Building Systems are damaged by fire or other casualty, Landlord shall repair the same without delay (and if Landlord is then carrying insurance on the Leasehold Improvements or if City at its sole option makes funds available to Landlord, Landlord shall also repair the Leasehold Improvements), provided that such repairs can be made under applicable laws within sixty (60) days after Landlord obtains all necessary permits for such repairs but not later than two hundred ten (210) days after the date of such damage (the "Repair Period"). In such event, this Lease shall remain in full force and effect, except that City shall be entitled to an abatement of Rent while such repairs are being made. Such abatement in Rent shall be based upon the extent to which such damage and the making of such repairs interfere with City's business in the Premises. Landlord's repairs shall not include, and the Rent shall not be abated as a result of, any damage by fire or other cause to City's Personal Property or any damage caused by the negligence or willful misconduct of City or its Agents.

Within twenty (20) days after the date of such damage, Landlord shall notify City whether or not, in Landlord's reasonable judgment made in good faith, such repairs can be made within the Repair Period. If such repairs cannot be made within the Repair Period, then either party hereto may, by written notice to the other given within thirty (30) days after the date of such damage, terminate this Lease as of the date specified in such notice, which date shall be not less than thirty (30) nor more than sixty (60) days after notice is given by Landlord. In case of termination, the Rent shall be reduced by a proportionate amount based upon the extent to which such damage interferes with the conduct of City's business in the Premises, and City shall pay such reduced Rent up to the date of termination. Landlord shall refund to City any Rent previously paid for any period of time subsequent to such date of termination.

Notwithstanding the foregoing, in the event the Premises are damaged or destroyed by reason of flood or earthquake, and such damage or destruction is not fully covered by insurance proceeds payable under the insurance policies Landlord is required to carry hereunder (excluding any deductible, for which Landlord shall be responsible), Landlord may terminate this Lease by written notice to City within thirty (30) days of the date Landlord receives written notice that such damage is not covered by insurance. Such notice from Landlord shall include adequate written evidence of the denial of insurance coverage. If Landlord does not elect to terminate this Lease as provided above, this Lease shall remain in full force and effect, and Landlord shall repair and restore the Premises as provided above.

If at any time during the last six (6) months of the Term of this Lease there is substantial damage that Landlord would be required to repair hereunder, Landlord or City may, at the respective option of each, terminate this Lease as of the date such damage occurred by giving written notice to the other party of its election to do so within thirty (30) days after the date of such damage; provided, however, Landlord may terminate this Lease only if it would take more than thirty (30) days to repair such damage.

The parties intend that the provisions of this Section govern fully their rights and obligations in the event of damage or destruction, and Landlord and City each hereby waives and releases any right to terminate this Lease in whole or in part under Section 1932, subdivision 2, Section 1933, subdivision 4, and Sections 1941 and 1942 of the Civil Code of California or under any similar law, statute or ordinance now or hereafter in effect, to the extent such rights are inconsistent with the provisions hereof.

12. EMINENT DOMAIN

12.1 Definitions

(a) "Taking" means a taking or damaging, including severance damage, by eminent domain, inverse condemnation or for any public or quasi-public use under law. A Taking may occur pursuant to the recording of a final order of condemnation, or by voluntary sale or conveyance in lieu of condemnation or in settlement of a condemnation action.

(b) "Date of Taking" means the earlier of (i) the date upon which title to the portion of the Property taken passes to and vests in the condemnor or (ii) the date on which Tenant is dispossessed.

(c) "Award" means all compensation, sums or anything of value paid, awarded or received for a Taking, whether pursuant to judgment, agreement, settlement or otherwise.

12.2 General

If during the Term or during the period between the execution of this Lease and the Commencement Date, there is any Taking of all or any part of the Premises or any interest in this Lease, the rights and obligations of the parties hereunder shall be determined pursuant to this Section. City and Landlord intend that the provisions hereof govern fully in the event of a Taking and accordingly, the parties each hereby waive any right to terminate this Lease in whole or in part under Sections 1265.110, 1265.120, 1265.130 and 1265.140 of the California Code of Civil Procedure or under any similar law now or hereafter in effect.

12.3 Total Taking; Automatic Termination

If there is a total Taking of the Premises, then this Lease shall terminate as of the Date of Taking.

12.4 Partial Taking; Election to Terminate

(a) If there is a Taking of any portion (but less than all) of the Premises, then this Lease shall terminate in its entirety if all of the following exist: (i) the partial Taking, in City's reasonable judgment, renders the remaining portion of the Premises untenable or unsuitable for continued use by City for its intended purposes or otherwise materially adversely affects City's normal operations in the Premises, (ii) the condition rendering the Premises untenable or unsuitable either is not curable or is curable but Landlord is unwilling or unable to cure such condition, and (iii) City elects to terminate.

(b) In the case of a partial taking of a substantial portion of the Building, and if subsection (a) above does not apply, City and Landlord shall each have the right to terminate this Lease by written notice to the other within thirty (30) days after the Date of Taking, provided that, as a condition to City's right to terminate, the portion of the Building taken shall, in City's reasonable judgment, render the Premises unsuitable for continued use by City for its intended purposes or otherwise materially adversely affect City's normal operations in the Premises.

(c) Either party electing to terminate under the provisions of this Section 13.4 shall do so by giving written notice to the other party before or within thirty (30) days after the Date of Taking, and thereafter this Lease shall terminate upon the later of the thirtieth (30th) day after such written notice is given or the Date of Taking.

12.5 Termination of Lease; Rent and Award

Upon termination of this Lease in its entirety pursuant to Section 13.3 (Total Taking; Automatic Termination), or pursuant to an election under Section 13.4 (Partial Taking; Continuation of Lease) above, then: (a) City's obligation to pay Rent shall continue up until the date of termination and thereafter shall cease, and (b) Landlord shall be entitled to the entire Award in connection therewith, except that City shall receive any Award made specifically for City's relocation expenses or the interruption of or damage to City's business or damage to City's Personal Property.

12.6 Partial Taking; Continuation of Lease

If there is a partial Taking of the Premises under circumstances where this Lease is not terminated in its entirety under Section 13.4 (Partial Taking; Continuation of Lease) above, then this Lease shall terminate as to the portion of the Premises so taken, but shall remain in full force and effect as to the portion not taken, and the rights and obligations of the parties shall be as follows: (a) Rent shall be reduced by an amount that is in the same ratio to the Rent as the area of the Premises taken bears to the area of the Premises prior to the Date of Taking, and (b) Landlord shall be entitled to the entire Award in connection therewith, provided that City shall receive any Award made specifically for City's relocation expenses or the interruption of or damage to City's business or damage to City's Personal Property.

12.7 Temporary Taking

Notwithstanding anything to contrary in this Section, if a Taking occurs with respect to the Premises for a limited period of time not in excess of sixty (60) consecutive days, this Lease shall remain unaffected thereby, and City shall continue to pay Rent and to perform all of the terms, conditions and covenants of this Lease. In the event of such temporary Taking, City shall be entitled to receive that portion of any Award representing compensation for the use or occupancy of the Premises during the Term up to the total Rent owing by City for the period of the Taking.

13. ASSIGNMENT AND SUBLETTING

Except as provided in this Section below, City shall not directly or indirectly sell, assign, encumber, pledge or otherwise transfer or hypothecate all or any part of its interest in or rights with respect to the Premises or its leasehold estate hereunder or permit all or any portion of the Premises to be occupied by anyone other than itself or sublet all or any portion of the Premises, without Landlord's prior written consent in each instance, which shall not be unreasonably withheld or delayed. City shall have the right from time to time, upon notice to but without the consent of Landlord, to transfer this Lease or use and occupancy of all or any of the Premises to any department, commission or agency of the City and County of San Francisco for uses permitted under this Lease.

14. DEFAULT; REMEDIES

14.1 Events of Default by City

Any of the following shall constitute an event of default by City hereunder:

(a) City's failure to make any timely payment of Rent and to cure such nonpayment within five (5) business days after receipt of written notice thereof from Landlord, provided that for the first two (2) monthly payments of Rent at the beginning of the Term and for the first monthly payment of Rent after the beginning of each new fiscal year for City, City shall have twenty (20) days to cure any such nonpayment after written notice thereof from Landlord;

(b) City's abandons the Premises (within the meaning of California Civil Code Section 1951.3); or

(c) City's failure to perform any other covenant or obligation of City hereunder (not involving the payment of money) and to cure such non-performance within thirty (30) days of the date of receipt of notice thereof from Landlord, provided that if more than thirty (30) days are reasonably required for such cure, no event of default shall occur if City commences such cure within such period and diligently prosecutes such cure to completion.

14.2 Landlord's Remedies

Upon the occurrence of any event of default by City that is not cured within the applicable grace period as provided above, Landlord shall have all rights and remedies available pursuant to law or granted hereunder, including the following:

(a) The rights and remedies provided by California Civil Code Section 1951.2 (damages on termination for breach), including, but not limited to, the right to terminate City's right to possession of the Premises and to recover the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of rental loss for the same period that City proves could be reasonably avoided, as computed pursuant to subsection (b) of such Section 1951.2.

(b) The rights and remedies provided by California Civil Code Section 1951.4 (continuation of lease after breach and abandonment), which allows Landlord to continue this Lease in effect and to enforce all of its rights and remedies under this Lease, including the right to recover Rent as it becomes due, for so long as Landlord does not terminate City's right to possession, if City has the right to sublet or assign, subject only to reasonable limitations.

14.3 Landlord's Default

If Landlord fails to perform any of its obligations under this Lease, then (without limiting any of City's other cure rights under this Lease) City may, at its sole option, cure such default at Landlord's expense if such default continues after ten (10) days from the date City gives notice to Landlord of City's intention to perform such cure. However, in the case of a default which for causes beyond Landlord's control (excluding any financial inability to perform) cannot with due diligence be cured within such ten (10)-day period, such ten (10)-day period shall be extended if Landlord, promptly upon receipt of City's notice, advises City of Landlord's intention to take all steps required to cure such default, and Landlord promptly commences such cure and diligently prosecutes the same to completion. Subject to the other provisions of this Lease relating to abatement of Rent, if Landlord fails to cure any default within the cure period provided above, then, whether or not City elects to cure Landlord's default as provided herein, the Base Rent and any other charges hereunder shall be abated based on the extent to which such default interferes with City's ability to carry on its business at the Premises. Notwithstanding the foregoing, if any such default by Landlord continues for sixty (60) days and impairs City's ability to carry on its business in the Premises, then City shall have the right to terminate this Lease upon written notice to Landlord within thirty (30) days after the expiration of such sixty (60)-day period. City's rights hereunder and under Section 3.3 (Delay in Delivery of Possession), Section 4.3 (Interference with Access), and Section 8.3 (Disruption in Essential Utilities or Services), shall not limit in any way any of its other rights and remedies hereunder or at law or in equity.

15. INDEMNITIES

15.1 City's Indemnity

City shall indemnify, defend and hold harmless ("Indemnify") Landlord and its Agents from and against any and all claims, costs and expenses, including, without limitation, reasonable attorneys' fees (collectively, "claims"), incurred as a result of (a) City's use of the Premises, (b) any default by City in the performance of any of its material obligations under this Lease, or (c) any negligent acts or omissions of City or its Agents in, on or about the Premises or the Property; provided, however, City shall not be obligated to Indemnify Landlord or its Agents to the extent any Claim arises out of the negligence or willful misconduct of Landlord or its Agents. In any action or proceeding brought against Landlord or its Agents by reason of any Claim Indemnified by City hereunder, City may, at its sole option, elect to defend such Claim by attorneys in City's Office of the City Attorney, by other attorneys selected by City, or both. City shall have the right to control the defense and to determine the settlement or compromise of any action or proceeding, provided that Landlord shall have the right, but not the obligation, to participate in the defense of any such Claim at its sole cost. City's obligations under this Section shall survive the termination of the Lease.

15.2 Landlord's Indemnity

Landlord shall Indemnify City and its Agents against any and all Claims incurred as a result of (a) any default by Landlord in the performance of any of its obligations under this Lease or any breach of any representations or warranties made by Landlord under this Lease, or (b) any negligent acts or omissions of Landlord or its Agents in, on or about the Premises or the Property; provided, however, Landlord shall not be obligated to Indemnify City or its Agents to the extent any Claim arises out of the negligence or willful misconduct of City or its Agents. In any action or proceeding brought against City or its Agents by reason of any Claim Indemnified by Landlord hereunder, Landlord may, at its sole option, elect to defend such Claim by attorneys selected by Landlord. Landlord shall have the right to control the defense and to determine the settlement or compromise of any action or proceeding, provided that City shall have the right, but not the obligation, to participate in the defense of any such Claim at its sole cost. Landlord's obligations under this Section shall survive the termination of this Lease.

16. INSURANCE

16.1 City's Self-Insurance

Landlord acknowledges that City maintains a program of self-insurance and agrees that City shall not be required to carry any insurance with respect to this Lease. City assumes the risk of damage to any of City's Personal Property, except for damage caused by Landlord or its Agents.

16.2 Landlord's Insurance

At all times during the Term, Landlord shall keep the Building (excluding the land upon which it is located) insured against damage and destruction by fire, vandalism, malicious mischief, sprinkler damage and other perils customarily covered under a cause of loss-special form property insurance policy in an amount equal to one hundred percent (100%) of the full insurance replacement value (replacement cost new, including, debris removal and demolition) thereof. Landlord shall, upon request by City, provide to City a certificate of insurance issued by the insurance carrier, evidencing the insurance required above. The certificate shall expressly provide that the policy is not cancelable or subject to, reduction of coverage or otherwise subject to modification except after thirty (30) days prior written notice to City. Landlord hereby waives

any rights against City for loss or damage to the Premises or any other part of the Property, to the extent covered by Landlord's property insurance.

17. ACCESS BY LANDLORD

Landlord reserves for itself and any designated Agent the right to enter the Premises at all reasonable times and, except in cases of emergency (in which event Landlord shall give any reasonable notice), after giving City at least twenty four (24) hours' advance written or oral notice, for the purpose of **(a)** inspecting the Premises, **(b)** supplying any service to be provided by Landlord hereunder, **(c)** showing the Premises to any prospective purchasers, mortgagees or, during the last six (6) months of the Term of this Lease, tenants, **(d)** posting notices of non-responsibility and **(e)** altering, improving or repairing the Premises and any portion of the Building, and Landlord may for that purpose erect, use and maintain necessary structures in and through the Premises where reasonably required by the character of the work to be performed, provided that the entrance to the Premises shall not be blocked thereby, and further provided that City's use shall not be interfered with.

18. ESTOPPEL CERTIFICATES

Either party, from time to time during the Term upon not less than ten (10) days' prior written notice from the other party, may reasonably request the other party to execute, acknowledge and deliver to such persons or entities designated by such other party a certificate stating: **(a)** the Commencement Date and Expiration Date of this Lease, **(b)** that this Lease is unmodified and in full force and effect (or, if there have been modifications, this the Lease is in full force and effect as modified and stating the modifications), **(c)** that there are no defaults under this Lease (or if so, specifying the same), and **(d)** the date to which Rent has been paid.

19. SURRENDER OF PREMISES

Upon the expiration or sooner termination of this Lease, City shall surrender the Premises to Landlord in good order and condition, reasonable use and wear and damage by fire or other casualty excepted. Within ten (10) days after the Expiration Date, City shall remove from the Premises all of City's Personal Property and any Alterations City desires or is required to remove from the Premises pursuant to the provisions of Section 7.1 (Alterations by City), above. City shall repair or pay the cost of repairing any damage to the Premises or the Building resulting from such removal. Notwithstanding anything to the contrary in this Lease, City shall not be required to demolish or remove from the Premises any of the Leasehold Improvements. City's obligations under this Section shall survive the expiration or earlier termination of this Lease.

20. HAZARDOUS MATERIALS

20.1 Definitions

As used in this Lease, the following terms shall have the meanings hereinafter set forth:

(a) "Environmental Laws" shall mean any federal, state, local or administrative law, rule, regulation, order or requirement relating to industrial hygiene, environmental conditions or Hazardous Material, whether now in effect or hereafter adopted.

(b) "Hazardous Material" shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly

known as the "Superfund" law), as amended (42 U.S.C. Section 9601 et seq.), or pursuant to Section 25316 of the California Health & Safety Code; any "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 structure of the Building or are naturally occurring substances on or about the Property; and petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids.

(c) "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 into or inside the Building, or in, on, under or about the Property.

20.2 Landlord's Representations and Covenants

Landlord represents and warrants to City that, to the best of Landlord's knowledge, the following statements are true and correct and will be true and correct as of the Commencement Date: (a) the Property is not in violation of any Environmental Laws; (b) the Property is not now, nor has it been, used for the manufacture, use, storage, discharge, deposit, transportation or disposal of any Hazardous Material, except for the use of such substances in such limited quantities as are customarily used in offices, which limited use has been and is in compliance with Environmental Laws; (c) the Property does not consist of any landfill or contain any underground storage tanks; (d) the Building does not consist of any asbestos-containing materials or building materials that contain any other Hazardous Material, nor do the Premises or the common areas of the Building contain any lead-based paints; (e) there has been and is no Release of any Hazardous Material in the Building or in, on, under or about the Property; and (f) the Property is not subject to any claim by any governmental regulatory agency or third party related to the Release of any Hazardous Material, and there is no inquiry by any governmental agency (including, without limitation, the California Department of Toxic Substances Control or the Regional Water Quality Control Board) with respect to the presence of Hazardous Material in the Building or in, on, under or about the Property, or the migration of Hazardous Material from or to other real property. Subject to City's obligations under this Section below, Landlord shall maintain the Property throughout the Term in compliance with all Environmental Laws that could affect the health, safety and welfare of City's employees or City's use, occupancy or enjoyment of the Premises for their intended purposes.

20.3 Landlord's Environmental Indemnity

Without limiting Landlord's Indemnity in Section 16.2 (Landlord's Indemnity), above, Landlord shall Indemnify City and its Agents against any and all Claims arising during or after the Term of this Lease (a) as a result of any breach of any of Landlord's representations, warranties or covenants in the preceding Section, or (b) in connection with any presence or Release of Hazardous Material in the Building or on, under or about the Property, unless City or its Agents caused such Release.

20.4 City's Covenants

Neither City nor its Agents shall cause any Hazardous Material to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises or the Property, or transported to or from the Premises or the Property, in violation of any Environmental Laws, provided that City may use such substances in such limited amounts as are customarily used in offices so long as such use is in compliance with all applicable Environmental Laws.

20.5 City's Environmental Indemnity

If City breaches its obligations contained in the preceding Section 21.4 (City's Covenants), or if City or its Agents cause the Release of Hazardous Material from, in, on or about the Premises or the Property, then City shall Indemnify Landlord against any and all Claims arising during or after the Term of this Lease as a result of such Release, except to the extent Landlord or its Agents is responsible for the Release. The foregoing Indemnity shall not include any Claims resulting from the non-negligent aggravation by City, its Agents or Invitees of physical conditions of the Premises, or other parts of the Property, existing prior to City's occupancy.

21. GENERAL PROVISIONS

21.1 Notices

Except as otherwise specifically provided in this Lease, any notice given under this Lease shall be in writing and given by delivering the notice in person or by commercial courier, or by sending it by first-class mail, certified mail, return receipt requested, or Express Mail, return receipt requested, with postage prepaid, to: (a) City at Tenant's address set forth in the Basic Lease Information; or (b) Landlord at Landlord's address set forth in the Basic Lease Information; or (c) such other address as either Landlord or City may designate as its new address for such purpose by notice given to the other in accordance with this Section. Any notice hereunder shall be deemed to have been given and received two (2) days after the date when it is mailed if sent by first-class, certified mail, one day after the date when it is mailed if sent by Express Mail, or upon the date personal delivery is made. For convenience of the parties, copies of notices may also be given by telefacsimile to the telefacsimile number set forth in the Basic Lease Information or such other number as may be provided from time to time; however, neither party may give official or binding notice by facsimile.

21.2 No Implied Waiver

No failure by either party to insist upon the strict performance of any obligation of the other party under this Lease or to exercise any right, power or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of such term, covenant or condition. No acceptance of full or partial Rent by Landlord while City is in default hereunder shall constitute a waiver of such default by Landlord. No express written waiver of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of a default or the performance of any provision hereof shall not be deemed to be a waiver of a subsequent default or performance. The consent of Landlord or City given in one instance under the terms of this Lease shall not relieve the other party of any obligation to secure the consent to any other or future instance under the terms of the Lease.

21.3 Amendments

Neither this Lease nor any terms or provisions hereof may be changed, waived, discharged or terminated, except by a written instrument signed by the party against which the enforcement of the change, waiver, discharge or termination is sought. No waiver of any breach shall affect or alter this Lease, but each and every term, covenant and condition of this Lease shall continue in full force and effect with respect to any other then-existing or subsequent breach thereof. Whenever this Lease requires or permits the giving by City of its consent or approval, the Director of Property, or his or her designee, shall be authorized to provide such approval, except as otherwise provided by applicable law, including the Charter of the City and County of San Francisco. Any amendments or modifications to this Lease, including, without

limitation, amendments to or modifications to the exhibits to this Lease, shall be subject to the mutual written agreement of City and Landlord, and City's agreement may be made upon the sole approval of the Director of Property, or his or her designee; provided, however, material amendments or modifications to this Lease (a) changing the legal description of the Premises, (b) increasing the Term, (c) increasing the Rent, (d) changing the general use of the Premises from the use authorized under Section 4.1 (Permitted Use) of this Lease, and (e) any other amendment or modification which materially increases City's liabilities or financial obligations under this Lease shall additionally require the approval of City's Board of Supervisors.

21.4 Authority

Landlord represents and warrants to City that it is the sole owner of the Property and the execution and delivery of this Lease by Landlord does not violate any provision of any agreement, law or regulation to which Landlord or the Property is subject. If Landlord is a corporation, limited liability company or a partnership, each of the persons executing this Lease on behalf of Landlord does hereby covenant and warrant that Landlord is a duly authorized and existing entity, that Landlord has and is qualified to do business in California, that Landlord has the full right and authority to enter into this Lease, and that each and all of the persons signing on behalf of Landlord are authorized to do so. On City's request, Landlord shall provide City with evidence reasonably satisfactory to City confirming the foregoing representations and warranties.

21.5 Parties and Their Agents; Approvals

If applicable, the word "Landlord" as used in this Lease shall include the plural as well as the singular. As used in this Lease, the term "Agents" when used with respect to either party shall include the agents, employees, officers and contractors of such party and the term "Invitees" when used with respect to City shall include the clients, customers, invitees, guests, licensees, assignees or subtenants of City. All approvals, consents or other determinations permitted or required by City under this Lease, including but not limited to the exercise of any option granted to City, shall be made by or through City's Director of Property unless otherwise provided in this Lease, subject to any applicable limitations in the City's Charter.

21.6 Interpretation of Lease

The captions preceding the articles and sections of this Lease and in the table of contents have been inserted for convenience of reference only and such captions shall in no way define or limit the scope or intent of any provision of this Lease. This Lease has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein and shall be interpreted to achieve the intent and purposes of the parties, without any presumption against the party responsible for drafting any part of this Lease. Except as otherwise specifically provided herein, wherever in this Lease Landlord or City is required or requested to give its consent or approval to any matter or action by the other, such consent or approval shall not be unreasonably withheld or delayed and the reasons for disapproval of consent shall be stated in reasonable detail in writing. Provisions in this Lease relating to number of days shall be calendar days, unless otherwise specified, provided that if the last day of any period to give notice, reply to a notice or to undertake any other action occurs on a Saturday, Sunday or a bank or City holiday, then the last day for undertaking the action or giving or replying to the notice shall be the next succeeding business day. Use of the word "including" or similar words shall not be construed to limit any general term, statement or other matter in this Lease, whether or not language of non-limitation, such as "without limitation" or similar words, are used.

21.7 Successors and Assigns

Subject to the provisions of Section 14 (Assignment and Subletting) relating to assignment and subletting, the terms, covenants and conditions contained in this Lease shall bind

and inure to the benefit of Landlord and City and, except as otherwise provided herein, their personal representatives and successors and assigns. There are no third-party beneficiaries to this Lease.

21.8 Brokers

Neither party has had any contact or dealings regarding the leasing of the Premises, or any communication in connection therewith, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the lease contemplated herein, except for the broker, if any, identified in the Basic Lease Information, whose commission, if any is due, shall be the sole responsibility of Landlord pursuant to a separate written agreement between Landlord and such broker, and City shall have no liability therefor. In the event that any other broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes his claim shall be responsible for such commission or fee and shall Indemnify the other party from any and all Claims incurred by the indemnified party in defending against the same. The provisions of this Section shall survive any termination of this Lease.

21.9 Severability

If any provision of this Lease or the application thereof to any person, entity or circumstance shall be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Lease shall be valid and be enforceable to the full extent permitted by law, except to the extent that enforcement of this Lease without the invalidated provision would be unreasonable or inequitable under all the circumstances or would frustrate a fundamental purpose of this Lease.

21.10 Governing Law

This Lease shall be construed and enforced in accordance with the laws of the State of California and the City's Charter.

21.11 Entire Agreement

The parties intend that this Lease (including all of the attached exhibits, which are made a part of this Lease) shall be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous written or oral agreements or understandings. The parties further intend that this Lease shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including prior drafts hereof and changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Lease.

21.12 Attorneys' Fees

In the event that either Landlord or City fails to perform any of its obligations under this Lease or in the event a dispute arises concerning the meaning or interpretation of any provision of this Lease, the defaulting party or the non-prevailing party in such dispute, as the case may be, shall pay the prevailing party reasonable attorneys' and experts' fees and costs, and all court costs and other costs of action incurred by the prevailing party in connection with the prosecution or defense of such action and enforcing or establishing its rights hereunder (whether or not such action is prosecuted to a judgment). For purposes of this Lease, reasonable attorneys' fees of the City's Office of the City Attorney shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law

for which the City Attorney's services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney. The term "attorneys' fees" shall also include, without limitation, all such fees incurred with respect to appeals, mediations, arbitrations, and bankruptcy proceedings, and whether or not any action is brought with respect to the matter for which such fees were incurred. The term "costs" shall mean the costs and expenses of counsel to the parties, which may include printing, duplicating and other expenses, air freight charges, hiring of experts, and fees billed for law clerks, paralegals, and others not admitted to the bar but performing services under the supervision of an attorney.

21.13 Holding Over

Should City hold over in possession of the Premises after the expiration of the Term with Landlord's consent, such holding over shall not be deemed to extend the Term or renew this Lease, but such tenancy thereafter shall continue as a month-to-month tenancy. Such tenancy shall be on all the terms and conditions set forth in this Lease and at the monthly Base Rent in effect during the last month of the Term of this Lease or such other rental as Landlord and City may mutually agree in writing as a condition to Landlord's consent to such holding over, and City shall continue as a month-to-month tenant until the tenancy shall be terminated by Landlord giving City or City giving Landlord at least thirty (30) days' prior written notice of termination. Should City hold over without Landlord's consent, the rent payable by City during the period of such holding over shall be one hundred ten percent (110%) of the monthly Base Rent in effect during the last month of the Term of this Lease, and such tenancy shall otherwise be on the terms and conditions contained herein.

21.14 Cumulative Remedies

All rights and remedies of either party hereto set forth in this Lease shall be cumulative, except as may otherwise be provided herein.

21.15 Time of Essence

Time is of the essence with respect to all provisions of this Lease in which a definite time for performance is specified.

21.16 Survival of Indemnities

Termination of this Lease shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this Lease, nor shall it affect any provision of this Lease that expressly states it shall survive termination hereof. Each party hereto specifically acknowledges and agrees that, with respect to each of the indemnities contained in this Lease, the indemnitor has an immediate and independent obligation to defend the indemnitees from any claim which actually or potentially falls within the 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 the indemnitor by the indemnitee and continues at all times thereafter.

21.17 Signs

City may erect or post signs on or about the Premises subject to Landlord's prior approval. Landlord reserves the right to review the placement, design, and plan for any such sign prior to its erection or posting and agrees that the approval thereof shall not be unreasonably withheld or delayed.

21.18 Quiet Enjoyment and Title

Landlord covenants and represents that it has full right, power and authority to grant the leasehold estate hereunder, and covenants that City, upon paying the Rent hereunder and performing the covenants hereof, shall peaceably and quietly have, hold and enjoy the Premises and all appurtenances during the full Term of this Lease as against all persons or entities claiming by and through Landlord or on account of any action, inaction or agreement of Landlord or its Agents. Without limiting the provisions of Section 16.2 (Landlord's Indemnity), Landlord agrees to Indemnify City and its Agents against Claims arising out of any assertion that would interfere with City's right to quiet enjoyment as provided in this Section.

21.19 Bankruptcy

Landlord represents and warrants to City that Landlord has neither filed nor been the subject of any filing of a petition under the federal bankruptcy law or any federal or state insolvency laws or laws for composition of indebtedness or for the reorganization of debtors, and, to the best of Landlord's knowledge, no such filing is threatened. Landlord and City agree that City's leasehold estate created hereby includes, without limitation, all rights to receive and enjoy all services, facilities and amenities of the Premises and the Building as provided herein, and that if any of such services, facilities or amenities are terminated, or materially limited or restricted on account of any such case or proceeding, or for any other reason, City shall have the right to (a) contract directly with any third-party provider of such services, facilities or amenities to obtain the same, and (b) offset against the Base Rent or other charges payable hereunder any and all reasonable costs and expenses incurred by City in obtaining such services, facilities or amenities.

21.20 Transfer of Landlord's Interest

Landlord shall have the right to transfer its interest in the Property, the Building or this Lease to any other financially responsible person or entity. In the event of any such transfer, Landlord shall be relieved, upon notice to City of the name and address of Landlord's successor, of any obligations accruing hereunder from and after the date of such transfer and upon delivering to City an express assumption by the transferee of all of Landlord's obligations hereunder.

21.21 Non-Liability of City Officials, Employees and Agents

Notwithstanding anything to the contrary in this Lease, no elective or appointive board, commission, member, officer, employee or agent of City shall be personally liable to Landlord, its successors and assigns, in the event of any default or breach by City or for any amount which may become due to Landlord, its successors and assigns, or for any obligation of City under this Lease.

21.22 MacBride Principles - Northern Ireland

The provisions of San Francisco Administrative Code §12F are incorporated herein by this reference and made part of this Lease. By signing this Lease, Landlord confirms that Landlord has read and understood that the City urges companies doing business in Northern Ireland to resolve employment inequities and to abide by the MacBride Principles, and urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

21.23 Controller's Certification of Funds

The terms of this Lease shall be governed by and subject to the budgetary and fiscal provisions of the City's Charter. Notwithstanding anything to the contrary contained in this

Lease, there shall be no obligation for the payment or expenditure of money by City under this Lease unless the Controller of the City and County of San Francisco first certifies, pursuant to Section 3.105 of the City's Charter, that there is a valid appropriation from which the expenditure may be made and that unencumbered funds are available from the appropriation to pay the expenditure. Without limiting the foregoing, if in any fiscal year of City after the fiscal year in which the Term of this Lease commences, sufficient funds for the payment of Rent and any other payments required under this Lease are not appropriated, then City may terminate this Lease, without penalty, liability or expense of any kind to City, as of the last date on which sufficient funds are appropriated. City shall use its reasonable efforts to give Landlord reasonable advance notice of such termination. Prevailing Wages and Working Conditions.

21.24 Prevailing Wages and Working Conditions

Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.61. Landlord agrees to require its Contractors and Subcontractors performing (i) labor in the construction of a “public work” as defined in California Labor Code Section 1720 *et seq.* (which includes certain construction, alteration, maintenance, demolition, installation, repair, carpet laying, or refuse hauling if paid for in whole or part out of public funds), or (ii) Covered Construction at the Premises to (1) pay workers performing such work not less than the Prevailing Rate of Wages, (2) provide the same hours, working conditions and benefits as in each case are provided for similar work performed in San Francisco County, and (3) employ Apprentices in accordance with San Francisco Administrative Code Section 23.61 (collectively, “Prevailing Wage Requirements”). Landlord agrees to cooperate with the City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. Landlord shall include, and require its Contractors and Subcontractors (regardless of tier) to include, the Prevailing Wage Requirements and the agreement to cooperate in City enforcement actions in any Construction Contract with specific reference to San Francisco Administrative Code Section 23.61. Each such Construction Contract shall name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any Contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Landlord’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A Contractor’s or Subcontractor’s failure to comply with this Section will enable the City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party.

21.25 Non Discrimination in City Contracts and Benefits Ordinance

(a) Covenant Not to Discriminate

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

(b) Subcontracts

Landlord shall include in all subcontracts relating to the Premises a non-discrimination clause applicable to such subcontractor in substantially the form of subsection (a) above. In addition, Landlord 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. Landlord's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Non-Discrimination in Benefits

Landlord does not as of the date of this Lease and will not during the term of this Lease, 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.

(d) CMD Form

As a condition to this Lease, Landlord shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form CMD-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Contract Monitoring Division (the "CMD"). Landlord hereby represents that prior to execution of the Lease: **(a)** Landlord executed and submitted to the CMD Form CMD-12B-101 with supporting documentation, and **(b)** the CMD approved such form.

(e) 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 lease of property to City are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Landlord shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Landlord 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 Lease may be assessed against Landlord and/or deducted from any payments due Landlord.

21.26 Tropical Hardwood and Virgin Redwood Ban

(a) Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code, neither Landlord nor any of its contractors shall provide any items to City in the construction of the Leasehold Improvements or otherwise in the performance of this Lease which are tropical hardwood, tropical hardwood wood products, virgin redwood, or virgin redwood wood products.

(b) 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 products.

(c) In the event Landlord fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environment Code, Landlord shall be liable for liquidated damages for each violation in an amount equal to Landlord's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greatest. Landlord acknowledges and agrees that the liquidated damages assessed shall be payable to the City and County of San Francisco upon demand and may be set off against any monies due to Landlord from any contract with the City and County of San Francisco.

21.27 Bicycle Parking Facilities

Article 1.5, Section 155.3, of the San Francisco Planning Code (the "Planning Code") requires the provision of bicycle parking at City-leased buildings at no cost to Landlord. During the Term, City shall have the right to install and maintain, at its sole cost, all Class 1 Bicycle Parking Spaces (as defined in the Planning Code) and all Class 2 Bicycle Parking Spaces (as defined in the Planning Code) in the Building locations required under the Planning Code.

21.28 Resource-Efficient City Buildings and Pilot Projects

Landlord acknowledges that the City and County of San Francisco has enacted San Francisco Environment Code Sections 700 to 713 relating to green building requirements for the design, construction and operation of City buildings. Landlord hereby agrees that it shall comply with all applicable provisions of such code sections.

21.29 Counterparts

This Lease 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.

21.30 Effective Date

The date on which this Lease shall become effective (the "Effective Date") is the date upon which (a) City's Mayor and Board of Supervisors, in their sole and absolute discretion, adopt a resolution approving this Lease in accordance with all applicable laws and (b) this Lease is duly executed by the parties hereto.

21.31 Sunshine Ordinance

In accordance with Section 67.24(e) of the San Francisco Administrative Code, contracts, contractors' bids, leases, agreements, responses to Requests for Proposals, 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.

21.32 Conflicts of Interest

Through its execution of this Lease, Landlord acknowledges that it is familiar with the provisions of Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 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 provisions, and agrees that if Landlord becomes aware of any such fact during the Term of this Lease, Landlord shall immediately notify City.

21.33 Notification of Limitations on Contributions

Through its execution of this Lease, Landlord 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, the board on which that City elective officer serves, or a board on which an appointee of that individual serves, from making any campaign contribution to (a) the City elective officer, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, 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. Landlord 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. Landlord further acknowledges that the prohibition on contributions applies to each Landlord; each member of Landlord's board of directors, and Landlord's chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Landlord; any subcontractor listed in the contract; and any committee that is sponsored or controlled by Landlord. Additionally, Landlord acknowledges that Landlord must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Landlord further agrees to provide to City the name of each person, entity or committee described above.

21.34 Preservative-Treated Wood Containing Arsenic

Landlord may not purchase preservative-treated wood products containing arsenic in the performance of this Lease unless an exemption from the requirements of Environment Code, Chapter 13 is obtained from the Department of Environment under Section 1304 of the Environment Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniac copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Landlord may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of Environment. This provision does not preclude Landlord from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

21.35 Cooperative Drafting

This Lease has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Lease reviewed and revised by legal counsel. No party shall be considered the drafter of this Lease, 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 Lease.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS LEASE, LANDLORD ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF CITY HAS AUTHORITY TO COMMIT CITY HERETO UNLESS AND UNTIL CITY'S BOARD OF SUPERVISORS SHALL HAVE DULY ADOPTED A RESOLUTION APPROVING THIS LEASE AND AUTHORIZING CONSUMMATION OF THE TRANSACTION CONTEMPLATED HEREBY. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF CITY HEREUNDER ARE CONTINGENT UPON ADOPTION OF SUCH A RESOLUTION, AND THIS LEASE SHALL BE NULL AND VOID UNLESS CITY'S MAYOR AND BOARD OF SUPERVISORS APPROVE THIS LEASE, IN THEIR

RESPECTIVE SOLE AND ABSOLUTE DISCRETION, AND IN ACCORDANCE WITH ALL APPLICABLE LAWS. APPROVAL OF THIS LEASE BY ANY DEPARTMENT, COMMISSION OR AGENCY OF CITY SHALL NOT BE DEEMED TO IMPLY THAT SUCH RESOLUTION WILL BE ADOPTED NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON CITY.

Landlord and City have executed this Lease as of the date first written above.

LANDLORD:

Evans Investment Partners LLC

By: _____
ERIC CHUNG

By: _____
TWIGGY TANG

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
JOHN UPDIKE
Director of Property

RECOMMENDED:

Police Department

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

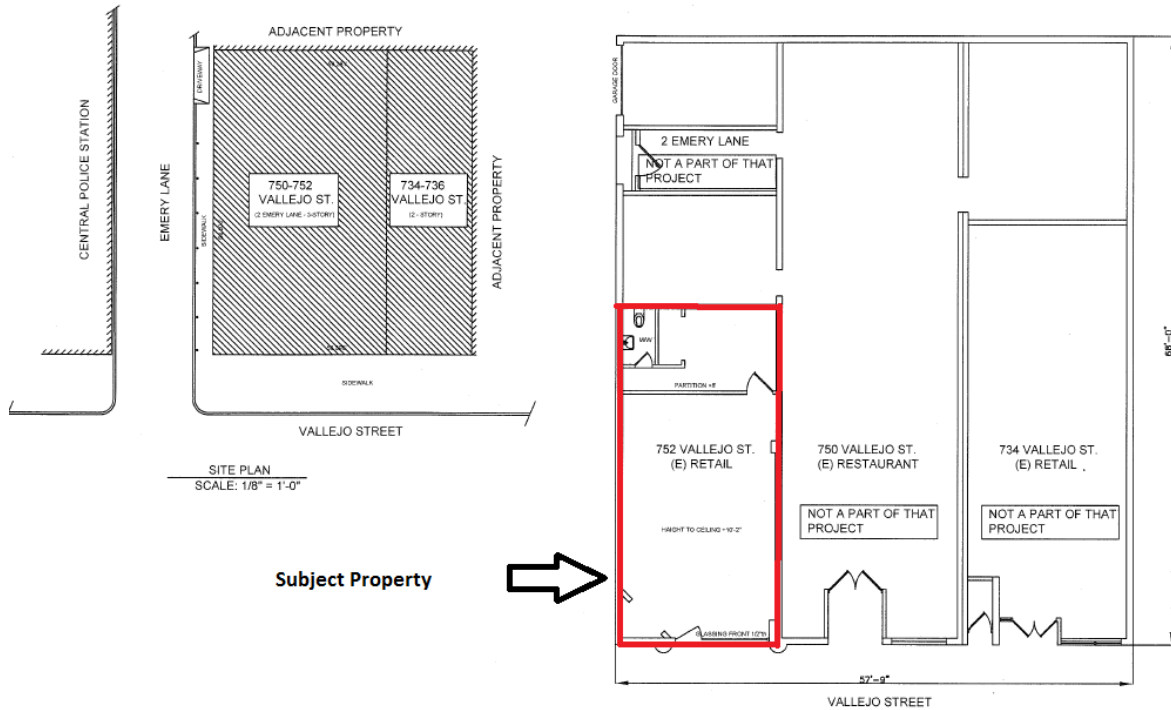
By: _____

Deputy City Attorney

EXHIBIT A

FLOOR PLAN

CONSISTING OF 1 PAGE



Subject Property



PROJECT DATA

JOB ADDRESS: 752 VALLEJO ST., SAN FRANCISCO, CA 94133
BLOCK / LOT: 0130 / 012
APARTMENT BUILDING / RESTAURANT / RETAIL
ZONING: NCD - NORTH BEACH, 40-X
BUILDING TYPE: V-B
OCCUPANCY: R-2
LOT SIZE: 39.09' x 68.00'
LOT SQUARE FOOTAGE: 4,018 s.f.

EXISTING FIRST FLOOR PLAN

SCALE: 1/4" = 1'-0"

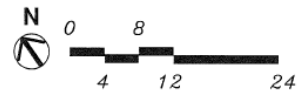


EXHIBIT B

NOTICE OF COMMENCEMENT DATE

[Date]

Mr. John Updike
Director of Property
Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, California 94102

RE: Acknowledgement of Commencement Date, Lease Evans Investment partners a California Limited Liability Corporation (Landlord), and the CITY AND COUNTY OF SAN FRANCISCO (Tenant), for premises known as 752 Vallejo Street, San Francisco, CA

Dear Mr. Updike:

This letter will confirm that for all purposes of the Lease, the Commencement Date (as defined in Section 3.2 of the Lease) is _____, 20__.

Please acknowledge your acceptance of this letter by signing and returning a copy of this letter.

Very truly yours,

By: _____
Title: _____

Accepted and Agreed:

By: _____
John Updike
Director of Property

Dated: _____

EXHIBIT C

SCOPE OF WORK

The scope of work for the planned tenant improvements will include the following work to be provided by the Landlord:10.

- 1). Architectural plans for all proposed work.
- 2). Title 24 Upgrades as required by City.
- 3). Upgrade of the existing restroom, creating an ADA accessible and compliant restroom.
- 4) Upgrade of electrical panels to meet title 24 requirements and power usage needs of tenant based upon the space plan provided..
- 5). Interior paint, color to be selected by SFPD.
- 6). Carpet and pad, color and pattern to be acceptable to SFPD.
- 7). Front Canopy to be painted to SFPD specified color.
- 8). Security roll up door to be installed as per planning guidelines specified in Design Standards for Storefronts for Article 11 Conservation Districts EXHIBIT F.
- 9). Lighting and electrical to be upgraded to be in compliance with Title 24 standards and sufficient for all work stations.
- 10). Permits
- 13). Ventilation/ A/C unit installed that is Title 24 compliant
- 14). Removal of existing sign on front of the building

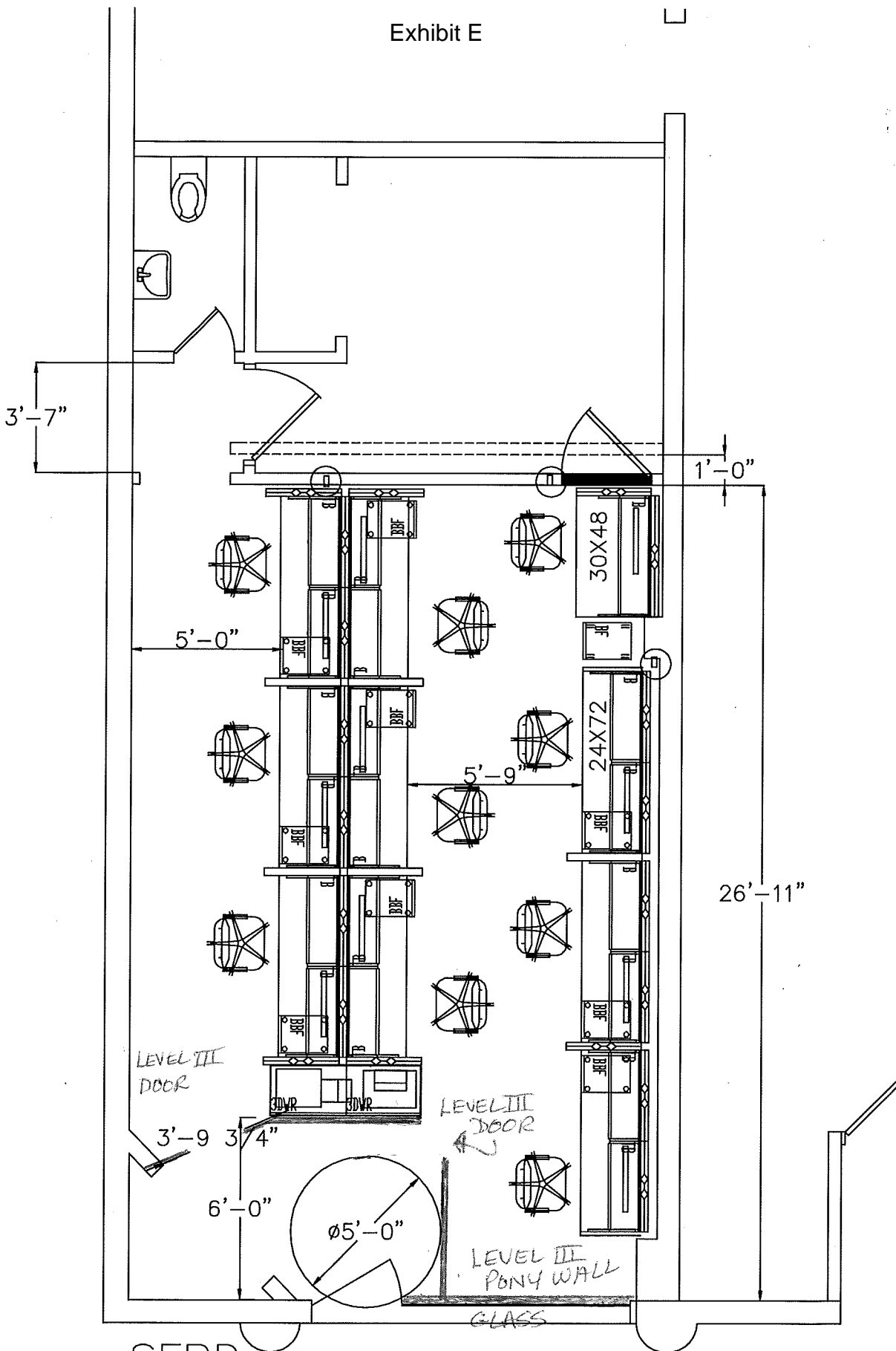
DRAFT
CONFIDENTIAL
ATTORNEY CLIENT PRIVILEGED

EXHIBIT D

BUILDING RULES AND REGULATIONS

[TO BE PROVIDED BY LANDLORD; SUBJECT TO CITY REVIEW AND APPROVAL]

Exhibit E



SFPD
752 VALLEJO CENTRAL
CREATIVE OFFICE 09/16/2016
OPTION-F

Exhibit F



SAN FRANCISCO
PLANNING
DEPARTMENT

Design Standards for **Storefronts**

for Article 11 Conservation Districts

HISTORIC PRESERVATION DESIGN STANDARDS

SAN FRANCISCO PLANNING DEPARTMENT | DRAFT NOVEMBER 2012



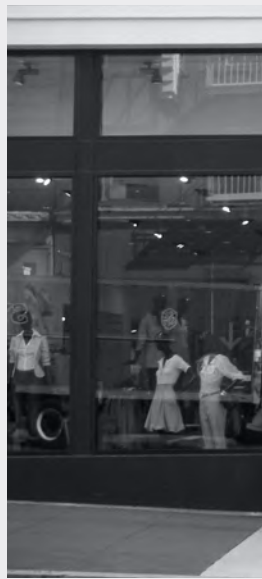
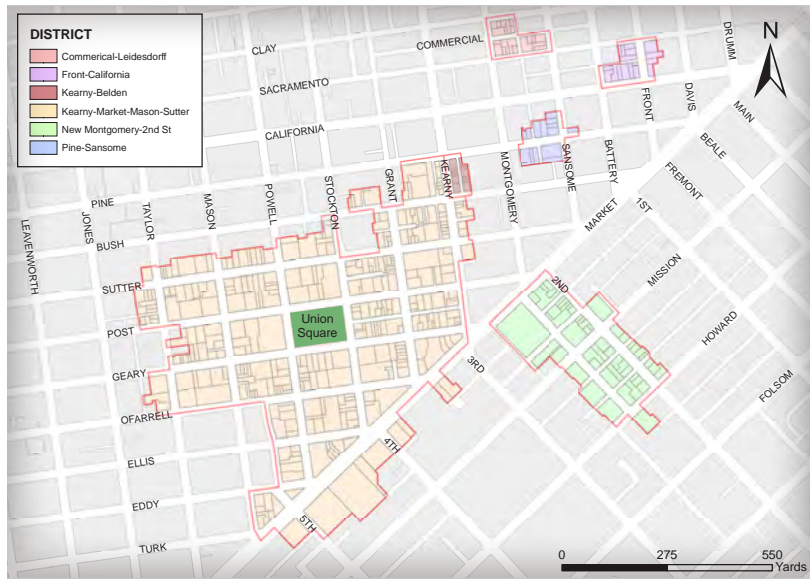


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INTRODUCTION

The **San Francisco Conservation Districts** make up some of the most important commercial centers for visitors and residents in San Francisco. The vitality of the Districts' streetscapes are dependent on the existence and the success of storefront businesses. In response to changing marketing and advertising strategies designed to draw customers in, storefronts are the most commonly altered architectural feature in commercial buildings. The purpose of these standards is to protect and enhance the character of the Districts by encouraging storefront designs that allow tenants to successfully convey their image and products, compliment the public realm, and respect the architectural features of the district. While Article 11 of the Planning Code provides basic design requirements, all ground level alterations proposed for buildings that have been identified as significant or contributory (Categories I - IV), or buildings located within any Article 11 Conservation District are subject to additional review pursuant to Section 1111.6 of the Planning Code. The following standards are meant to supplement relevant sections of Article 11 in order to provide additional guidance for tenants, property owners, and the general public for the rehabilitation of existing or the installation of new storefronts within the Conservation Districts. These standards may be used as a guide for other similar Conservation Districts where no specific information is given within Sections 6 and 7 of the applicable Conservation District Appendices.

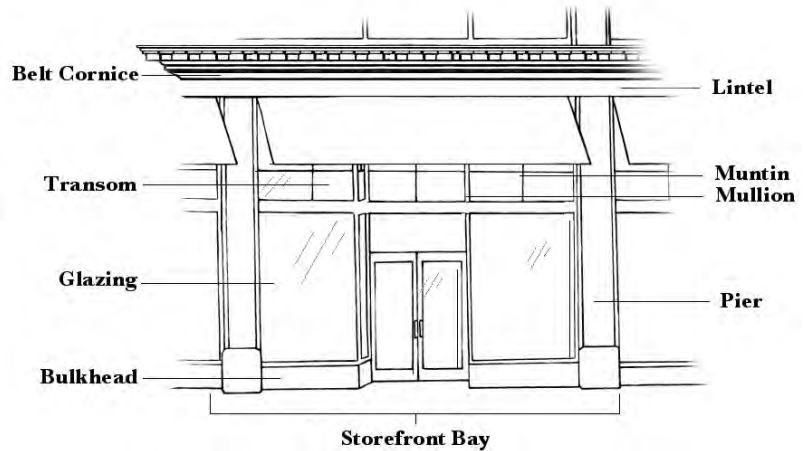
The information within this document is divided into topics based on each storefront component. Each component is outlined to address materials, design, finishes, proportion and location. All subsections are meant to provide clear and understandable instructions based on the *Secretary of the Interior's Standards for the Treatment of Historic Properties* and to meet the purposes of Article 11. There are also images to serve as examples and to better express the intent of the standards.

The Planning Department acknowledges that national retailers prefer uniform branding programs for all outlets. The unique character of the Conservation Districts may require further refinement of storefront components, materials, merchandising displays, etc., to be found in conformance with these standards.

Conformance with these standards authorizes the Planning Department to administratively approve ground floor permit applications when confined to the area within the piers and lintels of the opening as stated in Article 11 of the Planning Code. Please note that these Conservation District Standards will be used by the Planning Department to evaluate all permit applications and while only those proposals that meet the standards will be approved, the Department will review all proposals on a case-by-case basis. All storefront design related to a Major Alteration, as defined by Section 1111.1, may be subject to review and approval by the Historic Preservation Commission.

STOREFRONT COMPONENTS

Existing historic storefronts in the Conservation Districts date from the late 19th to early 20th century. There are a number of elements that make up the architectural features of a historic storefront. The repetition of these features creates a visual unity on the street that should be preserved. Collectively, they establish a sense of place, provide a “human scale” and add rich detail to the public realm.



ANATOMY OF A FACADE

Typical Features Include:

Belt Cornice: A projecting, horizontal molding, similar to a cornice, separating parts of a façade, especially used to delineate the first and second floors.

Bulkhead: The low paneled base of a storefront bay that supports the glazing and elevates merchandise for pedestrian viewing.

Façade Materials: Original exterior cladding, typically brick, wood or stone provide a sense of permanence, scale and texture and often convey the work of skilled craftsmen.

Glazing: The large panes of clear glass within the storefront bay where goods and services are displayed and supported by the bulkhead and framed by the piers.

Lintel: The horizontal structural element that spans above the storefront bays to support the weight of the upper façade.

Mullion: The vertical element that separates window units or storefront glazing; typically not a structural support for the building.

Muntin: The small molding or bar that separates the individual panes of a multi-paned window, such as in a transom.

Pier: The vertical structural or decorative elements, also known as a column, which supports and/or frames the glazing.

Storefront Bay: Defined by the height of the lintel and separated by piers, a storefront bay is composed of bulkhead, glazing, transom, and entry.

Transom: The small, operable or inoperable framed windows above the glazing and below the lintel that filter light into the ground floor space; sometimes sheltered by awnings.

COURSE OF ACTION

Determining the appropriate course of action depends upon the overall integrity, or how much historic storefront components remain at the ground level. The integrity should be taken into consideration before determining the best approach for rehabilitation. While there is no hard-and-fast rule that can be stated, it is important that a deliberate, thoughtful process be employed in which the following questions are answered:

What are the characteristics of the base of the building?

The storefront may be intact, modified or contemporary. If many or all of the historic elements are missing, a simplified new interpretation of those elements may be appropriate. On the other hand, if the building is 95% intact, with only the bulkhead missing and information about the original design is available, then an accurate reconstruction would be preferred.

What are the characteristics of nearby or adjacent storefronts?

If the storefront is one of three similar all in a row, and one of the three retain its historic details, then reconstruction of the altered storefronts would be a preferred option. Another more flexible option would be a rehabilitation based on a simplified design, as long as typical storefront components are incorporated into the design.

What is the significance of the property?

Sometimes previous alterations to historic buildings acquire significance of their own. These historically significant alterations should be preserved.

RECOMMENDED



This storefront retains historic elements such as the transoms, bulkheads and piers.

RECOMMENDED



The contemporary storefront above has maintained many of the typical historic features of early 20th century commercial architecture.



The rehabilitation project above preserved historic elements, such as the terra cotta tiles and cast iron framework. However, many other historic elements were missing, such as the transom windows and storefront pier material, were reconstructed based on historic documentation. It is common to use more than one green approach in a rehabilitation project.



Removing, obscuring, or damaging historic features through installation of new features is discouraged, such as this historic beltcourse partially concealed with an aluminum panel.

GENERAL RECOMMENDATIONS

The Storefront Standards for the Conservation Districts are based on general recommendations that apply to rehabilitation. Rehabilitation acknowledges the need to alter a historic property to meet continuing or changing uses while retaining the property's historic character.

In order to be compatible with historic storefronts, new storefronts should follow the standards set out in this document, which provide for flexibility in design review. Designing new features to be subordinate to historic features creates a balance of new and old, allowing features to be seen as products of their own time, yet be compatible with remaining historic elements of the facade. The most successfully rehabilitated storefronts combine contemporary design with sensitivity to the historic storefront components.

Preserve

Preserve the storefront's historic style, form, materials, proportions, and configuration when it is intact. Distinguish between historic materials and inappropriate past interventions. Do not remove, obscure, or damage historic character-defining features.

Repair

Repair historic features that are damaged based on adequate evidence using identical or similar materials that convey the same form, design, and overall visual appearance as the historic feature in terms of details, finish, and color. Repair is preferred over replacement.

Replace

When repair is not possible, replacement of the original design based on historic documentation or physical evidence is preferred. Do not reconstruct details from speculation that could give a false impression of the history of the building. If evidence is missing, consider a simplified interpretation of historic elements. Also, consider the retention of previously-installed compatible alterations.

STOREFRONT EVALUATION

HISTORIC VS. ALTERED

To help determine if you have a historic storefront, look for the following storefront characteristics that are typically shared among commercial architecture of this period:

Buildings undergo alterations over time. To determine how a historic storefront design has been altered over time, notice the location of the glazing, bay, cornice, and entrances on the existing building to provide clues.

Historic Storefronts

- Bulkheads: Primarily rectangular in design, of frame, natural stone or tile construction, and often with raised patterns.
- Glazing: Merchants in the early 20th century relied on extensive window displays to advertise their goods and the installation of large sheets of plate glass provided maximum exposure.
- Large Central or Corner Entrances: Many commercial buildings historically had large central or corner entrances of single or double doors.
- Transoms: Over the display windows and entrances were transom windows, usually made of clear, textured, leaded, or stained glass, allowing light into the building and additional areas of signage and display.
- Cast Iron Pilasters: To support the weight of the masonry above the storefront, decorative cast iron columns or masonry piers were often added.

Altered Storefronts

- Glazing: If the display windows have small panes rather than very large panes of glass, they have most likely been replaced.
- Bay: If there is irregular spacing among the bays where a storefront pier does not align with the upper facade piers, it is most likely a non-historic storefront.
- Beltcourse: If the beltcourse or watertable is not visible or has been removed, or if the lintel is not defined within the storefront, the height has likely been altered.
- Entrances: If the building entrance is no longer in the historic location or made of contemporary materials, it has been replaced.



The profile on this pier and bulkhead are indicative of historic commercial architecture and should be preserved.



The historic wood panel ceiling in this recessed entry is historic and should be retained.

FAÇADE & STREET WALL

Historically, storefronts were integrated into the overall façade design, with the same treatment used for all tenant spaces within a structure. However, as tenants have modified their individual sections of the storefront, the overall design intent of some buildings has become lost. The storefront and upper façade should create a single architectural image by aligning architectural framework within the design and using similar cladding materials. The following recommendations supplement Article 11.

Materials

Buildings within Conservation Districts are traditionally clad in masonry materials, which include terra cotta, brick, natural stone, and smooth or scored stucco, over a supporting structure. If historic material is discovered when the existing cladding is removed, Department Preservation Staff must be notified immediately. If significant historic features remain, it must be retained and the storefront approvals may be changed to reflect this new condition. Storefronts with no remaining historic architectural components may be re-clad or replaced with new modern materials when no historic fabric remains. If replacement material is necessary, use materials that are compatible in texture and physical makeup.

RECOMMENDED:

- **Cladding Materials:** Utilize traditional building materials: Terra cotta, brick, simulated or natural stone and scored stucco convey permanence and should be used when architecturally appropriate. New brick should match the color and type of historic brickwork. Particular attention should be paid to the point at which different materials join together. These 'edges' should be clean and organized.
- **Profile:** The replacement façade material should be similar in profile to the traditional cladding material.
- **Color:** The number of exterior colors should be limited to different tones of one color. Choice of colors should be determined by the nature of the building's historic character, and colors of building elements should relate to each other. Traditional materials are generally colored light or medium earth tones, including white, cream, buff, yellow, and brown. (See Section 6 related Appendices in Article 11 Districts).
- **Texture:** Smooth and painted with a satin or flat finish.
- **Vandalism Precaution:** Quick, consistent and complete removal of graffiti discourages "tagging." Surfaces treated with antigraffiti clear coatings resist penetration of graffiti and simplifies graffiti removal, while not altering the natural surface appearance. Antigraffiti clear coatings also protect against weathering and environmental-related stains, contributing to a well-maintained appearance.
- **Durability & Maintenance:** Materials used near sidewalks and adjacent to building entrances should be highly durable and easily maintained.

NOT RECOMMENDED:

- **Cladding Materials:** Although painted wood and metal are sometimes used for window sashes, bulkheads and ornament; decorative concrete block, applied false-brick veneer, vinyl or aluminum siding, cedar shakes, textured plywood, EFIS materials and plastic are not appropriate for use on buildings within the Districts.
- **Obstruction of Historic Building Materials:** Do not cover, damage or remove historic building materials.



These three storefronts have been individually designed and altered. They neither relate to each other nor the historic building materials. This application is discouraged.



The building above contains multiple storefronts that have a consistent alignment and composition. This creates a cohesive façade while maintaining storefront distinction.



The street wall to the left lacks horizontal alignment and a cohesive composition, which results in a disconnected overall appearance.



The horizontal features of the three commercial businesses to the left are aligned. Each storefront relates to the others which results in a cohesive street wall.

Design

The configuration of a storefront façade refers to the relationship between, and general proportions of, various storefront infill components, such as door location, setback, bulkhead, display window dimensions, transom windows, historic materials and details. Together the storefront design provides clarity and lends interest to the façade, which maintains the interest of pedestrians.

RECOMMENDED:

- **Alignment:** Alignment of horizontal features on building façades is one of the strongest characteristics of the street and should be preserved. Typical elements to keep in alignment with others in the block include: window moldings, top of display windows and belt cornices. This helps reinforce the visual harmony of the district.
- **Setback:** Most storefronts extend right up to the sidewalk, known as “zero setback,” resulting in a consistent street wall.
- **Composition:** The wall-to-window ratio; storefront height; window spacing, height, and type; roof and cornice forms; materials and texture should present a visually-balanced composition, complementary to adjacent storefronts to provide a sense of cohesiveness in the district without strict uniformity.



These buildings have no ground level setbacks, which creates a defined street wall and edge. The horizontal elements are consistently aligned along each building and the entire street wall relates to create a cohesive block.

- **Simplified Interpretation:** Where a historic storefront is missing, and no evidence of its character exists, a simplified interpretation is appropriate. Take cues from building patterns, scale, and proportions of nearby buildings and storefronts. An alternative storefront design must continue to convey the characteristics of typical historic storefronts in the Conservation Districts.
- **Storefront Distinction:** A single building containing multiple storefronts should distinguish each storefront, while maintaining building unity. Separate buildings should remain visually distinct. See Interim Storefront Solutions, “Storefront Rehabilitation Program” in this document.

NOT RECOMMENDED:

- **Color:** Inappropriate colors include fluorescents, bright primary hues and black as an overall façade color.
- **Blank Walls:** If visible from a public way, blank walls should be softened by incorporating painted signage, artistic murals and, where possible, fenestration is encouraged.
- **Exact Replication:** Infill construction should clearly be contemporary and not be exact historic reproductions that could confuse an observer.



This storefront has undergone a number of inappropriate alterations. The most obvious, black paint, provides too much contrast with the streetwall and is discouraged.

CORNER LOTS

Many buildings on corner lots exhibit special features that emphasize the corner and add accent to both intersecting streets, providing visual interest to pedestrians.

RECOMMENDED:

- **Emphasis of Corner Lot:** Corner entrances, storefront windows, and displays that extend along both street façades are examples of elements that emphasize corner lot locations and are encouraged.
- **Windows:** Where entrances are not located at the corner, storefront windows should turn the corner. There should be one or two storefront windows on each side of the building, this draws the interest of the pedestrian.



These corner lot storefronts have incorporated corner entrances and displays that extending along both side elevations. This is encouraged.



STOREFRONT BAY

The individual storefront bay is defined by the height of the lintel and separated by piers. Appropriate alignment and proportions of the storefront bay are critical in creating a unified appearance within the district.

RECOMMENDED:

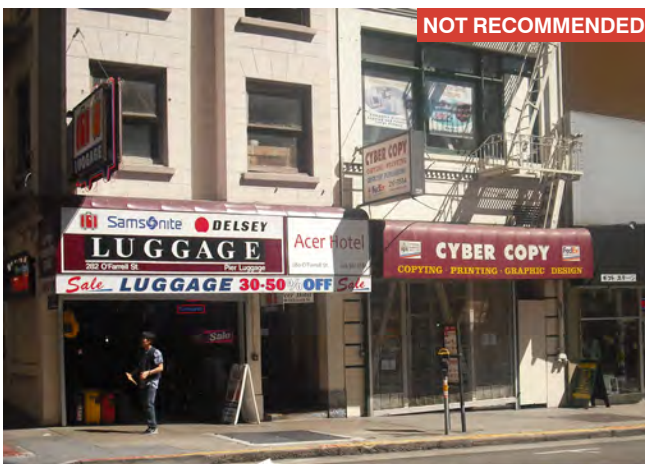
- **Alignment of Storefront:** Within a single storefront, windows should be consistent in height and design with storefront doors to create a cohesive appearance; however, slight variations in alignment can add visual interest.
- **Piers:** Piers at the sides of a storefront should be visible and match the upper façade. If historic piers exist under the modern cladding, the historic piers should be uncovered, repaired and left exposed. If historic piers do not exist under the modern cladding, new piers should replicate the historic materials in terms of details, finish, color and overall visual appearance.
- **Design Modifications:** When making modifications, treat and design the piers and lintel as a single architectural component. The lintel establishes the top of the storefront bay, visually separating it from the upper floors.
- **Storefront Infill:** Typically composed of the bulkhead, glazing, transom, and entry. Keeping these components within the historic bay minimizes visual discontinuity.
- **Proportion:** Maintain proper proportions of the storefront bay. Typically, the glazing extends from the bulkhead to the lintel and between the piers.

NOT RECOMMENDED:

- **Alignment:** Major deviations in the alignment of a storefront and between adjacent buildings disrupt the visual continuity of the street and should be avoided.

- **Obstruction:** Elements such as signs and awnings that obscure the spacing of the bays and/or the elements that define those bays should be avoided.
- **Size:** Any enlargement or reduction in the size of the storefront opening, such as infill with opaque or solid materials, should be avoided.

BELOW: The lintel and pier are clearly visible and serve to separate the storefront from the upper façade and adjacent storefronts, making each storefront visually distinct.



ABOVE: The accumulation of signage blocks the storefront openings and appears haphazard. This application is discouraged.

ENTRANCES

Typically, historic buildings have an entrance to each storefront in addition to one main entrance to upper floors, opening directly onto the sidewalk. A service door may also exist for access to building systems.

Primary Storefront Entry

Traditionally, storefront entrance doors were made with full-height glass framed in wood or metal, with a transom window often set directly above the door. The entries are typically recessed 2'-6" to 6' from the sidewalk, which allows protection from the rain and wind, creates additional display frontage, and the repetition of recessed entries provides a rhythm of defined commercial spaces that helps establish a sense of scale and identifies business entrances. The recessed areas are paved with mosaic tiles, terrazzo, or patterned concrete. Historically, these paved areas within the recess were viewed as an opportunity for the business name, typically in mosaic tile or inlaid metal letters. The ceilings of recessed areas were finished with stucco or wood panels.



ABOVE: This building has a large storefront double door entrance with excellent transparency from the sidewalk. This is typical of historic storefront design and is encouraged.

RECOMMENDED:

- **Preservation:** Retention of the historic door and entry system, whether recessed or flush with the public walk, is encouraged.
- **Maintain Historic Position:** The depth and configuration of storefront entrances should be maintained. Where applicable, do not infill a historic recessed theatre entrance (partially or completely).
- **Replacement Doors:** If an entrance is missing, a new entrance may be reconstructed with historic documentation. If using a new compatible design, it should be based upon the traditional design elements. Aluminum or bronze doors can be made more compatible by being painted a dark color, and by selecting a design in the proportions of the historic door.
- **Preservation and ADA Compliance:** Entries must comply with the accessibility requirements of the Americans with Disabilities Act. Preserve historically significant doors and reuse if possible. Qualified

historic buildings may use the alternative provisions of the California Historical Building Code (CHBC) to preserve significant historic features when upgrading buildings. If preservation is not an option, replace with a new door of the same design that is compatible with the storefront's style and material.

- **Design:** Differentiate the primary entrance from the secondary access to upper floors by maintaining each entry within its own bay. Entries should be clearly marked, provide a sense of welcome and easy passage. They should be located on the front of buildings.

NOT RECOMMENDED:

- **Reconstruction:** Avoid recreating designs based on conjecture rather than clear documentation.
- **New Entrances:** Do not locate new entrances on a primary façade where it would alter or change the position of the piers and function of the historic primary entrance.



These contemporary entry doors have been located within the historic storefront. Original cast iron elements such as columns, bulkheads and the prism glass transoms have been restored. This treatment is recommended.



This historic storefront entrance includes a traditional door made primarily of glass and framed in bronze.

Secondary Entry

The main building door, giving access to upper floors, is similar in appearance, but less impressive than the storefront door.

RECOMMENDED:

- **Loading and Building Service Entrances:** May be glazed or solid doors and should be located on the side or rear of buildings, whenever possible, or shared with other adjacent businesses. When not possible, they should be located away from corners or street intersections and away from main entrances and primary storefront displays.
- **Maintain Position:** Recessed storefront entrances should be maintained. Where an entry is not recessed, maintain it in its historic position, where possible.

NOT RECOMMENDED:

- **Non-Use:** Do not seal secondary doors shut in an irreversible manner. Any work that is done must be reversible so that the door can be used at a later time, if necessary.

Door Materials

RECOMMENDED:

- **Predominant Glazing:** All primary entrance doors should be predominantly glazed with a painted wood or brushed metal frame.
- **Door Frame:** Wider metal frames are generally encouraged over narrow frames.
- **Door Features:** Maintain features that are important to the character of the historic door, including the door, door frame, threshold, glass panes, paneling, hardware, detailing transoms and flanking side lights.
- **Historic Design:** If historic design is not known, use a wood-framed or metal-framed glass door in a traditional design.

NOT RECOMMENDED:

- **Door Frame:** Avoid unfinished aluminum or stainless steel frames.



LEFT: The double doors are emphasized by the recessed entry, which also creates additional window display space to draw in pedestrians.

RIGHT: This door is not predominately glazed and is inconsistent with the buildings architectural character.

BULKHEAD

In the Conservation Districts, storefront display windows were traditionally placed upon a one to two foot high solid base, also called a bulkhead. The bulkhead serves two functions: it raises a window display closer to eye level, to take advantage of the line of vision and to more effectively showcase merchandise to better capture the attention of the pedestrian; and it acts as a kickplate, that, compared to glazing, can better withstand the impact of window shoppers' shoes.

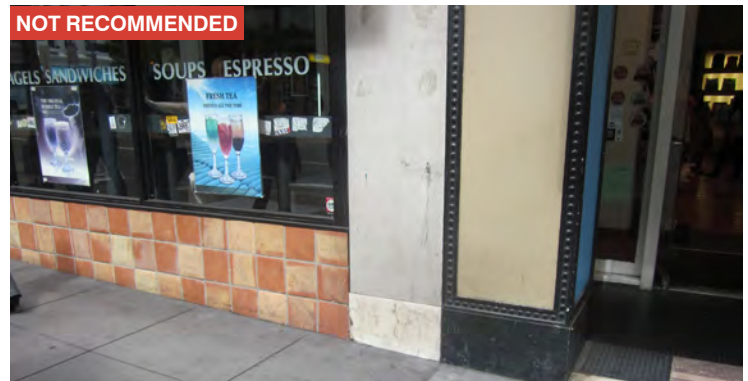
RECOMMENDED:

- **Preservation:** Restore historic bulkhead finishes, where they remain. Contact Planning Department Staff to obtain more information on specific treatments recommendations for various finishes.

- **Materials:** Historic bulkheads are typically made of painted wood, decorative metal, small ceramic tiles, or masonry. Replacements should match or be compatible with such materials. Wood or metal bulkheads should be articulated with paneling or molding.
- **Height:** The storefront bulkhead should be of a consistent height and appearance with the historic one that exists on the building. Depending on topography and where physical or documentary evidence is unavailable, the bulkhead should generally be between 18" and 24".
- **Consistency:** If a portion of the historic bulkhead exists, the new portions of the bulkhead should match.

NOT RECOMMENDED:

- **Materials:** Corrugated aluminum, shingles, artificial siding, plywood, EIFS, and clear or unfinished aluminum are not permitted.



ABOVE RIGHT: The replacement tilework that makes up the bulkhead should match the historic materials which have been preserved on the pier to its right.

ABOVE LEFT: The preservation of historic elements, such as this decorative bulkhead is encouraged.

BELOW LEFT: This simple storefront has retained the original marble bulkhead, entry door surround and transom. This is encouraged.

STOREFRONT DISPLAY WINDOWS

The storefront display windows within the Conservation Districts typically consist of large panes of plate glass set in metal or wood frames with the primary purpose of allowing passersby to see goods or services available inside. The historic metal framing systems have a particularly narrow profile in comparison to modern aluminum storefront framing systems. Vertical framing elements were sometimes omitted at the entry recess corners, with just a butt-joint between the two panes of glass. Most storefront display windows have been altered or replaced.

RECOMMENDED:

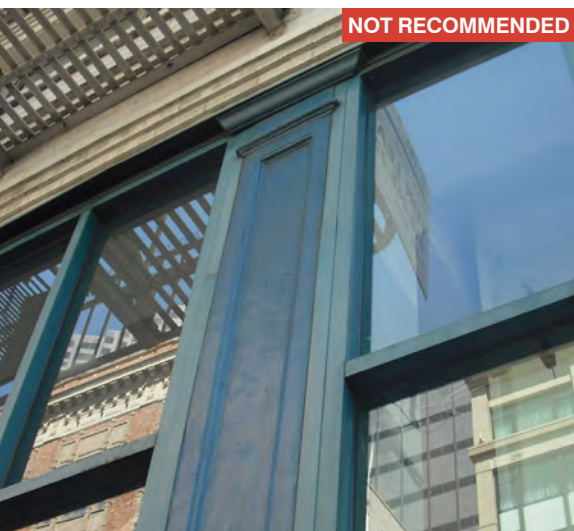
- **Preservation:** The functional and decorative features, such as the historic frame, sash, muntins, mullions, glazing, and sills of a historic window should be preserved.
- **Materials:** The storefront should be transparent by use of clear glass in doors and storefront areas allowing visibility into and out of the store to create an engaging and dynamic retail environment.

- **Mullion Profile:** Mullions separate individual panes of a window and should be as narrow and as limited in number as possible to maximize visibility into interior activity and merchandising. The mullion profile should be a darkly painted wood or a dark colored pre-finished or painted metal.
- **Blocked-out Windows:** Large pane glazing should be reintroduced if the historic glazing is no longer intact.

NOT RECOMMENDED:

- **Materials:** Vinyl, plastic, clear or unfinished aluminum, and other reflective materials are not permitted.
- **Broken or Boarded Windows:** These negatively impact businesses and the district and should be fixed in a timely manner.
- **Plexiglas:** Replacement materials instead of glass should be avoided.

A pre-finished aluminum storefront frame was installed flush with the face of the cast iron pier, which flattens the profile and reduces the dominant role of certain architectural features.



The pictured storefront framing system is much wider than what was used historically and, therefore, should be avoided.



This new storefront has large expanses of glazing that were inspired by historic drawings of the building.



- **Operable Windows:** Sliding, hinged or folding windows are discouraged because of the number of divisions they create within an opening – this minimizes visibility between interior and exterior activities when windows are closed. However, operable windows designed with very limited divisions and large glazing similar to traditional ground floor storefronts will be considered.
- **Recessed Window:** The window glazing should not be deeply recessed in the window frame, as this was not done historically and does not convey a period effect.



This new storefront was recreated based on historic photographs. It features appropriate proportions, materials, and signage. This is recommended.



Opaque or painted glass should not be used within the transom windows. If clear glass cannot be used, translucent patterned glass is a preferred alternative. This restricts light entering the store and is not recommended.

TRANSOMS

Transom windows, located above the main display windows and entries, are a common feature of commercial storefronts. The placement of these windows was made possible by generously proportioned tall ceilings within the commercial interiors. Transom windows were often operable and provided ventilation to the interior. Transom windows were typically glazed with clear or textured panes of glass and set in wood or metal frames. In recent years, transom windows have been altered by painting the glazing; installing mechanical louvers; replacing glazing with plywood panels; installing signboards that cover the windows; or installing interior suspended ceilings. In some cases, the windows have been completely removed and infilled.

RECOMMENDED:

- **Frame Materials:** The transom frame above the entrance doors and display windows should match the material and finish of the storefront.
- **Replacement Glass:** If the historic transom glass is missing and no physical or documentary evidence exists, install new glass, and ensure that it is a consistent size and configuration. Clear glass is encouraged; however translucent or patterned glass is also compatible. Consider the use of operable transom windows while installing new or reconstructed transoms.

NOT RECOMMENDED:

- **Blocked-out Windows:** Avoid blocked-out transom windows. If the transom must be blocked, retain the glass, but consider using a translucent finish to retain the historic design intent and storefront proportions.

BUILDING SYSTEMS

RECOMMENDED:

- **Location:** A building's mechanical, electrical and plumbing systems should be located in an interior room or a rooftop mechanical penthouse. When exterior installation is required, systems should be located on a non-visible facade away from public view.
- **Concealment:** If exterior equipment cannot be located on a non-visible facade, efforts should be taken to minimize their visual impact by covering with a decorative metal grille. A grille in combination with an awning may be used where appropriate.

NOT RECOMMENDED:

- **Location:** When located on a visible exterior facade, the building's mechanical, electrical and plumbing systems should not obscure or remove historic architectural features or enlarge the openings or framework.
- **Concealment:** Use of an awning to cover a building's mechanical, electrical and plumbing systems provides only partial concealment and systems will remain visible to pedestrians.

The decorative architectural grills below have been installed to conceal mechanical intake and exhaust louvers. The grills have been incorporated into the storefront design. This treatment is recommended.



The open security grates below are installed on the interior so that when open, all mechanisms are concealed, which is encouraged. They also allow merchandise to be viewed even when the store is closed.



SECURITY

Many security measures create the impression that the retail area is unsafe, particularly when gates are rolled down and locked. This does not contribute to a pedestrian-friendly environment and it ultimately hurts business. A series of rolled-down, solid metal security doors present a long, featureless façade at the sidewalk, which is unsightly and generally out of character with the architecture of buildings within the Districts. Transparent security doors provide the same level of security as solid grates, and allow lighted window displays to be seen at night, accommodating both design and security considerations.

RECOMMENDED:

- **Security Door Design:** Security doors should be installed on the inside of the storefront, with the housing mechanisms and guide rails concealed. They can be hidden behind an architectural element, tucked into a framed pocket opening, mounted on the interior, or mounted high enough above the glazing system so as to remain unseen from the sidewalk.

- **Grilles:** The use of open or mesh grilles is encouraged because they have less impact on historic features. Grilles should be made of decorative metal in a configuration that is suitable for the scale and design of the entrance. They can also be simple metal grilles that are fully concealed when open.

NOT RECOMMENDED:

- **Security Door Design:** Scissor-type security gates, solid roll-down grates and permanent metal bars installed either on the inside or outside of windows are discouraged.
- **Exterior Security Doors:** Security door housing should not be mounted to storefront exteriors; this contributes to the clutter on the exterior and can damage and obscure architectural features.



LEFT: When an external security grate is installed, its operational mechanism should be hidden from view. When fully retracted, the security grate should be concealed within the facade or behind the cladding.

RIGHT: The external roll-down security grate has its housing mechanism clearly in view from the street, which is discouraged.

SEISMIC UPGRADES

Seismic strength within buildings is achieved through the reinforcement of structural elements. Steel braced frames are added to resist lateral loads arising from winds or earthquakes.

RECOMMENDED:

- **Location:** A braced frame should be placed within the exterior wall (between the exterior masonry and the interior finish). Diagonal structural braces should be located within the interior space, setback from ground floor display windows.
- **Structural Design:** Different configurations can be utilized to minimize their effect on the existing architecture. Utilizing moment frames can minimize the effect on the existing architecture if properly designed to conform to the historic opening sizes.

NOT RECOMMENDED:

- **Location:** For historic buildings, exterior applications of bracing are not appropriate. Braces penetrating the exterior of the storefront or placed within the storefront display area should be avoided.
- **Structural Design:** Reinforced seismic walls should not enclose storefront openings.

Reference Material:

The Preservation Committee of the American Institute of Architects San Francisco Chapter prepared the *Architectural Design Guide for Exterior Treatments of Unreinforced Masonry Buildings during Seismic Retrofit*, November 1991, for the San Francisco Planning Department, the Landmarks Preservation Advisory Board and the City Planning Commission to assist in the application and review of seismic upgrade methods.

The seismic bracing is clearly visible and detracts from the historic facade. This application is discouraged.



INTERIM STOREFRONT SOLUTIONS

Some of the design standards may take more time and money to implement than others. In the interim, building owners of vacant storefronts and tenants during renovation can take some simple measures that can serve as place holders until permanent rehabilitation occurs at the storefront.

RECOMMENDED:

- **Cleaning and Painting:** These simple solutions offer dramatic improvements to a façade. This provides a well-maintained appearance and ensures a long life for many traditional façade materials.
- **Protect against vandalism and graffiti:** Apply a removable clear acrylic shielding to the glazing and treat façade materials with an anti-graffiti coating.

- **San Francisco Article 11 Conservation Districts Signs & Awnings Standards:** Comply with the recommendations detailed in these standards.
- **Storefront Rehabilitation Program:** For buildings with multiple tenant storefronts that have been subjected to inconsistent alterations over the years, consider a long-term plan that will serve as a guide for current and future tenants to better create visual continuity among all of the building's storefronts. Please contact the Department Preservation Staff for consultation.
- **San Francisco's "Art in Storefronts" Program:** This innovative program temporarily places original art installations by San Francisco artists in vacant storefront windows to reinvigorate neighborhoods and commercial corridors while engaging local artists. Art in Storefronts is a pilot program in collaboration with the Mayor's Office of Economic and Workforce Development and Triple Base Gallery.

RECOMMENDED



The "Everything is OK" installation by artists, Christopher Simmons and Tim Belonax, fills a vacant storefront on Market Street.



For more information:

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San Francisco Arts Commission
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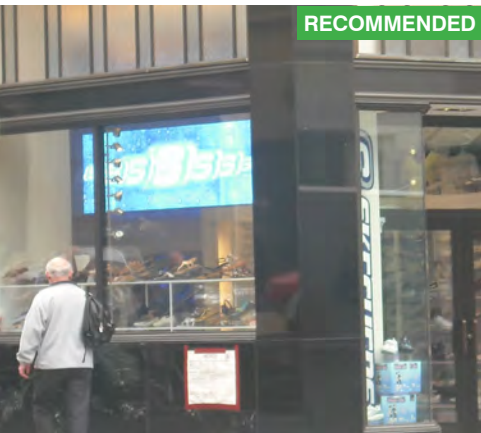


GENERAL MERCHANDISING REQUIREMENTS

Acknowledging that store branding and identification often extends beyond the application of signage and awnings to the exterior of a tenant building, the purpose of these requirements is to give the Planning Department, owners and tenants a tool to ensure that tenant spaces remain transparent to the exterior, contribute to the activity of the public realm, and do not evolve into de facto sign boards for tenants.

Planning Department approval is granted provided that the following storefront transparency requirements are applied to the ground-floor and sometimes the 2nd floor windows where applicable:

- All windows must be of clear glass.
- Any translucent, opaque films, or adhesive signage applied to or installed directly behind storefront glass should not exceed one-third of the glass area.
- Any shelving, counter, or partitions over 3' in height must be setback a minimum of 10' from the inside face of the storefront glass or must be 75% open and transparent.
- All signage applied to or installed directly behind storefront glass should not exceed one-third of the glass area.
- Solid roll-down security doors should not be installed on either the exterior of the building or behind any storefront openings.
- Blinds, shades, or curtains are not allowed at the ground-floor level open and transparent.



ABOVE: The large glass with jewelry display windows highlights merchandise, while allowing visibility into the store, which is encouraged.

CENTER: The large pane of glass combined with movable mannequins below allow clear visibility into the store, which is encouraged.

BELOW: The translucent shelving that supports this window shoe display increases visibility from the street, which is encouraged.

Typical movable window display items such as mannequins, small display podiums, and merchandise that permit clear visibility into the interior of the tenant space are permitted and encouraged.

The Planning Department is authorized to grant on a case-by-case basis flexibility from the requirements cited above in order to respond to site-specific constraints or for the exceptional projects that demonstrate to create a positive pedestrian experience.

Retail establishments that meet the definition of a department store as defined in this document are exempt from the visual merchandising requirements of this document except at the following storefront locations within the building:

- All customer entrances and the storefront windows at the ground and 2nd floor immediately adjacent to those entrances.
- All storefront corner windows at the ground and 2nd floor located at an intersection and on both street elevations.



The partition is set back behind the storefront display and takes up no more than one third of the glass area.

Visual Merchandising for Large Department Stores

The Planning Department acknowledges the unique factors and the historic tradition associated with visual merchandising of large department stores due to their size, location, and variety of merchandise. In addition, the transformation of department store windows, such as during holidays, holds as much historic significance as the buildings in which they occupy.

For the purposes of this document a department store is defined as a single retail establishment located within a building that provides XXXXXX square feet devoted to the sale of a wide range of durable goods and at the same time offering the choice of multiple merchandise lines, at variable price points, in all product categories.

REFERENCES

1. Applications for Permits to Alter, City and County of San Francisco Municipal Planning Code, Article 11, Section 1111. <http://www.municode.com/Resources/gateway.asp?pid=14139&sid=5>
2. Dangers of Abrasive Cleaning to Historic Buildings, The National Park Service Preservation Brief 6 <http://www.nps.gov/history/hps/tps/briefs/brief06.htm>
3. How to Document a Building's History, San Francisco Planning Department Preservation Bulletin 16, Appendix B
4. Kearny-Market-Mason-Sutter Conservation District, City and County of San Francisco Municipal Code Planning Code, Article 11, Appendix E <http://www.municode.com/Resources/gateway.asp?pid=14139&sid=5>
5. Kearny-Market-Mason-Sutter Signs & Awnings Standards
6. The National Park Service Secretary of the Interior's Standards for Rehabilitation: <http://www.nps.gov/history/hps/TPS/tax/rhb/stand.htm>
7. Preservation of Buildings and Districts of Architectural, Historical, and Aesthetic Importance in the C-3 Districts, City and County of San Francisco Municipal Code Planning Code, Article 11 <http://www.municode.com/Resources/gateway.asp?pid=14139&sid=5>
8. Rehabilitating Historic Storefronts, The National Park Service Preservation Brief 11 <http://www.nps.gov/history/hps/tps/briefs/brief11.htm>



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