FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE (this "Amendment") is made as of the
Effective Date defined below, in San Francisco, California, by and between LAWRENCE B.
STONE PROPERTIES #08, LLC, a Washington limited liability company ("Landlord"), and
the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City" or
"Tenant") acting by and through the Real Estate Division of the Office of the City Administrator
on behalf of the Department of Homelessness and Supportive Housing ("HSH"), pursuant to San
Francisco Board of Supervisors' Resolution No, adopted by the board on, 2025,
and with reference to the following facts and understandings:

RECITALS

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

- A. City and Landlord are parties to that certain Lease dated for reference purposes as of November 1, 2023 (the "Lease") for the City's lease of the that certain real property and the improvements thereon located at 2177 Jerrold Avenue, San Francisco, California (APN Block/Lot 5285A / 005), as authorized by San Francisco Board of Supervisor's Resolution No. 602-23, adopted on December 12, 2023.
- B. HSH and Landlord have agreed to Landlord's completion of two (2) projects on the Property, consisting of the building of dorms within Building 2 and undertaking certain electrical utility work, as such work may be requested of Landlord by City under Lease Section 4.12 (Additional Services). The two projects to be undertaken by Landlord are further described in the May 2025 Work Letter attached to this Amendment as **Exhibit A** and incorporated herein by this reference.
- C. City and Landlord now desire to enter into this Amendment to memorialize the terms and conditions of Landlord undertaking the work of the two projects.
- D. Capitalized terms used but not defined in this Amendment shall have the meanings set forth in the Lease.

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

1. <u>Amendments to Lease</u>.

a. <u>Appendment of Exhibit G.</u> The "May 2025 Work Letter" attached to this Amendment as <u>Exhibit A</u> (the "Work Letter"), together with the schematic designs attached to the Work Letter as an exhibit and Schedule 1 (the "Schedule"), are hereby appended to the Lease as <u>Exhibit G</u>. The Work Letter defines the terms and conditions for the Landlord's completion of, and City's reimbursement for, both projects while the Schedule provides diagrams and budgets in a total not to exceed amount of (\$3,055,982), consisting of (\$1,809,236) for the dorm buildout that is to take place at Building 2 and (\$1,246,746) for a Utilities Upgrade. <u>Exhibit G</u> is hereby incorporated into the Lease by this reference.

b. <u>Amendment and Restatement of Lease Section 23.3</u>. Lease Section 23.3 (Prevailing Wages and Working Conditions) is amended and restated in its entirety and shall hereinafter read as follows:

"23.3. Prevailing Wages and Working Conditions

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

- (1) the Contractor will cooperate fully with the Labor Standards Enforcement Officer and other City employees and agents authorized to assist in the administration and enforcement of the Prevailing Wage requirements and other labor standards imposed on the Contractor by the Charter or the San Francisco Municipal Code;
- (2) the Contractor agrees that the Labor Standards Enforcement Officer, and the Officer's designees, in the performance of their duties, shall have the right to engage in random inspections of job sites and to have access to the employees of the Contractor, employee time sheets, inspection logs, Contractor daily logs, payroll records, employee paychecks, employee paystubs, and proof of payment documents;
- (3) the Contractor shall maintain a record in the format prescribed by the Office of Labor Standards Enforcement of sign-in and sign-out showing which employees have been present on the job site;

- (4) the Contractor shall prominently post at each job site a sign informing employees that the project is subject to the Prevailing Wage requirements and that these requirements are enforced by the Labor Standards Enforcement Officer; and
- (5) the Labor Standards Enforcement Officer may audit such records of the Contractor or Subcontractor as the Labor Standards Enforcement Officer reasonably deems necessary to determine compliance with the Prevailing Wage and other labor standards imposed by the San Francisco Charter or the San Francisco Municipal Code.

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

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

c. <u>Amendment and Restatement of Lease Section 23.4</u>. Lease Section 23.4 is hereby amended and restated in its entirety shall hereinafter read as follows:

"23.4 Non-Discrimination in City Contracts and Benefits Ordinance

(a) Covenant Not to Discriminate

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

(b) Subcontracts

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

(c) Non-Discrimination in Benefits

Landlord does not as of the date of this Lease, and will not during the Term, in any of its operations in San Francisco, on real property owned by City, or where the work is being performed for City or elsewhere within the United States, discriminate in the provision of

bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits, or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of the employees, where the domestic partnership has been registered with a governmental entity under state or local law authorizing that registration, subject to the conditions set forth in San Francisco Labor and Employment Code Section 131.2(b).

(d) CMD Form

As a condition to this Lease, Landlord will execute the City's required form with supporting documentation and secure the approval of the form by the San Francisco Contract Monitoring Division (the "CMD"). Landlord represents that before execution of the Lease: (i) Landlord executed and submitted to the CMD the City's required form with supporting documentation, and (ii) the CMD approved the form.

(e) Incorporation of Labor and Employment Code Provisions by Reference

The provisions of San Francisco Labor and Employment Code Articles 131 and 132 relating to non-discrimination by parties contracting for the lease of property to City are incorporated into this Section by reference and made a part of this Lease as though fully set forth. Landlord will comply fully with and be bound by all of the provisions that apply to this Lease under Labor and Employment Code Articles 131 and 132, including the remedies provided in those Chapters. Without limiting the foregoing, Landlord understands that under San Francisco Labor and Employment Code Section 131.2(h) a penalty of Fifty Dollars (\$50) for each person for each calendar day during which that 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."

- **2.** Obligations Joint and Several. All obligations of the parties comprising Landlord under the Lease shall be joint and several. For all purposes of this Amendment, Landlord shall be deemed one entity and Landlord shall have no defense or claim resulting from or relating to the fact that Landlord is comprised of more than one party.
- 3. <u>No Joint Venture</u>. This Amendment or any activity by the City hereunder does not create a partnership or joint venture between the City and Landlord relating to the Lease or otherwise. This Amendment does not constitute authorization or approval by the City of any activity conducted by Landlord, and the City shall in no way be responsible for the acts or omissions of Landlord on the Premises or otherwise.
- 4. Governing Law. This Amendment will be governed by, construed and enforced in accordance with the laws of the State of California, but without regard to its choice of law provisions, and the City's Charter. Any legal suit, action, or proceeding arising out of or relating to the Amendment shall be instituted in the Superior Court for the City and County of San Francisco, and each party agrees to the exclusive jurisdiction of such court in any such suit, action, or proceeding (excluding bankruptcy matters). The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action, or proceeding in such court and irrevocably waive and agree not to plead or claim that any suit, action, or proceeding brought in San Francisco Superior Court relating to this Amendment or the Lease has been brought in an inconvenient forum.
- **5.** References. No reference to this Amendment is necessary in any instrument or document at any time referring to the Lease. Any future reference to the Lease shall be deemed a reference to such document as amended hereby.

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

 Landlord acknowledges that under Section 6.10-2 of the San Francisco Business and Tax Regulations
 Code, the City Treasurer and Tax Collector may require the withholding of payments to any vendor that is delinquent in the payment of any amounts that the vendor is required to pay the City under the San Francisco Business and Tax Regulations Code. If, under that authority, any payment City is required to make to Landlord under the Lease is withheld, then City will not be in breach or default under the Lease, and the Treasurer and Tax Collector will authorize release of any payments withheld under this paragraph to Landlord, without interest, late fees, penalties, or other charges, upon Landlord coming back into compliance with its San Francisco Business and Tax Regulations Code obligations.
- **8. <u>Further Instruments.</u>** The parties hereto agree to execute such further instruments and to take such further actions as may be reasonably required to carry out the intent of this Amendment.
- 9. <u>Effective Date</u>. The "Effective Date" means the later of the following dates: (a) the date the City's Board of Supervisors and the Mayor, in their sole and absolute discretion, have adopted the Resolution approving this Amendment in accordance with all applicable legal requirements and (b) the date of this Amendment is duly executed and delivered by the parties.
- 10. <u>Miscellaneous</u>. Except as expressly modified herein, the terms, covenants and conditions of the Lease shall remain unmodified and in full force and effect. The Lease as amended by this Amendment constitutes the entire agreement of the parties concerning the subject matter hereof, and supersedes and conceals any and all previous negotiations, agreements, or understandings, if any, regarding the matters contained herein. The execution of this Amendment shall not constitute a waiver of relinquishment of any rights which the City may have relating to the Lease. Landlord and City hereby ratify and confirm all of the provisions of the Lease as amended by this Amendment.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

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

LANDLORD:	LAWRENCE B. STONE PROPERTIES #08, a Washington limited liability company
	By: Lawrence B Stone Its: Managing Member 5/12/2029
TENANT:	CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation
	By:Andrico Q. Penick Director of Property
RECOMMENDED:	
Shireen McSpadden Executive Director, Department of Homelessness and Supportive Housing	

EXHIBIT A

(Exhibit G to Lease)

MAY 2025 WORK LETTER

2177 Jerrold Ave.

This work letter ("May 2025 Work Letter) is part of that certain Lease entered into by and between City and County of San Francisco, a municipal corporation ("City"), on behalf of the Department of Homelessness, as tenant, and Lawrence B. Stone Properties #08, LLC, a Washington limited liability company, as landlord ("Landlord"), dated as of November 1, 2023 (the "Initial Lease"), covering the Property, as defined in the Initial Lease, as amended by that certain First Amendment to Lease, entered into by and between City and Landlord, and dated as of the Effective Date (the "Lease Amendment", together with the Initial Lease, the "Lease"). All terms that are capitalized but not defined in this May 2025 Work Letter have the same meanings given to them in the Lease.

This May 2025 Work Letter governs Landlord's build out of dormitory space within Building 2 at the Property and electrical upgrades on the Property, to better serve the City's clients using the Property.

Pursuant to Lease Sections 4.15 and 6.1(except as otherwise specifically set forth below), Landlord, through its general contractor reasonably approved by City (the "Contractor"), will construct, furnish, and install in Building 2 the improvements shown on the Construction Documents finally approved by City under Paragraph 1 below (the "Leasehold Improvements" and the construction, furnishing and installation of the Leasehold Improvements, the "Leasehold Improvement Work"), in accordance with the provisions of this letter.

1. Plans and Specifications

- a. <u>Schematic Design Documents</u>. City and Landlord have approved the schematic design plans for the Leasehold Improvement Work dated April 25, 2025, prepared by Costa Brown Architecture, and attached to this May 2025 Work Letter as **Exhibit A** (the "**Schematic Design Documents**") in accordance with the program requirements of City; provided, however, that approval will not limit Landlord's obligations under this May 2025 Work Letter or the Lease.
- b. <u>Construction Documents</u>. Based on the approved Schematic Design Documents and any further adjustments approved by City, on or before thirty (30) days after the City executes the Lease Amendment authorizing Landlord to undertake the Leasehold Improvement Work as additional services, Landlord will cause its Architect and Engineer to prepare and submit to City for its approval final plans, specifications, and working drawings for the Leasehold Improvements, setting forth in detail all aspects of the design, function, and construction of the Leasehold Improvements, in form sufficient for bidding of all elements of construction, and in conformity with all of the requirements of this May 2025 Work Letter (collectively, the "Construction Documents"). The Construction Documents are subject to approval by City in accordance with Paragraph 1.d below
- c. <u>Design in Accordance with City's Requirements</u>. City has prepared and submitted to Landlord documents that outline City's space requirements for Building 2. Landlord's Architect will design Building 2 and prepare all plans and specifications in conformity with the documents. Landlord's Architect will consult and hold periodic meetings with City and its architectural consultants and space planners in the preparation of the Construction Documents.

- d. <u>City's Approval of Plans</u>. The Construction Documents (and any Landlord Change Orders, as described below) are subject to approval by City, which approval will not be unreasonably withheld or delayed, in accordance with the following procedure. After Landlord submits the Construction Documents, or proposed Change Order to City, City will have ten (10) business days to notify Landlord of its disapproval of any element of any of them and of the revisions that City reasonably requires in order to obtain approval. As soon as reasonably possible, but not later than ten (10) business days after receipt of City's disapproval notice, Landlord will submit to City documents incorporating the required revisions. The revisions will be subject to City's approval, which will not be unreasonably withheld or delayed. If City fails to notify Landlord of any objection to the revisions within ten (ten) business days after receipt, then Landlord will resend the revisions to City for City's review and approval.
- e. <u>Payment for Plans</u>. Landlord will pay the costs of preparing the Schematic Design Documents and the Construction Documents and those costs will be reimbursed by City, subject to City's prior written approval of the costs as provided in Paragraph 4.b. below. Landlord will provide City evidence of the costs by invoices and other substantiation as City may reasonably require.

f. Changes to Approved Construction Documents.

- <u>City Change Orders</u>. If following its approval of the Construction Documents, City requests any change, addition, or alteration thereto relating to the design or specifications of the Leasehold Improvement Work ("City Change Order"), Landlord will cause the Architect or Engineer, as applicable, to prepare plans and specifications for the change, addition, or alteration. Within five (5) business days of City's request, Landlord will notify City of the cost that would be incurred resulting from the proposed City Change Order and any delay in the anticipated date of Substantial Completion that would result from the City Change Order. If City approves the cost of the City Change Order within five (5) business days of receipt from Landlord, then Landlord's Contractor will proceed with the City Change Order as soon as reasonably practicable. If City does not approve the cost within the five (5)-business day period, then construction of the Leasehold Improvements will proceed in accordance with the original completed and approved Construction Documents. City will be responsible for the cost actually incurred by Landlord in the preparation of the plans and specifications for any City Change Order, as evidenced by invoices or other substantiation reasonably required by City. Any unused City Change Order contingency shall be returned or credited to the City upon Final Completion of the Leasehold Improvements.
- Construction Documents, Landlord requests or is required by a third party or government agency to make any change, addition, or alteration thereto relating to the design or specifications of the Leasehold Improvement Work ("Landlord Change Order"), Landlord will provide City with proposed plans and specifications for the change, addition, or alteration, together with notice of any delay in the anticipated date of Substantial Completion that would result from the Landlord Change Order. Any Landlord Change Order will be subject to City's prior written approval, in accordance with Paragraph 1.d above. No approval by City of any Landlord Change Order will relieve or modify Landlord's obligations to complete the construction of the Leasehold Improvements in accordance with the approved Construction Schedule, or limit any of City's rights or remedies under this May 2025 Work Letter or under the Lease. Landlord will be solely responsible for the cost of the Landlord Change Order, including the costs of preparing the plans and specifications, and none of the costs for or related to any Landlord Change Order will be paid pursuant to Paragraph 4 (Reimbursement Payments for Work) below.

designate and maintain at all times during the design and construction period a project representative ("Representative"), and an alternate for the Representative ("Alternate"), each of whom will be authorized to confer and attend meetings and represent such party on any matter relating to this May 2025 Work Letter. Landlord and City may not make any inquiries of or requests to, and will not give any instructions or authorizations to, any other employee or agent of the other party unless otherwise authorized by the other party, including the other party's architect, engineers, consultants, and contractors or any of their agents or employees, regarding matters associated with this May 2025 Work Letter. The initial Representatives and Alternates are:

Landlord: Representative — Nick Czapla (509) 209-3531

Alternate — Cody Myers (509) 319-0069

City: Representative — Joanne Park 628.652.7703

Alternative – Federico Pelayo (628) 233-3824

Each party may at any time and from time to time change its Representative or Alternate by written notice to the other party. Each party's Representative or Alternate must be available during ordinary business hours so that questions and problems may be quickly resolved and so that the Leasehold Improvements may be completed economically and in accordance with the Construction Schedule. All approvals made by City's Representative or Alternate must be made in writing.

2. Permits

a. Responsibility for Obtaining Permits. Landlord is responsible for obtaining all governmental permits and approvals required to commence and complete the Leasehold Improvement Work, and promptly on receipt of any permit or approval, Landlord will deliver copies to City. To the extent of its proprietary capacity as a Tenant, and not in its regulatory capacity as any Agency or Department, City will assist with the permit and approval process and provide any documentation and authorizations reasonably requested by Landlord. Landlord will use commercially reasonable efforts to obtain all needed approvals and permits on or before 2 months (60 days) following execution of the Lease Amendment authorizing this May 2025 Work Letter. Landlord is responsible for calling for all inspections required by City's Department of Building Inspection.

3. <u>Construction</u>

- a. <u>Construction of Leasehold Improvements</u>. After City's approval of the Construction Documents, Landlord will cause the Leasehold Improvements to be constructed and installed in a good and professional manner in accordance with sound building practice and in conformity with the Construction Documents, as revised by any approved Change Orders, and the terms of this May 2025 Work Letter. City will not have any obligation for any work except as provided in this May 2025 Work Letter.
- b. <u>Construction Schedule</u>. Landlord will commence construction of the Leasehold Improvements within ten (10) calendar days after approval of all required permits for construction in accordance with the approved Construction Documents, and will diligently pursue construction to completion, all in accordance with the construction schedule to be delivered by Landlord to City ten (10) calendar days after approval of all required permits for construction (the "Construction Schedule").

- c. <u>Status Reports; Inspections</u>. Landlord will keep City apprised of the status of permit approval and the progress of construction. Landlord or its Contractor will furnish City with monthly reports on construction. From time to time during the design and construction of the Leasehold Improvements, after reasonable advance oral or written notice to Landlord, City may enter the areas of construction at reasonable times to inspect the areas of construction, and City will use commercially reasonable efforts not to interfere with the construction. Landlord or its Representative may accompany City during any inspection.
- **d.** <u>General Conditions</u>. Landlord shall be responsible for the performance of all Leasehold Improvement Work by Landlord in accordance with the following terms and conditions:
- i. All of the Leasehold Improvement Work must be performed in compliance with all Laws bearing on construction of the Leasehold Improvements;
- ii. Without limiting the foregoing, the construction of the Leasehold Improvements must comply with all requirements of the Americans With Disabilities Act of 1990 and Title 24 of the California Code of Regulations and all other applicable Laws intended to provide equal accessibility for persons with disabilities (collectively, "Disabled Access Laws").
- **iii.** Landlord and its Contractor are responsible for all required insurance to the extent specified in the Lease; and
- **iv.** Landlord will require at least three (3) competitive bids from subcontractors in each trade for all Leasehold Improvement Work, unless City has pre-approved particular subcontractors and Landlord obtains a bid from such subcontractor commensurate with the current market.
- e. <u>Cooperation</u>. Landlord will cooperate at all times with City in completing the Leasehold Improvements in a timely fashion. Landlord will resolve any and all disputes arising out of the Leasehold Improvements Work in a manner that will allow work to proceed expeditiously.
- subcontractors encounter any asbestos containing materials ("ACM") in connection with the Leasehold Improvement Work, Landlord will be responsible for all legally required work or other work necessary relating to the proper containment, abatement, removal, and disposal of the ACM and all costs related to the ACM. Such costs of asbestos remediation work will be performed at Landlord's sole cost and expense. Any delay due to the presence of unknown ACM in Building 2 will be considered a Landlord Delay (defined below).
- Landlord, on behalf of itself and its agents, employees, officers, and contractors, will comply with all requirements of the San Francisco Building Code Chapter 34 and all other applicable Laws, including 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, its agents, employees, officers, and contractors will 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 or potentially 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 under San Francisco Building Code Chapter 34 does not constitute notification to City as Tenant under the Lease and similarly that notice under the Lease does not constitute

notice under San Francisco Building Code Chapter 34. Further, Landlord and its agents, employees, officers, and contractors, when disturbing or removing exterior or interior lead-based or presumed lead-based paint, will not use or cause to be used any of the following methods: (i) acetylene or propane burning and torching; (ii) scraping, sanding or grinding without containment barriers or a High Efficiency Particulate Air filter ("HEPA") local vacuum exhaust tool; (iii) hydroblasting or high-pressure wash without containment barriers; (iv) abrasive blasting or sandblasting without containment barriers or a HEPA vacuum exhaust tool; and (v) heat guns operating above 1,100 degrees Fahrenheit. Landlord will comply with the requirements of California Code of Regulations Title 17 when taking measures that are designed to reduce or eliminate lead hazards. 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 on 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. This Section will apply only to the extent lead-based paint is actually encountered. Landlord shall be solely responsible for all costs associated with compliance with the requirements of this paragraph; such expenses shall not be paid pursuant to Paragraph 4 (Reimbursement Payments for Work) below.

4. Reimbursement Payments for Work

- a. <u>Leasehold Improvement Work</u>. Landlord will pay for the cost of constructing and installing the Leasehold Improvements. If the actual costs of the Leasehold Improvement Work incurred by Landlord exceeds the budget totals set forth in <u>Schedule 1</u>, Landlord will be solely responsible for the additional expense. City shall reimburse Landlord, upon receipt of an invoice from Landlord ("Reimbursement Invoice") beginning 1 month (30 days) following the start of construction, and every month (30 days) thereafter through complete payment of the Schedule 1 budget totals. City shall pay the Reimbursement Invoices within thirty (30) days of receipt of required documentation in accordance with Subparagraph c. below. City will not be responsible 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, and any charges for parking or use of hoists or freight elevators, or for remediation of lead-based paint, asbestos, mold or any other contaminants or toxic materials.
- b. <u>City's Approval of Costs</u>. The costs of the Leasehold Improvement Work must be set forth in a detailed construction budget prepared by Landlord and approved by City. The approved construction budget must show all costs to be paid by City in line items in cost categories. The initial City-approved construction budget is attached to this May 2025 Work Letter as <u>Schedule 1</u>. If the Leasehold Improvements cannot be completed in strict conformity with the most recently approved construction budget, Landlord must immediately submit to City for its approval a revised construction budget and identify to City changes in line items and the reasons for the changes. If further changes are required, then Landlord will seek City's approval, following the same procedures. City may approve or disapprove any construction budget or revisions in its reasonable judgment. City will not unreasonably delay its approval or disapproval. The most recently approved construction budget will supersede all previously approved budgets.
- c. Required Documentation of Costs. Landlord will provide City with copies of (i) all invoices received by Landlord from the Contractor in connection with the construction of the Leasehold Improvements, (ii) satisfactory evidence of payment of the invoices, including unconditional lien waivers, or if the invoices have not been paid, conditional lien waivers; all lien waivers must meet the requirements of California Civil Code Section 8124 and be in the form prescribed by California Civil Code Sections 8132, 8134, 8136, and 8138, as applicable, and be executed by each subcontractor and material supplier, and (iii) any additional supporting

documentation substantiating the Contractor's right to payment as City may reasonably require, such as copies of requisitions from subcontractors and material suppliers.

5. <u>Substantial Completion</u>

- a. <u>Construction Schedule</u>. Landlord will use commercially reasonable efforts to complete the Leasehold Improvement Work on or before the date that is Six Months (180 calendar days) after the date of complete execution of the Lease Amendment, except as extended by Tenant Delays and Unavoidable Delays (as defined in Paragraph 6 below). When construction progress permits, but not less than fifteen (15) days before substantial completion, Landlord will notify City of the date that the Leasehold Improvement Work is anticipated to be Substantially Completed (as defined below) in accordance with the approved Construction Documents and the provisions of the Lease and this May 2025 Work Letter. Landlord will notify City when the Leasehold Improvement Work is in fact Substantially Completed and Building 2 is ready for occupancy by City. Promptly after City receives Landlord's notice of substantial completion, City or its representatives will accompany Landlord or its architect on an inspection of Building 2 on a mutually agreeable date.
- Substantial Completion. The Leasehold Improvements will be deemed to be "Substantially Completed" when (i) all necessary inspections required for occupancy of Building 2 have been completed and signed off as approved by the appropriate governmental authority(ies), (ii) a temporary or permanent certificate of occupancy for City's occupancy of the Premises has been issued by the appropriate governmental authority, and (iii) the Architect reasonably determines and certifies in writing to City that the Leasehold Improvements have been Substantially Completed in accordance with the Construction Documents to the extent necessary to enable City to occupy Building 2 and to conduct its normal business operations in Building 2 without unreasonable impairment or interference, but subject to "punchlist" items, the completion of which will not unreasonably interfere with City's normal business operations at the Building. At its option, City may approve the Leasehold Improvements even though there remain defective or incomplete minor details that would not interfere with City's use. In addition, City may present to Landlord at its inspection of Building 2 or within fifteen (15) days after acceptance of Building 2, a written "punchlist" consisting of any incomplete details or items that have not been finished in accordance with the Construction Documents and the terms of the Lease and this May 2025 Work Letter. Landlord will promptly complete all defective or incomplete items identified in the punchlist, within, but not more than fifteen (15) business days after the delivery of the punchlist. City's failure to include any item on the punchlist will not alter Landlord's responsibility under the Lease or this May 2025 Work Letter to complete all Leasehold Improvement Work in accordance with the Construction Documents and comply with the terms of the Lease and this May 2025 Work Letter, or constitute a waiver of any latent defects.

6. <u>Delays in Construction</u>

a. <u>Unavoidable Delays</u>. "Unavoidable Delays" means any delays by reason of acts of nature, strikes, lockouts, other labor disputes, inability to obtain labor or materials after using diligent and timely efforts, enemy action, civil commotion, epidemics, pandemics, and related governmental orders and requirements (and private sector responses to comply with those orders and requirements); protests; riots; demonstrations; or by any other reason without fault and beyond the reasonable control of the party obligated to perform. If an Unavoidable Delay occurs, the party affected by the Unavoidable Delay will give prompt written notice to the other of the event causing the Unavoidable Delay and the length of the projected delay in performance, and will continue to keep the other party regularly informed of the status of the Unavoidable Delay. Under no circumstances may the number of days of Unavoidable Delays asserted with respect to the Leasehold Improvement Work exceed a total of one hundred twenty (120) days.

- b. <u>Tenant Delays</u>. Subject to any Unavoidable Delay, City will be responsible for any delay in the construction of the Leasehold Improvements resulting proximately from any of the following (collectively, "**Tenant Delays**"): (i) City's failure to review the plans and specifications within the time provided in this May 2025 Work Letter, (ii) City Change Orders to the Construction Documents, and (iii) City's failure to review any costs to be included under the reimbursement provisions of Paragraph 4 (above) within the time provided in this May 2025 Work Letter. Tenant Delays in the completion of construction of the Leasehold Improvement Work will extend the date for Substantial Completion for each day of the Tenant Delay.
- C. Landlord Delays; Liquidated Damages. Notwithstanding anything to the contrary in the Lease, if Landlord's delivery of possession of the Property to City is delayed because of Landlord's failure to complete construction of the Leasehold Improvements on or before the date that is six months (180 calendar days) after complete execution of the lease amendment (as extended by Unavoidable Delays affecting Landlord or its Contractor in accordance with subsection a above and Tenant Delays), then Landlord will pay to City one thousand dollars (\$1,000) for each day of delay, as liquidated damages and as City's sole and exclusive remedy except for City's termination rights. The parties have agreed that City's actual damages in the event of delay would be extremely difficult or impracticable to determine. Therefore, by placing their initials below, the parties acknowledge that they have agreed on the sum specified above, after negotiation, as their reasonable estimate of City's damages caused by the delay. Notwithstanding anything to the contrary in this May 2025 Work Letter or the Lease, the aggregate liquidated damages paid by Landlord will not exceed three percent (3%) of the approved costs of the Leasehold Improvements. Initial

Initials: Landlord City _____

7. General Provisions.

a. <u>Notices</u>. Except as may be otherwise specifically provided in this May 2025 Work Letter, any notice given under this May 2025 Work Letter must be in writing and given by delivering the notice in person, by commercial courier or by sending it by first class mail, certified mail with a return receipt requested, or Express Mail, return receipt requested, with postage prepaid, and addressed to the parties as follows:

City: Real Estate Division

25 Van Ness Avenue, Suite 400 San Francisco, CA 94102 Attn: Director of Property

Landlord: Lawrence B. Stone Properties #08, LLC

PO Box 3949

Spokane, WA 99220 Attn: Nick Czapla

or any other address as a party may designate to the others as its new address for notices by notice given to the others in accordance with the provisions of this paragraph. A properly addressed notice transmitted by one of the foregoing methods will be deemed received upon confirmed delivery or attempted delivery. Neither party may give official or binding notice by email, provided that email notice may be used concurrently with another method of giving official notice. In the event urgent response is required, either party may give email notice so long as official notice is promptly given thereafter.

- b. <u>Landlord's Duty to Notify City</u>. Landlord will promptly notify City in writing of (i) any written communication that Landlord may receive from any governmental, judicial, or legal authority giving notice of any claim or assertion that the Property, Building 2, or Leasehold Improvements fail in any respect to comply with applicable Laws; (ii) any known material adverse change in the physical condition of the Property, including any damage suffered as a result of earthquakes; and (iii) any known default by the Contractor or any subcontractor or material supplier, or any known material adverse change in the financial condition or business operations of any of them.
- <u>Prevailing Wages and Apprentices</u>. Any person performing labor in the construction of the Leasehold Improvements that Landlord is obligated to provide under this May 2025 Work Letter will be paid not less than the highest Prevailing Rate of Wages (as defined in San Francisco Labor and Employment Code 101.1), and Landlord will include in any contract for construction of the Leasehold Improvements a requirement that all persons performing labor under the contract will be paid not less than the highest Prevailing Rate of Wages for the labor performed. In connection with the construction of the Leasehold Improvements under this May 2025 Work Letter, Landlord will comply with all the provisions of subsection (b) of San Francisco Charter Section A7.204 and Section 6.22(E) of the San Francisco Administrative Code. In addition, if the Leasehold Improvements constitute a Covered Project (as defined in San Francisco Labor and Employment Code Section 101.1), Landlord will require its Contractors and Subcontractors performing work on any Covered Project at Building 2 to pay Prevailing Wages in accordance with the requirements of San Francisco Labor and Employment Code Article 103 and employ Apprentices in accordance with San Francisco Labor and Employment Code Article 104, and comply with all the provisions of Section 23.3 of the Lease, and San Francisco Labor and Employment Code Section Article 103 regarding the Leasehold Improvements.
- d. Tropical Hardwood and Virgin Redwood Ban. Except as expressly permitted by the application of San Francisco Environment Code Sections 802(b) and 803(b), neither Landlord nor any of its contractors may 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. City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood product, virgin redwood, or virgin redwood wood products. If Landlord fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environment Code, Landlord will be liable for liquidated damages for each violation in any amount equal to Landlord's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is lower. Landlord acknowledges and agrees that the liquidated damages assessed will be payable to City on demand.
- e. <u>Days; Incorporation of Exhibits</u>. Unless otherwise provided in this May 2025 Work Letter, all periods specified by a number of days will refer to business days. Saturdays, Sundays, and recognized City holidays will not constitute business days. Schedule 1 attached to this May 2025 Work Letter, is made a part of this May 2025 Work Letter by this reference.
- f. Approvals. City is entering into this May 2025 Work Letter in its proprietary capacity and not as a regulatory agency with certain police powers. Notwithstanding anything to the contrary in this May 2025 Work Letter or the Lease, no approval by City of the plans for the Leasehold Improvements (including the Construction Documents and Change Orders), completion of the Leasehold Improvement Work or any other approvals by City under this May 2025 Work Letter or the Lease will be deemed to constitute approval of any governmental or regulatory authority with jurisdiction over the Property. All approvals or other

determinations of City as Tenant under this May 2025 Work Letter or the Lease may be made by City's Director of Property unless otherwise specified.

8. <u>Time of the Essence</u>. Time is of the essence with respect to all provisions of this May 2025 Work Letter where definite time for performance is specified, including the date for Substantial Completion.

[Signatures appear on following page]

The parties have executed this Work Letter as of the date of the Lease Amendment.

LANDLORD:	Lawrence B. Stone Properties #08, LLC, a Washington limited liability company Signed by: By: 851343400C2BC497 Name: Lawrence B Stone Its: Managing Member 5/12/2025
CITY:	CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation
RECOMMENDED:	By: ANDRICO Q. PENICK Director of Property
Shireen McSpadden Executive Director, Department of Homelessness and Supportive Housing	
APPROVED AS TO FORM: DAVID CHIU, City Attorney	
By: Vincent Brown Deputy City Attorney	

EXHIBIT A to Work Letter

(Schematic Design Documents)

(SCHEDULE 1)

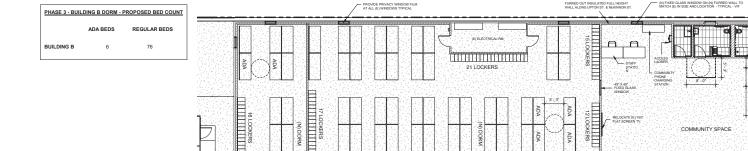
DIAGRAM AND DETAILED BUDGET

FOR:

DORM BUILD: \$1,809,236 (5 PAGES);

PG&E UTILITIES UPGRADE: \$1,246,746 (2 PAGES)

[to be attached]

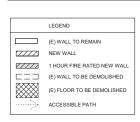


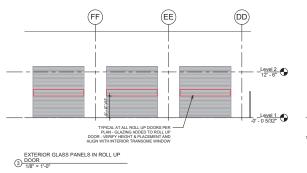
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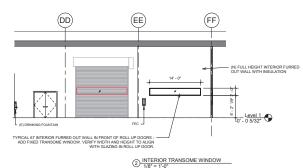








10 LOCKERS



Proposed - Building B - Dorm Expansion - Phase 3

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A01.1



2177 Jerrold - Building B Dorm Style Housing Standalone Budget

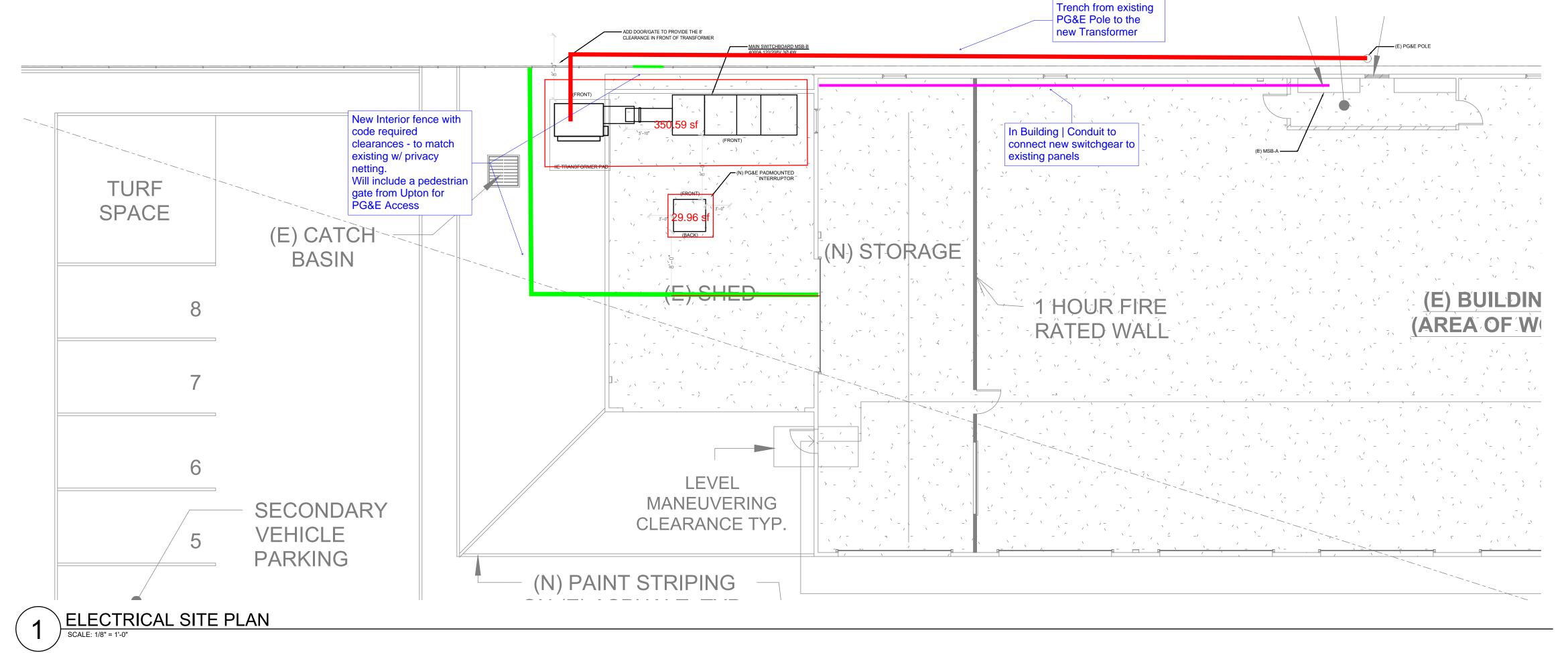
Bed count = 82

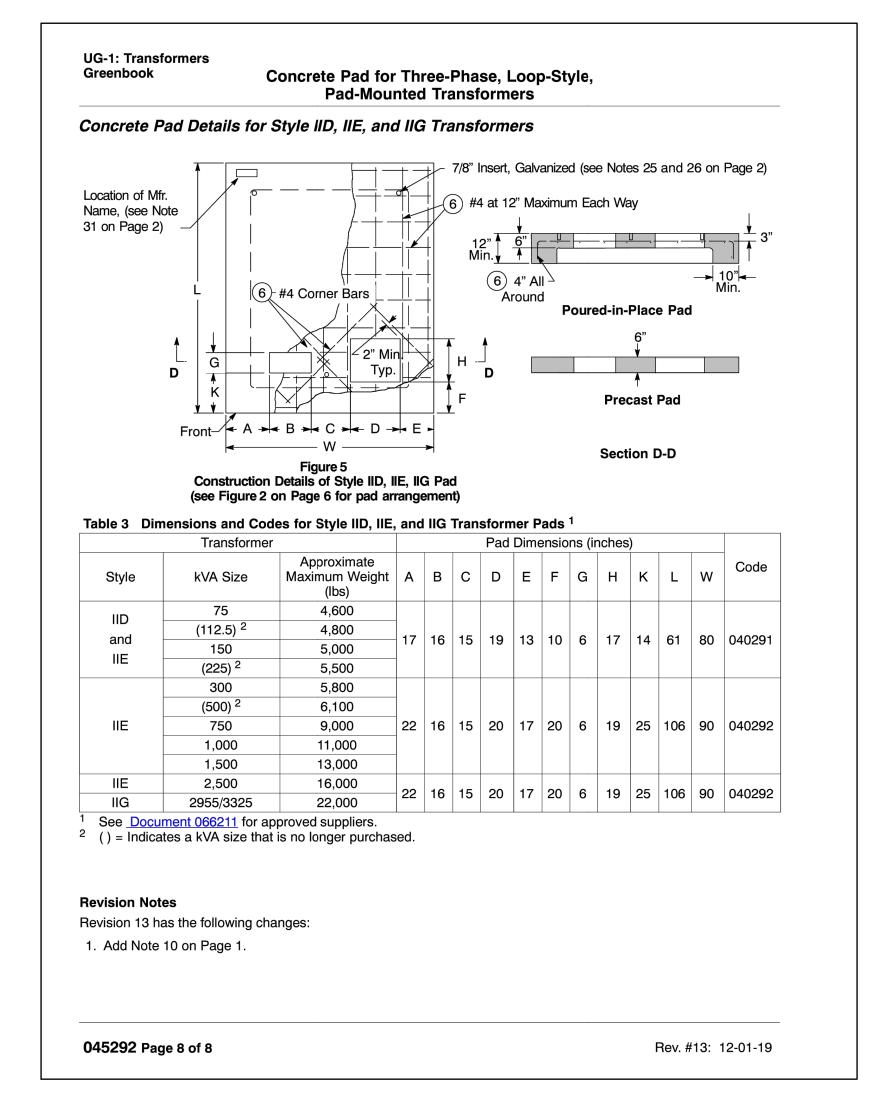
Line Item	Scope Description	Budget
	\$3,750 week x (8) weeks	
General Conditions	(2) weeks allocated to early release	\$30,000
	\$2,600 week x (8) weeks	
Progress Labor	(2) weeks allocated to early release	\$20,800
Temporary Facilities	Rental of temp facilities for duration of project	\$2,400
	\$1,100 per haul off (2) per month	
Debris Boxes	(1) haul off allocated to early release	\$4,400
Hazmat Abatement & Testing	NIC - Owner Responsible Item	NIC
Lift Scaffold	Allowance for (2) months @ \$3,500 month	\$7,000
Interior Demolition	Demo of miscellaneous interior finishes Note: interior garage doors are not in contract to be removed. To remain in place.	\$5,000
Concrete - Grind Seal Polish	Grind and seal existing concrete floor in Building B, including the existing storage space . Note the scope includes grind, seal and polish - (100) grit. Note the open area at the restroom and showers is carried under a separate	\$47,359
Mteal Handrails @ Existing Cabins	Allowance for the installation of metal handrails (to match existing ADA deck rails). 27 Locations x 4' in length 108 LF x \$250	\$27,000
Rough Carpentry - Blocking & Backing - Dorm	Lump sum allowance for blocking and backing	\$10,000
Rough Carpentry - Shipping Container	Allowance to provide pressure treated lumber base at the shipping container to level.	\$3,500
Roof - Structural Carpentry	Allowance for new roof penetrations roof top mounted HVAC unit Roof Hatch	\$13,000

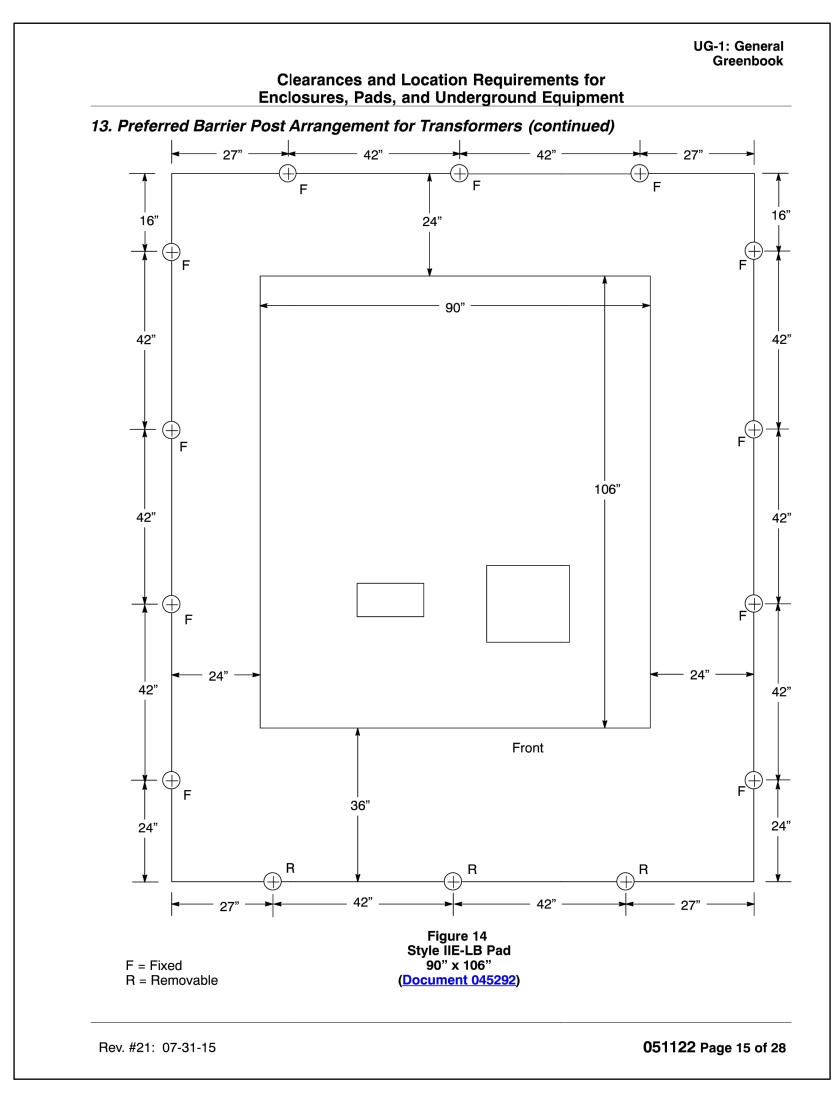
Roof - New	Supply and install new GAF 60mil TPO Roof System Overlay Includes 20yr NDL Manufacturer's Warranty Prep existing roof to remove any loose gravel. Required to remove all base flashing prior to overlay. Install 1-LAYER of ½" EnergyGuard Barrier Polyiso Insulation, mechanically fastened. Install new (WHITE) GAF 60mil TPO Roofing Membrane, mechanically fastened, to meet manufacturer's standard installation requirements. Half sheets around the perimeter per GAF requirements, mechanically fastened. Install detail membrane @ all roof penetrations. Install standard pipe boots @ all pipe penetrations. Install t-joint patches and inside outside corners as needed. Weld all seams and accessories as needed. Install walls up and over parapet walls where needed. Install termination bars as needed. Install (1) new inside ladder, 18' to new roof hatch. Install (1) new 30" x 36" roof hatch with safety rails. Clean and remove all debris upon completion. Includes 20yr Manufacturer's Labor and Material Warranty.	\$107,310
Roof - Walk Pads	Allowance for 100 LF of walk pads for access to new HVAC Roof top units	\$3,300
Roof - Patch Existing	Alternate in lieu of new roof line item \$21,000 Allowance for roof patching due to new penetrations and existing penetrations that are removed.	Alternate
Roof Hatch & Ladder	Allowance for a hatch and interior ladder to provide access to the roof.	\$15,000
Access Ladder - Above Restroom Core	Allowance to supply and install new access with guard for access above the showers and restrooms. Includes installation of blocking and backing.	\$4,500
Skylights	Not in Contract	NIC
Dorm Windows - Interior	Assumes (2) 4' x 4' windows along the wall diving the dorm and the shower and restroom lobby for visibility security. Assumes (2) total at \$1600 each.	\$3,200
Windows at Interior Partitions (Garage Door Wall)	Allowance for (6) interior transom windows at the garage doors - assumes 14' x 3' to allow for natural light. 42 sqft each \mid 252 total sqft x \$100 \mid sqft	\$25,200
Garage Door - Add Windows	Allowance to add full view window with clear glass panels at the (7) existing garage doors. Assumes 14'2" x 24" panels.	\$17,255
Exterior - Steel Entry Doors	Not in Contract - Existing to remain	NIC
DFH - Interior Doors	 (1) new interior door - assumes double entry door connecting the dorm space to the community space. Assumes no door into the smaller dorm area, cased opening only. (2) doors at the Electrical Room - existing to remain 	\$7,500

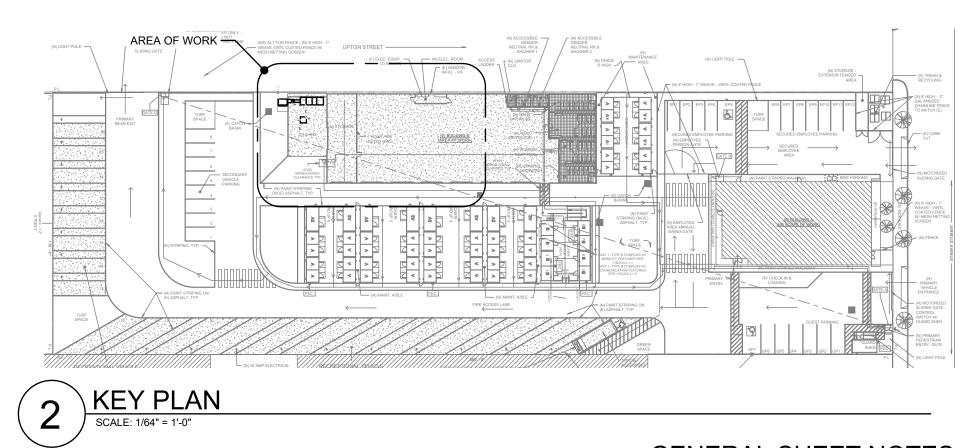
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·	155 LF of 10' high perimetter walls (with insulation) and building exterior = 1,550	
	sqft x \$20 sqft	
	155 LF of 10' stick pinned insulation from wall to deck at the building exterior =	
Drywall	1,550 sqft x \$10 sqft	\$120,500
	60 LF x 20' high demising wall = 1,200 sqft x \$20 sqft	
	125 LF x 20' at the garage doors = 2,500 sqft x \$20 sqft	
	125 LF X 20 at the garage 40015 – 2,500 Sqrt X \$20 Sqrt	
	Allowance for approximately 40 LF of partial height wall for privacy between the	
Destinitudink Mall Destruction O. Chauses	restrooms showers and the community space.	¢4.5.000
Partial Height Wall - Restrooms & Showers	Assumes 8' high.	\$16,000
	320 sqft x \$50 sqft	
Acoustic Clouds - Dorms	Not in Contract - pending design direction	NIC
Rubber Base	Allowance for 500 LF of rubber base at the new and existing drywall partitions.	\$3,000
Access Panels	Allowance for (4) access panels - standard.	\$1,000
Exterior Garage Door Infill	Not in Contract - assumes new garage doors to remain in place.	NIC
Interior Paint - Walls	Prep, prime and paint new interior walls only	\$21,890
Interior Paint - Doors	Paint (1) new set of double doors	\$800
Exterior Paint - Infills	Not in Contract - garage doors to remain.	NIC
Corner Guards	Corner guard at all public facing corners - assumes (25) locations per the current	\$12,500
Corner Guards	plan.	\$12,500
	Allowance for the instalation of 4' x 8' smooth finish FRP panels on all dorm and	
FRP Panels	community space walls - 550 LF throughout = 4,400 sqft x \$8 sqft	\$35,200
Furniture Accessories	Allowance for dorm furniture, lockers, and staff furniture	\$250,000
Lifehouse for the Blind Review	Allowance for HSH-required Lighthouse for the Blind review of braille on shop drawings	\$5,000
Dorms - Interior Signage	Allowance for Dorm Signage	\$10,000
Evacuation Signage - Dorm	Allowance for new evacuation signage for Building B egress changes	\$12,000
MEP Safe Off	Allowance for safe off of existing MEP	\$2,500
Plumbing	Not in Contract - Existing to remain	NIC
GN Restrooms MF RR & Janitors Closet	Not in Contract - Existing to Remain	NIC
Fire Extinguisher Cabinets	Allowance for (6) fire extinguisher cabinets in the dorm areas	\$3,000
Fire Sprinkler Engineering	Allowance for engineering and permits	\$7,500
Trenching - Fire Sprinklers	Carried in Separate Budget	÷77,500
Fire Sprinkler - Distribution	Allowance of \$8 sqft x 11,000 for all new fire sprinkler distribution	\$88,000
The Sprinker - Distribution	Allowance for adding base building heating and cooling in the dorm area only.	700,000
Mechanical - HVAC Dorm	6,000 sqft x \$30 sqft	\$180,000
Wechanical - HVAC Domi	Scope includes (1) Root Top Unit	\$180,000
	Allowance for adding base building heating and cooling in the community space	
Mechanical - Community Space	only. 4,000 sqft x \$30 sqft	\$120,000
Weenamear Community Space	Scope includes (1) Root Top Unit	7120,000
Electrical - T24 Engineering	Allowance for design build T24 engineering & permits	\$7,500
	Allowance for power and lighting in the new dorm area.	, , , , , , , , ,
Electrical - Power & Lighting	Re-use of existing hi-bay lighting will be utilized if possible.	\$60,000
	6,000 sqft x \$10 sqft	¥30,000
	Modifications to the existing hi-bay lighting to allow for dimming and switch	1.
Lighting Control	control (not motion control). Switching to be in a lock box	\$7,500
	Allowance to install shop lights in the shipping container to be placed in the	
Lighting - Shipping Conatainer	employee parking lot.	\$7,500
	. , , ,	

	Allowance for FLS in the Dorm Area	
Fire Life Safety	Add alt if required in the community space and restrooms - additional 3,900 sqft = $$19,500$	\$18,500
Tel Data	Allowance for modification to the existing data coverage if required.	\$5,000
Security	Allowance to remove modify the existing security devices in the new dorm area.	\$10,000
	Building B Dorm Subtotal	\$1,358,614
Architectural - Design & Permits	Services include preparation of permit drawings, obtain the permit for Bldg B Dorms	\$50,000
Architectural - Construction Admin	Allowance for construction admin services	\$20,000
Structural - Design & Permits	Allowance for structural design and permitting	\$20,000
Structural - Construction Admin	Allowance for construction admin services	\$5,000
		\$1,453,614
Special Inspections	Not Carried in CCI Contract with LB Stone	\$5,000
Construction Contingency	10% of overall Budget	\$145,361
Pro Rata Insurance	\$17 \$1000	\$27,268
SF Payroll Tax	\$6 \$1,000	\$9,787
Overhead & Profit	5% of overall budget	\$82,052
LB Stone Management Fee, Net 30 Basis	Not Carried in CCI Contract with LB Stone	\$86,154
	Dorm Standalone Budget	\$1,809,236









GENERAL SHEET NOTES

1. ALL EXTERIOR EQUIPMENT SHOWN TO BE OF

WEATHERPROOF TYPE CONSTRUCTION

2177 JERROLD

ISSUE Date

Description

ELSON ELECTRIC INC.

3440 VINCENT RD, STE C, PLEASANT HILL

CA 94124

RANCISCO,

AVENUE,

JERROLD

10.14.2024 PERMIT SET



ELECTRICAL PLAN

E-1.0



Total PG&E w/ Projected Owner Fees \$1,246,746

2177 Jerrold PG&E Service Upgrade

Line Item	Description	Budget
Pre-Construction	Lump sum fee for PG&E pre-construction phase prior to site mobilization	\$15,000
General Conditions	\$3,750 per week - half time GCs (8) week duration - reference Project schedule	\$30,000
Progress Labor	\$2,600 per week - Full time PL (8) week duration - reference Project schedule	\$20,800
Temporary Facilities	Rental of temp facilities for duration of project	\$2,400
Hazmat Abatement & Testing	NIC - Owner Responsible Item	NIC
Structural Demolition	Demolition of the existing shed for the new transformer switchgear location	\$20,000
PG&E Trench - Upton	Allowance for 150 LF of trenching from existing PG&E Pole to the new transformer switchgear location in the yard.	\$75,000
Exterior Concrete - Transformer Pads	Allowance for: 350 sqft of new concrete pad at the transformer switchgear 30 sqft at the interrupter pad	\$57,000
Fencing - Interior Yard & Upton Access	Allowance for 75 LF of fencing (to match existing at yard) at the PG&E Transformer Switch gear location. Includes a pedestrian gate for PG&E access from Upton Street and code required clearances. Fence will provide restricted access from the cabins and will include privacy screening netting	\$52,500
Electrical - New Service	Crane Rental Single Line Engineering Design Build Drawings Title 24 Supply & install: New 4,000AMP 120/208V Nema 3R New 4,000AMP bus duct New 1600AMP Feed to re-feed existing service	\$543,428
Electrical - Permit Fees	Allowance for Electrical permit fees	\$12,500
Electrical - Owner Fees	Not in CCI Contract - LB Stone Responsible item & carried in overall expansion budget. \$200,000 allowance pending PG&E fee structure	-
Street Use Excavation Permit	Allowance for street use general excavation permit for the work being performed on Upton Street	\$15,000
	Total	\$843,628
Construction Contingency	10% of overall Budget	\$84,363
Pro Rata Insurance	\$17 \$1000	\$15,776
SF Payroll Tax	\$6 \$1,000	\$5,663
Overhead & Profit	5% of overall budget	\$47,471
LB Stone Management Fee	5% of Project Total	\$49,845
	PG&E Standalaone Total	\$1,046,74
PG&E Owner Fees	LB Stone - Allowance pending PG&E fee structure	\$200,000