

**MUTUAL TERMINATION AGREEMENT FOR
LEASE NO. L-7491 and LEASE NO. 9171**

This Mutual Termination Agreement (“**Agreement**”), dated for reference purposes as of April 6, 2022, is made and entered into by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation (“**City**”), operating by and through the **SAN FRANCISCO PORT COMMISSION** (the “**Port**”) and Alioto Fish Co., Ltd., a California corporation (“**Tenant**”), hereinafter, the “**Parties**”.

RECITALS

A. Lease No. L-7491, as amended, between the parties for restaurant space located in Fisherman’s Wharf (“**Restaurant Lease**”) commenced on May 1, 1970, and expires on April 30, 2036. Tenant, as successor to Tarantino Fish Company, and Port are also parties to Lease No. L-9171, as amended, for associated storage/warehousing space located in Fisherman’s Wharf (“**Warehouse Lease**”) which commenced on April 1, 1975, and expires on April 30, 2036. Under this Agreement, the Restaurant Lease and the Warehouse Lease are collectively the “**Leases**.” Unless otherwise specified, as used in this Agreement, “**Premises**” refers to the premises under both Leases.

B. Tenant has requested early termination of the Leases and Port is willing to terminate upon the terms and conditions provided in this Agreement.

C. While not making any concessions on any underlying issues or potential disputes or making any admissions of any kind, the Parties now wish to cooperatively terminate the Leases and resolve known claims. Each of the parties have determined that entering this Agreement is in their respective best interests.

NOW THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the Parties hereby agree as follows:

AGREEMENT

- 1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth herein.
- 2. Definitions.** All capitalized terms used herein but not otherwise defined shall have the meaning given to them in the Leases.
- 3. Effective Date; Termination Date.**

(a) This Agreement is subject to the approval of the Port Commission and the Board of Supervisors, each in its sole discretion. Notwithstanding anything to the contrary contained in this Agreement, Tenant acknowledges and agrees any obligations or liabilities of City under this Agreement are contingent upon a duly adopted resolution of the Port Commission and the Board of Supervisors approving this Agreement, each in its sole discretion, and this Agreement shall be null and void if such approval bodies do not approve this Agreement.

(b) The Parties agree that Port has no obligation to present this Agreement to the Port Commission for approval until and unless Tenant has executed this Agreement; provided an initial executed estoppel certificate for each Lease as further described in Section 5(g); and Tenant has deposited the Termination Fee with Port (which Port shall hold and not deposit until the Effective Date). Upon satisfaction of such requirements, Port staff agrees to use good faith efforts to calendar this Agreement for the next regularly scheduled Port Commission meeting for Port Commission approval and, upon such approval, to calendar this Agreement for Board of Supervisors approval as soon as practicable.

(c) The Effective Date of this Agreement is the date of Port's signature as indicated below.

(d) If this Agreement expires pursuant to Section 3(f), or if this Agreement does not become effective for any reason other than Tenant's default, the Termination Fee shall be returned to Tenant in full without any claim or right of offset by Port within three business days of such expiration or notice by Tenant.

(e) The final termination date of the Leases ("**Termination Date**") is the date Port confirms receipt of payment of the Termination Fee in writing. Promptly following the Termination Date, Port and Tenant shall execute a countersigned memorandum confirming the Termination Date, but either Party's failure to do so shall not affect the expiration of the Leases.

(f) Unless extended by mutual written agreement of the Parties, if a Resolution of the Board of Supervisors approving this Agreement is not adopted on or before July 31, 2022 (the "**Outside Date**"), this Agreement will automatically expire and the Parties will have no further obligations under this Agreement.

4. Surrender Condition.

4.1. No later than the Termination Date, Tenant shall remove the personal property set forth in *Schedule I* attached to this Agreement and surrender the Premises free and clear of all debris, and shall repair any damage to the Premises for which Tenant is liable under the Leases. At mutually agreeable times prior to the Termination Date and as close as possible to the Termination Date, the parties will conduct a joint inspection of the Premises to review the surrender condition of each leased Premises to identify any and all conditions of the Premises which do not meet the requirements of this section.

4.2. Any items, including Tenant's personal property, not removed by Tenant on or before the Termination Date shall be deemed abandoned. Port may retain, store, remove, and sell or otherwise dispose of abandoned personal property, and Tenant's waiver of all claims in Section 7 below includes claims against Port for any damages resulting from Port's retention, removal and disposition of such property. Tenant agrees that Port may elect to sell Tenant's abandoned personal property and retain any revenues therefrom without notice to Tenant and without compliance with the procedures set forth in California Civil Code Section 1993 et seq., the benefits of which Tenant waives.

4.3. As of April 4, 2022 and as of the Termination Date, to the actual knowledge of each of the undersigned, there are no material conditions at the restaurant facility that require repair other than those described in the memorandum by Port Maintenance and Engineering Division staff regarding the July/August 2021 restaurant facility inspections and rough order of magnitude cost estimates attached hereto as *Exhibit B* ("**Restaurant Facility Conditions Report**").

5. Tenant Obligations. Tenant shall comply with the following terms as material consideration for this Agreement and as a condition precedent for any Port obligation under this Agreement:

(a) **Payments.** Tenant shall (i) forfeit all moneys held by Port as a Security Deposit or otherwise under the Leases (which the Parties agree is \$18,384.52 (Eighteen Thousand Three Hundred Eighty-four Dollars and Fifty-two Cents) for the Restaurant Lease and Seven Thousand Five Hundred Ninety Dollars and One Cent (\$7,590.01); and (ii) pay to Port Two Hundred Thousand Dollars (\$200,000.00) as a termination fee for the Restaurant Lease and Fifty Thousand Dollars (\$50,000) as a termination fee for the Warehouse Lease (collectively, the "**Termination Fee**").

(b) Third Party Payments. Tenant shall be responsible for all services provided to the Premises by all contractors, third party vendors and utility providers for which Tenant is legally obligated under the Leases until the Termination Date.

(c) Government Funds and Loans. Tenant has returned the full amount of the \$5,000,000 loan from the Small Business Administration Restaurant Revitalization Fund. Tenant has not received from any federal, regional, state or local government-funded financial aid, grant or loan program for COVID relief, including without limitation the Paycheck Protection Program, Economic Injury Disaster Loan program, the San Francisco Hardship Emergency Loan Program (SFHELP), Port's Micro-LBE Hardship Emergency Loan Program, or Port's Crab Fisher Assistance Loan Program that were specifically designated only for payment of rent by the grantor. All such funds received by the undersigned were used as required by the grantor or returned.

(d) Insurance. Until the Termination Date, Tenant shall obtain and maintain insurance coverage in the same amounts and types as on March 8, 2022. All liability insurance policies shall contain a cross-liability clause, shall name as additional insureds by written endorsement the "City and County of San Francisco and the San Francisco Port Commission and their Officers, Directors, Employees and Agents," shall be primary and non-contributory to any other insurance available to the additional insureds with respect to claims arising under the Leases, and shall provide that such insurance applies separately to each insured against whom complaint is made or suit is brought except with respect to the limits of the company's liability. Tenant shall deliver to Port certificates of insurance, additional insured policy endorsements and waiver of subrogation endorsements in forms satisfactory to Port using EXIGIS, Port's internet-based insurance compliance tracking system. Tenant shall, upon Port's request, promptly furnish Port with a complete copy of any insurance policy required hereunder.

(e) Permits. Tenant will reasonably cooperate as needed to ensure all regulatory permits and ongoing third-party contractual obligations relating to the Leases are disclosed and assigned to Port as appropriate. Tenant is not aware of any such regulatory permits affecting the Premises.

(f) Tenant Representations and Warranties. As of the date of Tenant's execution of this Agreement and as of the Termination Date, to each of the undersigned's actual knowledge:

(i) Tenant has or will pay for all services provided by contractors, third party vendors and utility providers for services provided to each Premises, which are legally due, until the Termination Date;

(ii) Tenant holds only regulatory permits and third-party contracts related to operation of the restaurant and there are no regulatory permits issued by the state or federal government that must be maintained absent restaurant operations;

(iii) Except as to outstanding rent since April 2020 which is subject to dispute between the Parties, the undersigned is not in default or in breach of the Leases, nor has the undersigned committed an act or failed to act in such a manner which, with the passage of time or notice or both, would result in a default or breach of the Leases;

(iv) Tenant did not handle hazardous materials (except as lawfully stored and maintained in amounts of such substances as are reasonable and customary for Tenant's business) and there no existing presence, release or threatened release of hazardous materials or environmental contamination on, under or about either Premises as of the Termination Date; and

(v) There are no liabilities, claims for damages or suits pending or threatened against Tenant for or by reason of any injury or injuries to any person or persons or property in any way connected with either Premises or the Leases.

Tenant acknowledges and agrees that its representations and warranties in this Agreement are material and with the intent that Port will fully rely on them in entering this Agreement. From the Effective Date of this Agreement and continuing until the date that is twelve (12) months from the Termination Date, Tenant agrees to notify Port immediately of the occurrence of any event or the discovery of any fact that would make any representation contained in this Agreement inaccurate as of the date made as of any future date.

(g) **Estoppel Certificates.** The Parties agree that Port has no obligation to execute this Agreement until Tenant executes and delivers to Port an estoppel certificate in the form attached hereto as **Exhibit A** for each Lease. No sooner than three (3) days prior to the actual Termination Date, Tenant must provide an updated estoppel certificate in the form attached hereto as **Exhibit A** for each Lease. The obligation to accurately complete the Estoppel Certificate is a condition precedent for Port's performance of all terms under this Agreement. Any misrepresentation or omission by Tenant in the Estoppel Certificate constitutes an unexcused failure to comply with a material condition precedent, regardless of whether the misrepresentation or omission was intentional.

6. Intellectual Property. Tenant shall not be obligated to transfer any intellectual property to Port, including without limitation the names "Alioto's", "Alioto's Restaurant", "Alioto's No.8", "Alioto's No.8 Restaurant" and any variation thereof using the name "Alioto", "Alioto's" or "Aliotos" (the "**Alioto Names**"). Port acknowledges that the Port does not currently nor at any time has owned any of the Alioto Names or any rights to use of the Alioto Names.

7. Tenant Release. Provided that the City and the Port comply with the terms and conditions of this Agreement, except with respect to its claims in connection with possessory interest taxes and personal property taxes which claims have not otherwise been waived or expired, to the maximum extent allowed by law, Tenant, in its own capacity and on behalf of its partners, members, officers, employees, owners, successors, and assigns, if any, hereby agrees to fully and forever release and discharge the City and County of San Francisco, together with its elective and/or appointive boards, servants, employees, departments, commissioners, officers, successors, and assigns, including without limitation the San Francisco Port Commission from any and all claims, actions, causes of action, liabilities, damages, demands, attorneys' fees, expenses and costs (including without limitation court costs) ("**Claims**") of any kind or nature whatsoever, which have existed or may have existed, or which do exist, or which hereafter shall or may exist, and which arise out of or are in any way related to any of the transactions, occurrences, acts or omissions set forth or alleged in this Agreement, the Leases or any correspondence or documentation related to this Agreement or the Leases.

8. Port Release. Except as expressly provided below and provided that Tenant complies with the terms and conditions of this Agreement, to the maximum extent allowed by law, the City and County of San Francisco in its own capacity and on behalf of its elective and/or appointive boards, servants, employees, departments, commissioners, officers, successors, and assigns, and the San Francisco Port Commission, in its own capacity and on behalf of its commissioners, officers, successors, and assigns, hereby agrees to fully and forever release and discharge Tenant, together with its partners, members, officers, employees, owners, successors, and assigns, if any, from the following Claims which arise out of or are in any way related to any of the transactions, occurrences, acts or omissions set forth or alleged in this Agreement, the Leases or any correspondence or documentation related to this Agreement or the Leases each as of the Termination Date: (1) any third-party Claim properly filed against the Port, (2) any Claim against Port alleged in a written notice of violation regarding operations under the Leases for which Port has actual notice by a regulatory agency including regulatory agencies of City,

(3) any Claim resulting from a condition identified and described in the Restaurant Facility Conditions Report, (4) any Claim by Port for Rent, (5) any third party Claim relating to the presence, release or threatened release of hazardous materials or environmental contamination on, under or about the Premises as of the Termination Date (“**Hazardous Materials Condition**”), provided however, that neither Tenant nor its Agents or Invitees caused, permitted, contributed to or exacerbated any Hazardous Material Condition, and (6) any Claim in favor of Port arising under the Leases for which the Port releasors had actual or constructive knowledge (collectively, “**Released Claims**”) to the extent such loss or damage from a Released Claim is not covered by insurance which was required to be maintained by Tenant under the Leases or is otherwise actually covered by insurance obtained by Tenant. Released Claims do not include Claims filed by Tenant; Port/City reserves any and all defenses it may have to Claims filed by Tenant. Notwithstanding anything to the contrary in this Agreement, the Released Claims do not include any claims by Port/City in connection with possessory interest taxes and personal property taxes which claims have not otherwise been waived or expired or claims for payment for utility services provided to the Premises.

9. Quitclaim. Not later than thirty (30) days after the Termination Date, Tenant shall, at no cost to Port, record a quitclaim deed with respect to each of the leased premises and Tenant’s personalty transferred or released to Port under this Agreement in the form attached hereto as *Exhibit C*.

10. No Representation or Warranty by Port. Except as explicitly stated herein, nothing contained herein shall operate as a representation or warranty by Port of any nature whatsoever.

11. Rights Are Cumulative. Except as may otherwise be provided herein, all liabilities and the rights and remedies of either party as set forth in this Agreement shall be cumulative and in addition to any and all other rights or remedies of each party now or later allowed by applicable law or in equity.

12. Authority. Each of the persons executing this Agreement on behalf of Tenant hereby covenants and warrants that Tenant is a duly authorized and existing entity, that Tenant has and is qualified to do business in California, that Tenant has full right and authority to enter into this Agreement, and that each and all of the persons signing on behalf of Tenant are authorized to do so. Each of the persons executing this Agreement on behalf of the Port hereby covenants and warrants that Port has full right and authority to enter into this Agreement, and that each and all of the persons signing on behalf of Port are authorized to do so.

13. Litigation Expenses. The Prevailing party in any action or proceeding (including any cross-complaint, counterclaim, or bankruptcy proceeding) against the other party by reason of a claimed default, or otherwise arising out of a party's performance or alleged non-performance under this Agreement shall be entitled to recover from the other party its costs and expenses of suit, including but not limited to reasonable attorneys' fees, which shall be payable whether or not such action is prosecuted to judgment. "**Prevailing party**" within the meaning of this Section shall include, without limitation, a party who substantially obtains or defeats, as the case may be, the relief sought in the action, whether by compromise, settlement, judgment or the abandonment by the other party of its claim or defense. Attorneys' fees under this Section shall include attorneys' fees and all other reasonable costs and expenses incurred in connection with any appeal. For purposes of this Agreement, reasonable fees of attorneys of the City's Office of the City Attorney shall be based on the fees regularly charged by private attorneys with an equivalent number of years of professional experience (calculated by reference to earliest year of admission to the Bar of any State) who practice in San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

14. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the subject matter of this Agreement. Any prior correspondence, memoranda,

agreements, warranties, or written or oral representations relating to the subject matter of this Agreement are superseded in their entirety by this Agreement. No prior drafts of this Agreement or changes between those drafts and the executed version of this Agreement shall be introduced as evidence in any litigation or other dispute resolution proceeding by any party or other person, and no court or other body should consider such drafts in interpreting this Agreement.

15. Miscellaneous. This Agreement shall bind, and shall inure to the benefit of, the successors and assigns of the parties hereto. This Agreement is made for the purpose of setting forth certain rights and obligations of Tenant and the Port, and no other person shall have any rights hereunder or by reason hereof as a third-party beneficiary of otherwise. This Agreement may be executed in counterparts with the same force and effect as if the parties had executed one instrument, and each such counterpart shall constitute an original hereof. No provision of this Agreement that is held to be inoperative, unenforceable or invalid shall affect the remaining provisions, and to this end all provisions hereof are hereby declared to be severable. In the event of any inconsistencies between the terms of this Agreement and the Leases, the terms of this Agreement shall prevail. Time is of the essence of this Agreement. This Agreement shall be governed by the laws of the State of California. Neither this Agreement nor any of the terms hereof may be amended or modified except by a written instrument signed by all the parties hereto. This Agreement has been negotiated at arm's length between persons sophisticated and knowledgeable in the matters addressed. In addition, each Party has been represented by experienced and knowledgeable legal counsel. Accordingly, the provisions of this Agreement must be construed as a whole according to their common meaning in order to achieve the intents and purposes of the Parties, without any presumption (including a presumption under California Civil Code § 1654) against the Party responsible for drafting any part of this Agreement.

16. Severability. If any of the provisions of this Agreement or the application thereof is held to be invalid, its invalidity shall not affect any other provision or application of this Agreement to the extent that such other provision or application can be given effect without the invalid provision or application, and to this end, the provisions of this Agreement are declared and understood to be severable.

17. Leases in Full Force and Effect. Until the Termination Date, this Agreement shall not be construed to modify, waive or affect any of the terms, covenants, conditions, provisions or agreements of the Leases by either Party.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, PORT and TENANT execute this Agreement as of the last date set forth below.

PORT: CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation, operating by and through the
SAN FRANCISCO PORT COMMISSION

By: _____
Rebecca Benassini
Deputy Director, Real Estate and Development

Date Signed: _____

TENANT: ALIOTO FISH CO., LTD., A CALIFORNIA CORPORATION

By: _____
DocuSigned by:
Mario Alioto
Mario Alioto, President

Date Signed: 4/7/2022

By: _____
DocuSigned by:
Mario Alioto
Mario Alioto, Chairman of the Board of Directors

Date Signed: 4/7/2022

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

By: _____
Name: Rona H. Sandler
Deputy City Attorney

Agreement Prepared By: Michael Martin, Assistant Port Director and Chief
Operating Officer _____ (initial)

Port Commission Reso.
Board of Supervisors Reso.

EXHIBIT A

FORM TENANT ESTOPPEL CERTIFICATE

The undersigned, _____, is the tenant of a portion of the real property commonly known as [Insert Premises Address] located in San Francisco, California (the "**Property**"), and hereby certifies, represents and warrants to **THE CITY AND COUNTY OF SAN FRANCISCO THROUGH THE SAN FRANCISCO PORT COMMISSION ("Port")** the following:

1. Tenant certifies, represents and warrants:

(a) That there is presently in full force and effect a lease dated as of _____, __, as modified, assigned, supplemented and/or amended by _____ ("**Lease**") between the undersigned and Port, covering approximately _____ square feet of the Property (the "**Premises**").

(b) That the Lease represents the entire agreement between Port and the undersigned with respect to the Premises.

(c) That the commencement date under the Lease was _____, __, and the expiration date of the Lease is _____, 20____.

(d) That the present minimum monthly Base Rent under the Lease is \$_____.

(e) The security deposit held by Port under the terms of the Lease is \$_____ and Port holds no other deposit from Tenant for security or otherwise.

2. The undersigned is not the subject of any pending bankruptcy, insolvency, debtor's relief, reorganization, receivership, or similar proceedings, nor the subject of a ruling with respect to any of the foregoing.

3. This Certificate shall be binding upon and inure to the benefit of Port and the undersigned recognizes and acknowledges it is making these representations to Port with the intent that Port will fully rely on the representations and warranties in this Certificate.

4. From the date of this Certificate and continuing until the date that is twelve (12) months from the Termination Date, the undersigned agrees to notify Port immediately of the discovery of any fact or occurrence that would make any representation contained in this Certificate inaccurate as of the date hereof or as of any future date.

Dated: _____, 2022.

[Name of Tenant]

By:

Name:

Title:

EXHIBIT B

**Port's Survey Memorandum and Rough Order of
Magnitude Cost Estimate Report**

[ATTACHED]



To: Mike Martin, Assistant Port Director

From: Port Engineering and Maintenance

Date: August 13, 2021

Subject: Alioto's Restaurant Premise Survey

Port Real Estate tasked members of Port Maintenance Division and Engineering Division to perform a tenant premises survey and provide a rough order of magnitude cost for the repair of the facility. The tenant premises surveys occurred during July and August 2021 and consisted of walkthrough inspections of the building exterior and interior and substructure inspections by boat. No destructive investigation was performed, and only accessible portions of the building were visually inspected.

The results of the survey are presented in the attached Real Estate Survey checklist and the referenced reports. In general, the facility is in good to fair condition with the following repairs and upgrades of note:

- Minor water intrusion at roof
- Duct work and insulation replacement
- Minor electrical code violations
- Carpentry work to address step irregularities, ceiling height issues, and door/frame replacement
- Repair of one exterior column
- Repair/replace of structural steel framing elements and concrete spall repair of substructure
- ADA upgrade of doors, handrails, and elevator

Port Maintenance and Engineering estimate a cost of \$350,000 for work.

Attachments

- RE Inspection Checklist
- Port Engineering Structural Inspection Report
- Alioto's Restaurant Maintenance Findings Report
- Photo Log
- Alioto's ROM Cost Estimate

**PORT OF SAN FRANCISCO
REAL ESTATE SURVEY**

Date: 07/09/2021Facility Name / CODE: Alitoto's Restaurant Building / FIN #

Last Survey: _____

Follow-up Date: _____

Facility Survey
 Tenant Premises Survey

Pre-Lease Survey
 Termination Survey

Condition: G (Good) F (Fair) P (Poor)
Responsibility: P (Port) T (Tenant) PT (Shared) NA (Not Applicable)

ITEM	COND ITION	RESP ONSIB ILITY	REMARKS
EXTERIOR			
Paint	F	T	There is some visible flaking of existing paint finish. Will need to test for lead paint prior to removing/scaping old paint and applying a new primer and finish coat of paint.
Glazing (e.g., windows)	G	T	No visible cracking. Needs general maintenance cleaning of inside & outside windowpanes.
Fencing & Gates	N/A	T	Repair is needed in breezeway between the restaurants. New doors and frames need repair or replacement. See Port Maintenance's ALIOTO'S RESTAURANT MAINTENANCE FINDINGS report – Carpenter Shop Section
Facade	G	T	Needs general maintenance cleaning of bird droppings on front and rear of building.
Stucco Plaster	P	T	There is an exposed lath/hole (spalling of Stucco plaster) in the Soffit of the of the Breezeway's drop-down Stair Egress/Exiting area.
Signage	G	T	Need to check & confirm whether the neon signages in the front and rear of building are properly functioning & lit in the evenings.
Curb / Walkways	F	P	There are adequate ADA accessible curb ramps at the pedestrian crossing from the public shared parking lot to the main entrance of Alioto's Restaurant. Recommend repainting the striping of the crosswalk (it has faded over the years).
Landscape	N/A	T	
Parking Lot(s) (Striping, pavement, etc.)	N/A	T	There is a shared public parking lot across the street of Alioto's Restaurant.
Main Doors	G	T	Although the pair of main entry doors are in good condition; however, recommend upgrading to ADA accessible door handles, or modifying with electronic operable accessible doors with push button controls.
Roll-up Doors	N/A	T	

Other			<p>There are some irregularities in steps lengths in multiple rooms inside the restaurant that should be addressed. The ceiling height in some personnel rooms are not to code and should also be addressed. New doors and frames repaired or replaced. See Port Maintenance's ALIOTO'S RESTAURANT MAINTENANCE FINDINGS report – Carpenter Shop Section</p> <p>Deterioration near the base of exterior column on south side of building and Loose connection at top of ladder found on the roof. See Port Engineering Structural Inspection report.</p>
ROOF			
Leaking or watertight	G	T	<p>The existing modified roof membrane appears to be in good condition; Only one minor water intrusion near the roof access ladder detected up on inspection; however, recommend running a water test to observe any water intrusion.</p> <p>Recommend general maintenance removal of debris & cleaning of the entire roof area for proper rainwater flow to drainages.</p> <p>See Port Maintenance's ALIOTO'S RESTAURANT MAINTENANCE FINDINGS report – Roofing Shop Section for additional details</p>
APRON			
Condition of Surface (cracks?)	G	P	Minor hairline cracking of concrete surface in the rear public walkway area
Substructure	<u>F</u>	P	Requires repair/replacement of structural steel framing elements and concrete spall repair of substructure. See Port Engineering Structural Inspection report.
INTERIOR			
Common Areas/Hallways	G	T	<p>Ground Level: There are currently several child booster chairs encroaching into the hallway access egress path. Need to remove these booster chairs before re-opening the restaurant to the public.</p> <p>2nd Level: Non-Accessible (the elevator does not stop on this level) 3rd Level: Accessible</p>
Ceilings	G	T	<p>Ground Level: Good condition 2nd Level: Acoustical tiles are in good condition. 3rd Level: Acoustical tiles are in good condition.</p>
Walls	G	T	<p>Ground Level: Paint is in good condition. 2nd Level: Paint is in good condition. 3rd Level: Paint is in good condition.</p>
Stairs	F	T	There needs to be an upgrade of all the handrailing extensions at the top & bottom landings of each floor level, in order to comply with current Port Building Code.
Floors	G	T	<p>Ground Level: Tile is in good condition. 2nd Level: Carpet is in good condition. 3rd Level: Carpet is in good condition.</p>
Lighting and Electrical	G	T	Lighting seems to be ok. Minor code issues. See Port Maintenance's ALIOTO'S RESTAURANT MAINTENANCE FINDINGS report – Electric Shop section.
Elevator	F/P	T	The Elevator is in operation; however, the interior lights were non-functioning during the time of inspection. The Elevator only serves the 1 st Level and 3 rd Level (it does not stop at the 2 nd Level to the Event Dining Area). Recommend upgrading Elevator to meet

			current ADA Accessibility and create a stop/access to the 2 nd Level. See Port Maintenance's ALIOTO'S RESTAURANT MAINTENANCE FINDINGS report – Elevator section
Restrooms	G	T	Ground Level: Accessible 2 nd Level: Men's RR is non-accessible due to two steps without handrails & no ramp. Recommend to provide handrails. Otherwise, the patron will need to take the elevator down to ground level to the accessible All-Gender Restrooms. 3 rd Level: No RR on the 3 rd Floor
General Cleanliness	F	T	All levels are in fair condition. Needs general cleaning of tables, counters and floor surface prior to re-opening.
HVAC (any known problems)	G	T	HVAC systems are in good condition. See Port Maintenance's ALIOTO'S RESTAURANT MAINTENANCE FINDINGS report – Stationary Section
Drive-way	N/A	T	No interior driveway.
Other			Utility closet where water heaters are located have duct work that is wide open, this should probably be replaced altogether. Employee access storage/hallway upstairs has water leaking and ductwork and insulation may need to be replaced. See Port Maintenance's ALIOTO'S RESTAURANT MAINTENANCE FINDINGS report – Sheet Metal Section Plumbing in working condition. See Port Maintenance's ALIOTO'S RESTAURANT MAINTENANCE FINDINGS report – Plumbing Shop Section
FIRE / LIFE-SAFETY			
Sprinklers Yes or No (circle one)	G	T	Fire sprinkler riser seem to be in good condition. See Port Maintenance's ALIOTO'S RESTAURANT MAINTENANCE FINDINGS report – Stationary Engineers Section
MARITIME			
Maritime Improvements	N/A	N/A	
HAZARD MATERIALS			
HAZMATS Yes or No (circle one)	*	T	Recommend including health and safety for future renovation work.
Other environmental issues		P	

Inspection checklist prepared August 2021 based on input from Port Engineering and Maintenance Staff and referenced inspection reports. Photo log and ROM cost estimate for items likely needing replacement or repair are attached.

Alioto's Restaurant

Structural Inspection Findings

Superstructure

Superstructure inspection of the Alioto's restaurant building was performed on July 9, 2021. The tenant premises survey consisted of a walkthrough inspection of the building exterior and interior. No finishes were removed and only accessible portions of the building were inspected. The building is a three story wood framed building constructed partially over a marginal wharf. Construction consists of wood roof and floor joists, beams, and posts.

Overall the superstructure is in acceptable condition with some minor repairs as noted below:

- Loose connection at top of ladder found on the roof (See Figure 7)
- The stucco damage found at the south side of building (Figure 10)
- Deterioration near the base of exterior column on south side of building. (Figure 11)



Figure 1 East Elevation



Figure 2 West Elevation



Figure 3 Timber column, girder, and beams construction – Ground Floor



Figure 4 Column supporting third floor – Taken from 2nd floor



Figure 5 Dining area on 3rd floor



Figure 6 Kitchen area



Figure 7 - Ladder – Top connection of ladder appears loose – Roof



Figure 8 Roof view

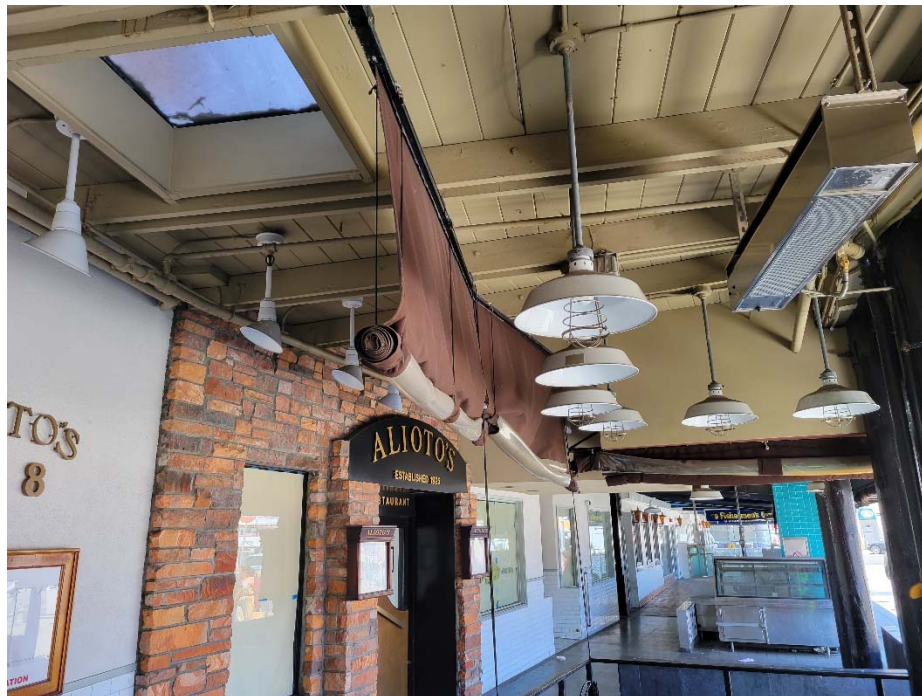


Figure 9 Ground Floor awning – east side



Figure 10 Stucco damage on south side



Figure 11 Exterior wood column on south side – minor deterioration at base



Figure 12 Ground Floor awning – west side

Substructure

Substructure inspection of Alioto's restaurant building on July 16, 2021. The tenant premises survey by boat inspection was included only areas under Alioto's. The inspection was performed from a small boat and there was no underwater inspection. Access to the landward portion of the wharf was limited due to utility piping overhead and access that would have damaged the motor of the inspection boat. The scope of the inspection is a visual inspection, performed to identify general structural conditions and identify major structural damage. No destructive investigation was performed.

Wharf J1 is a timber wharf structure that runs along Taylor Street. Construction consists of wood cap beams on timber piles. The deck consisted of timber strings supporting a concrete slab. At the landward edge of the wharf, stringers are supported on a wood mudsill over the top of a rip-rap embankment.

Overall the vast majority of structural elements are in serviceable condition. Some items of note to repair:

- Some structural steel framing elements show coating failure, but minimal section loss. Some bracing elements show more corrosion. (Figure 2 and 3)
- Minor corrosion of steel reinforcement and spalling is visible in a several locations.



Figure 1 Photo of typical condition under Alioto's restaurant



Figure 2 Structural steel framing elements show signs of corrosion



Figure 3 Structural steel framing elements show signs of corrosion

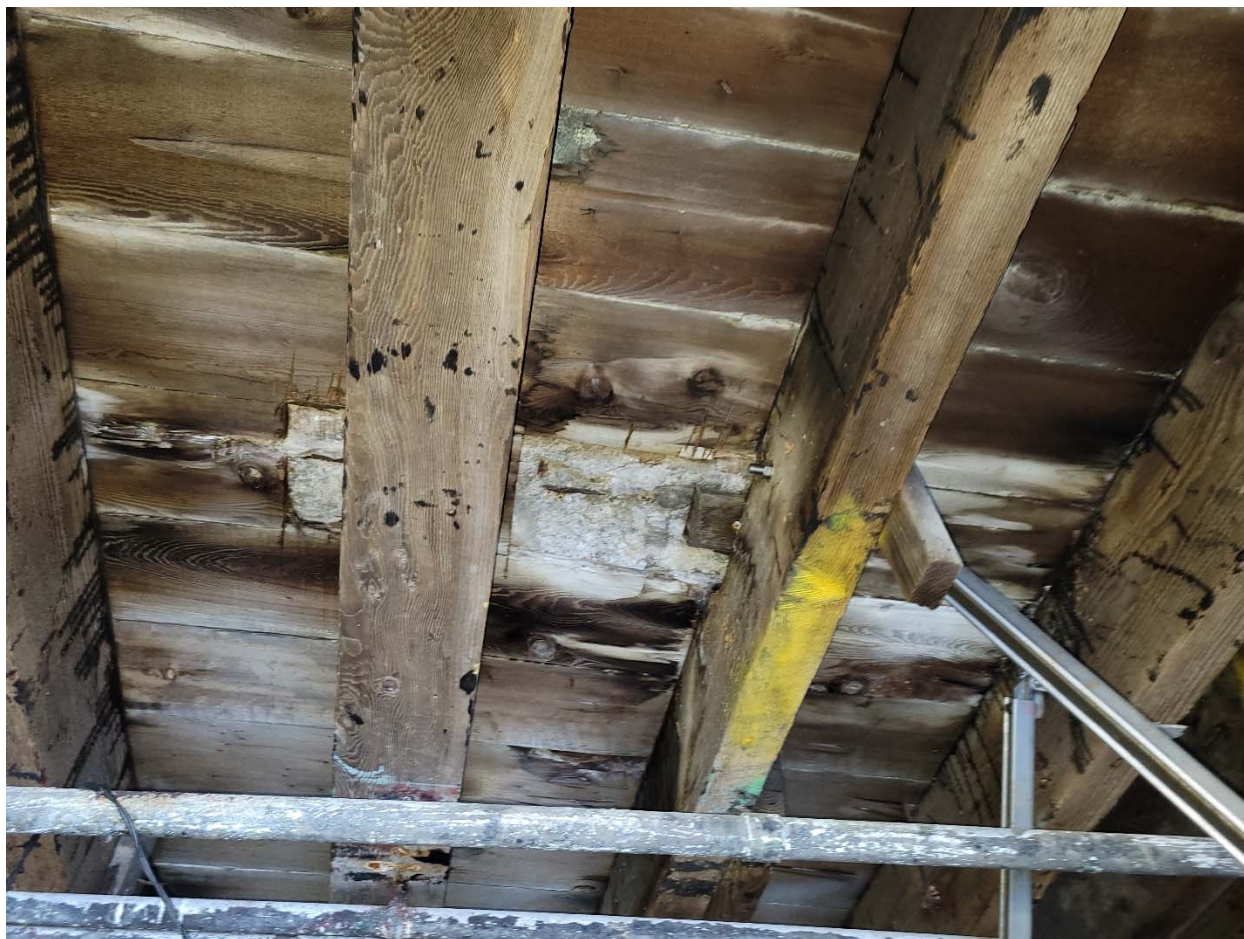


Figure 4. Minor corrosion of steel reinforcement and spalling is visible in a several locations

ALIOTO'S RESTAURANT MAINTENANCE FINDINGS

AUGUST 2, 2021
PORT OF SAN FRANCISCO

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Roofing Shop

Overall conditions acceptable. Life expectancy 10-15 years. Only one minor water intrusion near the roof access ladder detected up on inspection

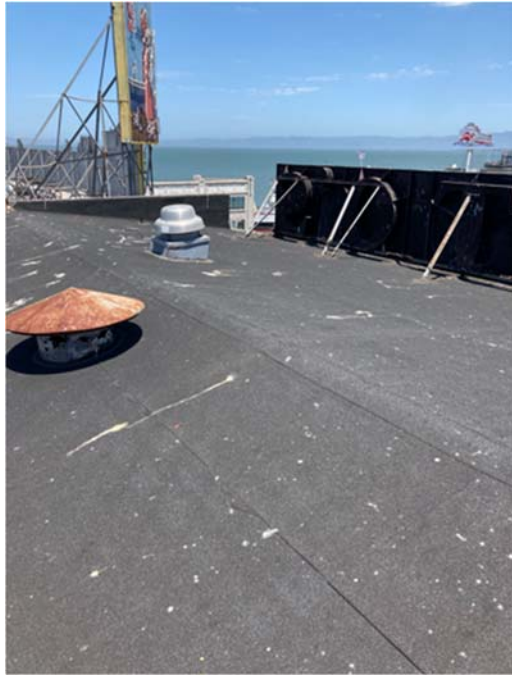


Figure 1 Roof Looking East



Figure 2 Roof Looking West

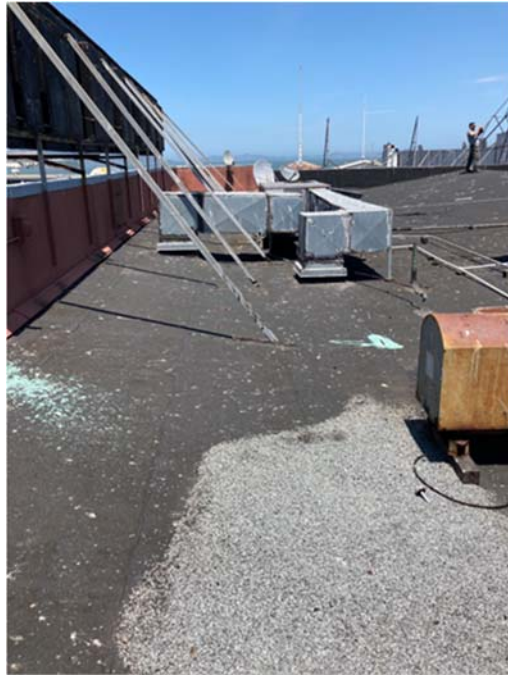


Figure 3 Roof Looking East

Stationary Engineers

Overall Building HVAC systems are in GOOD conditions and the fire sprinkler riser was inspected this year; this also seems to be in GOOD condition. There are a number of split HVAC systems but these would be tenant Improvements and not go towards actual building systems. There are three kitchen exhaust fans, one is new and the two older ones are acceptable.



Figure 4 Fire sprinkler riser



Figure 5 Newer kitchen exhaust fan



Figure 6 HVAC Unit 1



Figure 7 HVAC Unit 1



Figure 8 HVAC Unit 2

Sheet Metal

Overall conditions are acceptable with a few repairs needed. The utility closet where the water heaters are located have duct work that is wide open, this should probably be replaced altogether.

The employee access storage/hallway upstairs has water leaking from the wall and the ceiling which needs to be addressed, the ductwork insulation has been soaking and possibly rotting in water for some time. The insulation should be open to inspect the condition of the ductwork and possibly replace that duct to avoid mold and or legionaries.

The roof duct seems to be in decent operational condition. There is some surface rust but this does not affect its structural integrity. In the future it may start to pinhole and it's always a good idea to monitor that from time to time.



Figure 9 Utility Closet open duct work



Figure 10 Employee access storage water intrusion



Figure 11 Employee Access Storage



Figure 12 Roof Duct surface rust

Electric shop

There are a lot of electrical systems in Alioto's. Everything seemed to work properly with a few burnouts aside, the lighting seemed ok and power to equipment also seemed ok. There were a few code violations found, and while they appear minor, some might be more difficult to repair without knowing exactly what they operate (An example would be the Romex wiring found in one closet, but we don't know how long the run is or where it goes. There is also panel cover that is not secured properly in main kitchen.

The minor code issues were as follows...

- Non-metallic cable (Romex) installed in 1st floor closet
- Boxes without covers
- Boxes with K/O's removed
- Conduit directly on roof surface
- Flexible conduit in free air without supports

All in all, the restaurant seemed in good shape with no egregious violations.



Figure 13 Romex 1st floor



Figure 14 Unsupported conduit



Figure 15 Extension cord inside HVAC duct

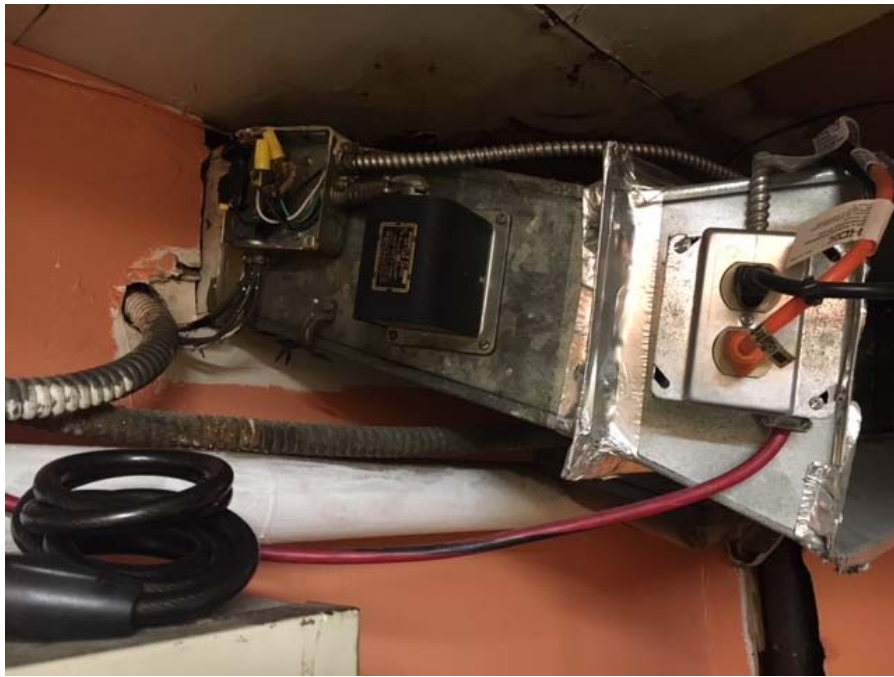


Figure 16 Missing cover, extension cord being used as permanent wiring



Figure 17 Unsupported flexible conduit



Figure 18 Panel cover not properly secured in main kitchen



Figure 19 Missing knock outs



Figure 20 Missing knock outs



Figure 21 Open wiring, not secured

Carpenter Shop

The restaurant is in overall GOOD conditions with no major repairs needed. There are some irregularities in steps lengths in multiple rooms inside the restaurant that should be addressed. The ceiling height in some personnel rooms are not to code and should also be addressed. The major repair needed is in the breezeway between the restaurants (Not sure if this is Alioto's responsibility) that need new doors and frames repaired or replaced.



Figure 22 Single door in breezeway broken glass



Figure 23 Breezeway double door missing one door frame damager



Figure 24 Breezeway double doors missing one door



Figure 25 Breezeway double doors missing one door



Figure 26 Double doors missing glass



Figure 27 Double doors missing glass (Right)



Figure 28 Double doors missing glass (Left)

Elevator

The elevator is operational and in good conditions for its age, the only issue was the interior light not working. The machine room seemed in good conditions but there was no maintenance record book on site. Annette Alioto mentioned they had Otis performing monthly maintenance on the elevator but she has not provided any documentation to reflect the maintenance.

The permit in the elevator expired on 09/09/2017.



Figure 29 Elevator permit

Plumbing Shop

After performing the inside and under pier inspection there were no damages or neglected maintenance to report. The plumbing section of the restaurant works as intended in all the restrooms, bar, and kitchen areas. No leaks were found under the pier and all the discharge pipes were in good operating conditions.

PORT OF SAN FRANCISCO
REAL ESTATE SURVEY
Photos



Figure 1: Accessible Curb from Parking Lot



Figure 2: Front Façade of Alioto's Restaurant



Figure 3: Closeup of Front Façade & Signage



Figure 4: Closeup of Front Façade & Signage



Figure 5: Entrance to Aliotos's Café 8



Figure 6: Entrance to Aliotos's Restaurant

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REAL ESTATE SURVEY
Photos



Figure 7: Door to Passage Way

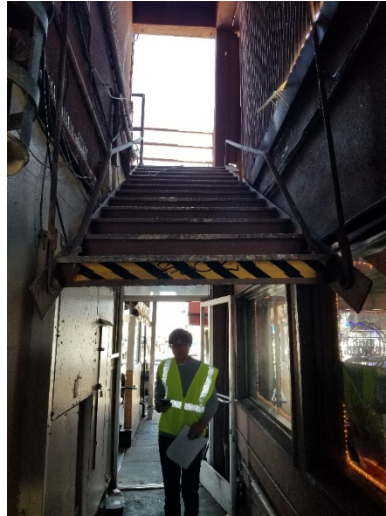


Figure 8: Missing Glass on Door



Figure 9: Door to Passage Way



Figure 10: Rear of Alioto's/Wharf J-3

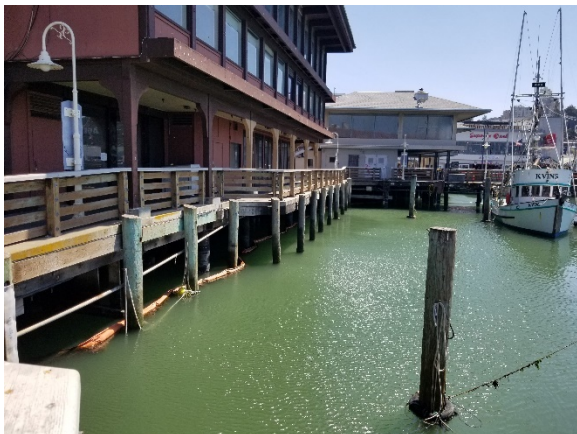


Figure 11: Rear of Alioto's/Wharf J-3



Figure 12: Rear of Alioto's/Wharf J-3

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Photos



Figure 13: Main Entrance/Lobby



Figure 14: Booster Chairs blocking Hallyway Egress



Figure 14: Lobby/Passenger Elevator



Figure 15: Passenger Elevator Call Buttons



Figure 16: Passenger Elevator/Interior Cab



Figure 17: Passenger Elevator/Interior Control Panel

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REAL ESTATE SURVEY
Photos



Figure 18: Staircase #1, missing Handrail Extensions

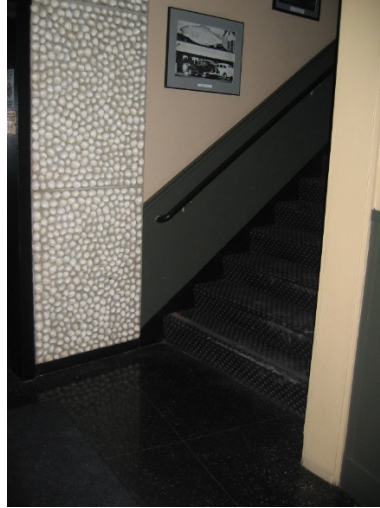


Figure 19: Staircase #1, missing Handrail Extensions



Figure 20: Staircase #1, missing Handrail Extensions



Figure 21: Staircase #1, missing Handrail Extensions



Figure 22: Staircase #1, missing Handrail Extensions

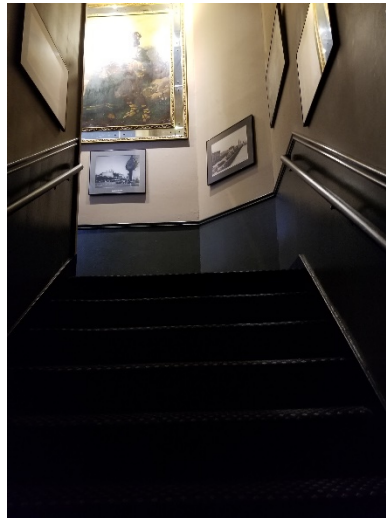


Figure 23: Staircase #1, missing Handrail Extensions

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Figure 24: Side Door Entrance/Exit at Bar Counter



Figure 25: Side Door Entrance/Exit at Bar Counter



Figure 26: 1st Floor Rear Dining Area



Figure 27: 1st Floor Rear Dining Area



Figure 28: 1st Floor Bus Station



Figure 29: 1st Floor Bus Station

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REAL ESTATE SURVEY
Photos



Figure 30: 1st Floor Cafe Dining Area



Figure 31: 1st Floor Cafe Dining Area



Figure 32: 1st Floor Cafe Dining Area



Figure 33: 1st Floor Cafe Dining Area



Figure 34: 1st Floor Cafe Dining Area



Figure 35: 1st Floor Counter Area

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REAL ESTATE SURVEY
Photos



Figure 36: 1st Floor All Gender ADA Restroom



Figure 37: 1st Floor All Gender ADA Restroom



Figure 38: 1st Floor All Gender ADA Restroom



Figure 39: 1st Floor All Gender ADA Restroom



Figure 40: 1st Floor All Gender ADA Restroom



Figure 41: 1st Floor All Gender ADA Restroom

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Photos



Figure 42: 1st Floor All Gender ADA Restroom



Figure 43: 1st Floor All Gender ADA Restroom



Figure 44: 2nd Flr. Steps to Men's RR, missing handrails



Figure 45: Stair #1 to 2nd Floor, missing Handrail Ext.



Figure 46: 2nd Floor Men's Restroom



Figure 47: 2nd Floor Men's Restroom

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Photos



Figure 48: 2nd Floor Men's Restroom



Figure 49: 2nd Floor Men's Restroom



Figure 50: 2nd Flr. Women's RR Lobby Area



Figure 51: 2nd Flr. Women's RR Lobby Area



Figure 52: 2nd Floor Women's Restroom



Figure 53: Figure 52: 2nd Floor Women's Restroom

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REAL ESTATE SURVEY
Photos



Figure 52: Figure 52: 2nd Floor Women's Restroom



Figure 53: 2nd Flr. Landing, missing handrail Extensions



Figure 54: 2nd Floor Meeting Room No. 1



Figure 55: 2nd Floor Meeting Room No. 1



Figure 56: 2nd Floor Meeting Room No. 2



Figure 57: 3rd Floor Private Dining Room

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Figure 58: 3rd Floor Waiting Area



Figure 59: 3rd Floor Waiting Area



Figure 60: 3rd Floor Waiting Area



Figure 61: 3rd Floor Waiting Area



Figure 62: 3rd Floor Service Counter Bar Area



Figure 63: 3rd Floor Upper Dining Area

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Figure 64: 3rd Floor Upper Dining Area



Figure 65: 3rd Floor Upper Dining Area



Figure 66: 3rd Floor Ramp to Mid Dining Area

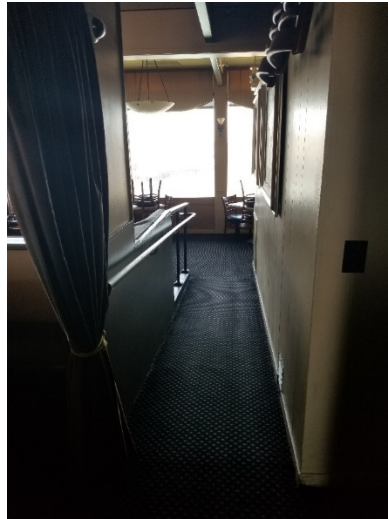


Figure 67: 3rd Floor Ramp to Lower Dining Area



Figure 68: 3rd Floor Ramp to Upper Dining Area



Figure 69: 3rd Floor Mid Dining Area

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Photos



Figure 70: 3rd Floor Mid Dining Area



Figure 71: 3rd Floor Mid Dining Area



Figure 72: 3rd Floor Ramo to Mid Dining Area



Figure 73: 3rd Floor Lower Dining Ar



Figure 74: 3rd Floor Lower Dining Area



Figure 75: 3rd Floor Steps to Mid Dining, missing Handrail.

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Photos



Figure 76: 3rd Floor Steps to Mid Dining



Figure 77: 3rd Floor Waiter Station/Bar Service



Figure 78: 3rd floor Kitchen



Figure 79: 3rd floor Kitchen (Stair to Storage)



Figure 80: 3rd Floor Kitchen to Dining Area



Figure 81:

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Photos



Figure 82: 2nd Floor Rear Egress Staircase #2

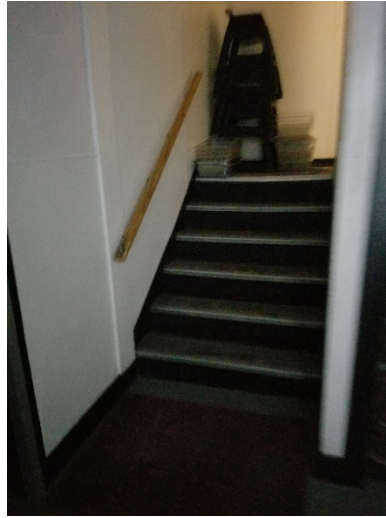


Figure 83: 2nd Floor Rear Egress Staircase #2



Figure 84: 3rd Floor Rear Egress Staircase #3



Figure 85: 3rd Floor Rear Egress Staircase #3



Figure 86: 3rd Floor Rear Egress Staircase #3



Figure 87: 3rd Floor Exterior Egress Stair #4

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REAL ESTATE SURVEY
Photos



Figure 88: 2d Floor Mechanical Room



Figure 89: 2d Floor Mechanical Room

Alioto's Restaurant**Rough order of magnitude cost estimate for repair of elements from July and August 2021 inspections**

ITEM	DESCRIPTION	QTY.	UNIT	\$ / UNIT	EXT.
Roofing					
Fix water intrusion	Repair minor water intrusion near the roof access ladder	1	EA	\$2,000	\$2,000
Fix ladder connection at roof	Fix loose ladder connection	1	EA	\$1,000	\$1,000
Sheet Metal					
Replace duct work	The utility closet where the water heaters are located have duct work that is wide open, this should be replaced.	1	EA	\$10,000	\$10,000
Ductwork and insulation replacement	The employee access storage/hallway upstairs has water leaking from the wall and the ceiling which needs to be addressed, the ductwork insulation has been soaking and possibly rotting in water for some time. The insulation should be open to inspect the condition of the ductwork and possibly replace that duct to avoid mold and or legionaries.	1	EA	\$20,000	\$20,000
Electrical					
Address code violations	<ul style="list-style-type: none"> •Non-metallic cable (Romex) installed in 1st floor closet •Boxes without covers •Boxes with K/O's removed •Conduit directly on roof surface •Flexible conduit in free air without supports 	1	EA	\$10,000	\$10,000
Carpentry					
Address step irregularities	There are some irregularities in steps lengths in multiple rooms inside the restaurant that should be addressed	1	EA	\$2,000	\$2,000
Address ceiling height issues	The ceiling height in some personnel rooms are not to code and should also be addressed.	1	EA	\$20,000	\$20,000
Repair/replace new doors and frames	Major repair needed is in the breezeway between the restaurants that need new doors and frames repaired or replaced.	1	EA	\$20,000	\$20,000
Stucco repair	Repair of stucco in breezeway	10	SF	\$200	\$2,000
Elevator					
Repair interior light	Repair interior light	1	EA	\$1,000	\$1,000

Structural					
Column base repair	Repair deteriorated column base	1	EA	\$5,000	\$5,000
Recoat/replace steel elements	Structural steel framing elements show sign of corrosion needs to be recoated or replaced.	1	LS	\$100,000	\$100,000
Concrete spall repair	Repair of corroded steel reinforcement and spalling	50	SF	\$500	\$25,000

Architectural ADA					
Restriping	Restriping at crosswalk	1	EA	\$4,000	\$4,000
Door Upgrade	Upgrade main doors	1	EA	\$20,000	\$20,000
12" Handrail Extensions at Top of Stair Landings	Need to comply with Section 11B-505.10.2	7	PAIR	\$1,000	\$7,000
24" Handrail Extensions at Bottom of Stair Landings	Need to comply with Section 11B-505.10.3	7	PAIR	\$2,000	\$14,000
3-stop Traction ADA Elevator	Need to add a compliant ADA Elev Stop to the 2nd Floor	1	EA	\$75,000	\$75,000

Grand Total	(Rounded to nearest \$1,000)				\$338,000
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* This is a rough order of magnitude cost estimate based on limited visual inspection. Costs will range at least -50% to +100%.

** Based on prior experience performing similar projects done by Port Maintenance.

** Doesn't include hazmat abatement. No testing was done.

** Does not include foreseen conditions or soft costs

EXHIBIT C

FORM OF QUITCLAIM DEED

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Port of San Francisco
Pier One The Embarcadero
San Francisco, CA 94111
Attention: Deputy Director of Real Estate and Development

Block No. xxx, Lot xxx

QUITCLAIM DEED

The undersigned hereby declares this instrument to be exempt from Recording Fees (CA Govt. Code § 27383) and Documentary Transfer Tax (CA Rev. & Tax Code § 11922 and S.F. Bus. & Tax Reg. Code § 1105).

Alioto Fish Co., Ltd., a California corporation ("Transferor") does, effective [Termination Date], hereby REMISE, RELEASE, and forever QUITCLAIM to THE CITY AND COUNTY OF SAN FRANCISCO, acting by and through the SAN FRANCISCO PORT COMMISSION ("Transferee"):

all rights, title, and interest Transferor has in the following described real property located in the Fisherman's Wharf area of City and County of San Francisco, State of California as more specifically described in the lease between the San Francisco Port Commission as landlord and Transferor as tenant dated as of Date] (as amended, the "Lease") Assessor's Block No. xxx, Lot xxx, as shown in *Exhibit A* attached hereto and Transferor's personal property remaining in, on or about the leased premises as of the effective date hereof.

The person executing this Quitclaim Deed on behalf of Transferor does hereby covenant and warrant that Transferor is the tenant under the Lease and is a duly authorized and existing entity, that Transferor is qualified to do business in California, that Transferor has full right and authority to execute this Quitclaim Deed, and that the person signing on behalf of Transferor is authorized to do so.

Dated: _____, 2022

ALIOTO FISH CO., LTD., A CALIFORNIA CORPORATION

By: _____

Its: _____

Dated: _____

Exhibit A

Map of Quitclaimed Property

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF _____

On _____, 20____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____
(Seal)

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SCHEDULE 1

PROPERTY TO BE REMOVED

Tenant agrees that the following items will be removed on or before the Termination Date:

1. All furniture.
2. All personal property: dishes, cookware, silverware, liquor or any other remaining foodstuffs, files, records, computer equipment, etc.
3. All wall hangings and artwork.
4. The following trade fixtures:
 - a. 1st Floor Espresso Machine;
 - b. 3rd Floor Espresso Machine;
 - c. 2nd Floor Ice Maker;
 - d. 2nd Floor 7up Branded Beverage Fridge;
 - e. 3rd Floor 7up Branded Beverage Fridge; and
 - f. All Point of Sale Equipment.
5. All items in the Warehouse Lease space.