**SEVENTH AMENDMENT TO**

**SUBLEASE AND PROPERTY MANAGEMENT AGREEMENT**

**Between**

**TREASURE ISLAND DEVELOPMENT AUTHORITY**

**As Sublandlord**

**and**

**THE JOHN STEWART COMPANY**

**As Subtenant and Manager**

**July 1, 2024**

**THIS SEVENTH AMENDMENT TO SUBLEASE AND PROPERTY MANAGEMENT AGREEMENT** (this "Seventh Amendment"), dated as of July 1, 2024, is by and between the Treasure Island Development Authority (the "Authority") and the John Stewart Company, a California corporation ("Subtenant"). From time to time, the Authority and Subtenant together shall be referred to herein as the "Parties".

## RECITALS

This Seventh Amendment is made with reference to the following facts and circumstances:

**A.** At its January 20, 1999, meeting the Authority Board of Directors ("Authority Board") approved a Sublease, Development, Marketing and Property Management Agreement (the "Original Agreement") with the John Stewart Company ("JSCo") for the market rate rental housing on TI/YBI. The Original Sublease was approved by the City's Board of Supervisors on February 22, 1999, and became effective on March 17, 1999. The Authority Board and the Board of Supervisors approved five amendments to the Original Sublease between 2000 and 2009.

**B.** On July 1, 2014, Subtenant and the Authority entered into a Sublease and Property Management Agreement (the "Agreement") for management of 556 housing units. The Agreement was amended pursuant to a First Amendment (the "First Amendment") dated March 15, 2016, a Second Amendment (the "Second Amendment") dated May 1, 2017, a Third Amendment (the "Third Amendment") dated October 1, 2017, a Fourth Amendment (the "Fourth Amendment") dated July 1, 2018, a Fifth Amendment (the "Fifth Amendment") dated May 1, 2019, and a Sixth Amendment ( the "Sixth Amendment") dated July 15, 2019. Currently only 330 occupied units are managed under the Agreement.

**C.** JSCo has provided exemplary property management services to the Authority over the term of the Original Sublease, 1999-2014, and the current Agreement, 2014-present. JSCo has consistently demonstrated a strong institutional knowledge of the Island environment and issues and has played a critical role in partnering with the island's other housing providers – Catholic Charities, HomeRise, Swords to Plowshares, and HealthRight360 – to create an inclusive community on Treasure Island.

**D.** As development activities have progressed, JSCo has provided critical support to ensure an efficient and orderly process for implementation of complex residential transitions and relocations in accordance with the Transition Housing Rules and Regulations

(the "THRR") adopted by the Authority Board and the Board of Supervisors. The continuation of JSCo as manager will prove beneficial for Treasure Island residents and the Authority in implementing the development program and the tenant relocations.

**E.** Subtenant and the Authority desire to amend the Agreement to extend the Term, and revise certain terms and conditions of the Agreement.

**F.** The Agreement, First Amendment, Second Amendment, Third Amendment, Fourth Amendment, Fifth Amendment, Sixth Amendment, and this Seventh Amendment shall collectively be referred to as the "Agreement". All capitalized terms used herein but not otherwise defined shall have the meaning given to them in the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the Authority and Subtenant hereby amend the Agreement as follows:

**AGREEMENT**

**1.** **Recitals.** The foregoing recitals are true and correct and are incorporated herein.

**2.** **Defined Terms.** Capitalized terms not separately defined herein shall have the same meaning provided in the Agreement.

**3.** **Effective Date.** The effective date of this Seventh Amendment shall be July 1, 2024.

**4.** **Amendment of Section 3.1 – Term of Agreement.** Section 3.1 of the Agreement is deleted in its entirety and replaced with the following:

"**Term of Agreement.** The Premises are subleased for a term (the "Term") commencing on July 1, 2014 (the "Commencement Date"), and terminating on June 30, 2034 (the "Expiration Date"), unless sooner terminated or extended pursuant to the terms of this Agreement."

**5.** **Amendment of Section 6 – Subtenant's Marketing Responsibilities.** Section 6 of the Agreement is deleted in its entirety.

6. **Amendment of Section 7.1 – Leasing.** Section 7.1 of the Agreement is deleted in its entirety and replaced with the following:

"**Leasing.** Subtenant shall not engage in any new marketing or leasing activities as tenants vacate the property and residential units become available except as explicitly authorized by the Director."

7. **Amendment of Section 7.2 – Application Process and Screening.** Section 7.2 of the Agreement is deleted in its entirety and replaced with the following:

"**Application Process and Screening.** Subtenant shall only screen prospective Residential Sub-Tenant applications by applying customary credit and tenancy standards in accordance with Section 34.1. Subtenant shall not discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes. In addition, in the operation of the Project, the Subtenant shall not discriminate against Residential Tenants using Section 8 certificates or vouchers or other tenant-based rental assistance, or other sources of income."

8. **Amendment of Section 34.3 - Tropical Hardwood and Virgin Redwood Ban.** Section 34.3 of the Agreement is deleted in its entirety and replaced with the following:

"**Tropical Hardwood and Virgin Redwood Ban; Preservative-Treated Wood Containing Arsenic**. The City urges companies not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood product. Except as expressly permitted by the application of San Francisco Environment Code sections 802(b) and 803(b), Subtenant will not provide any items to the construction of tenant improvements or Alterations in the Premises, or otherwise in the performance of this Lease, that are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. If Subtenant fails to comply with any of the provisions of San Francisco Environment

Code Chapter 8, Subtenant will be liable for liquidated damages for each violation in an amount equal to Subtenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater. Subtenant may not purchase preservative-treated wood products containing arsenic in the performance of this Lease unless an exemption from the requirements of Environment Code Chapter 13 is obtained from the Department of Environment. This provision does not preclude Subtenant from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" means a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater."

**9.** **Amendment of Section 34.5 - Prohibition of Tobacco Sales and Advertising.** Section 34.5 of the Agreement is deleted in its entirety and replaced with the following:

"**Prohibition of Tobacco Sales and Advertising**.

Subtenant acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on the Premises. This advertising prohibition includes the placement of the name of a company producing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. In addition, Subtenant acknowledges and agrees that no Sales, Manufacture, or Distribution of Tobacco Products (as such capitalized terms are defined in Health Code Section 19K.1) is allowed on the Premises and such prohibition must be included in all Leases or other agreements allowing use of the Premises. The prohibition against Sales, Manufacture, or Distribution of Tobacco Products does not apply to persons who are affiliated with an accredited academic institution where the Sale, Manufacture, and/or Distribution of Tobacco Products is conducted as part of academic research."

**10.** **Amendment of Section 34.9 - Pesticide Prohibition.** Section 34.9 of the Agreement is deleted in its entirety and replaced with the following:

"**Pesticide Prohibition**.

(a) Subtenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or

control services to the Premises without first receiving City's written approval of an integrated pest management ("IPM") plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Subtenant may need to apply to the Premises during the term of this Lease, (ii) describes the steps Subtenant will take to meet the City's IPM Policy described in San Francisco Environment Code Chapter 3, section 300 (the Integrated Pest Management Program Ordinance or "IPM Ordinance"), and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Subtenant's primary IPM contact person with the City. Subtenant will comply, and will require all of Subtenant's contractors to comply, with the IPM plan approved by the City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Subtenant were a City department. Among other matters, the provisions of the IPM Ordinance: (A) provide for the use of pesticides only as a last resort, (B) prohibit the use or application of pesticides on property owned by the City or Landlord, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (C) impose certain notice requirements, and (D) require Subtenant to keep certain records and to report to City all pesticide use at the Premises by Subtenant's staff or contractors.

(b) If Subtenant or Subtenant's contractor would apply pesticides to outdoor areas at the Premises, Subtenant must first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application must be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, http://sfenvironment.org/ipm."

**11. <u>Amendment of Section 34.13- Notification of Limitations on Contributions</u>.**

Section 34.13 of the Agreement is deleted in its entirety and replaced with the following:

"**<u>Notification of Prohibition on Contributions</u>**.

By executing this Lease, Subtenant 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. Subtenant 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. Subtenant 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 Subtenant; any Subtenant listed in the lease; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the Lease, the City department with whom Subtenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any Subtenant. Additionally, Subtenant 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."

**12.** **New Sections 34.18 through 34.26.** The following new Sections 34.18 through 34.26 are hereby added to the end of the Agreement:

**"34.18 Criminal History in Hiring and Employment Decisions.**

**(a)** Unless exempt, Subtenant agrees to comply with and be bound by all of the provisions of San Francisco Administrative Code Chapter 12T (Criminal History in Hiring and Employment Decisions; "Chapter 12 T"), which are hereby incorporated as may be amended from time to time, with respect to applicants and employees of Subtenant who would be or are performing work at the Premises.

**(b)** Subtenant shall incorporate by reference the provisions of Chapter 12T in all Leases of some or all of the Premises, and shall require all Subtenants to comply

with such provisions. Subtenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

**(c)** Subtenant and Subtenants shall not inquire about, require disclosure of, or if such information is received base an Adverse Action on an applicant's or potential applicant for employment, or employee's: (1) Arrest not leading to a Conviction, unless the Arrest is undergoing an active pending criminal investigation or trial that has not yet been resolved; (2) participation in or completion of a diversion or a deferral of judgment program; (3) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (4) a Conviction or any other adjudication in the juvenile justice system; (5) a Conviction that is more than seven years old, from the date of sentencing; or (6) information pertaining to an offense other than a felony or misdemeanor, such as an infraction.

**(d)** Subtenant and Subtenants shall not inquire about or require applicants, potential applicants for employment, or employees to disclose on any employment application the facts or details of any conviction history, unresolved arrest, or any matter identified in subsection (c) above. Subtenant and Subtenants shall not require such disclosure or make such inquiry until either after the first live interview with the person, or after a conditional offer of employment.

**(e)** Subtenant and Subtenants shall state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment with Subtenant or Subtenants at the Premises, that the Subtenant or Subtenants will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.

**(f)** Subtenant and Subtenants shall post the notice prepared by the Office of Labor Standards Enforcement ("OLSE"), available on OLSE's website, in a conspicuous place at the Premises and at other workplaces within San Francisco where interviews for job opportunities at the Premises occur. The notice shall be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the Premises or other workplace at which it is posted.

**(g)** Subtenant and Subtenants understand and agree that upon any failure to comply with the requirements of Chapter 12T, Sublandlord shall have the right to pursue any rights or remedies available under Chapter 12T or this Lease, including but not limited to a penalty of $50 for a second violation and $100 for a subsequent violation for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Lease.

**(h)** If Subtenant has any questions about the applicability of Chapter 12T, it may contact Sublandlord for additional information. Sublandlord may consult with the Director of the City's Office of Contract Administration who may also grant a waiver, as set forth in Section 12T.8.

**34.19. Local Hiring Requirements for Tenant Alterations and Improvements.**

"Subtenant Alterations and Improvements are subject to the San Francisco Local Hiring Policy for Construction ("**Local Hiring Policy**") (San Francisco Administrative Code §6.22(G)) unless the Tenant improvements are undertaken and contracted for by Subtenant and are estimated to cost less than $750,000 per building permit; or meet any of the other exemptions in San Francisco Administrative Code Section 6.22(G). Accordingly, Subtenant, as a condition of this Lease, agrees that, unless subject to an exemption or conditional waiver, Subtenant shall comply with the obligations in San Francisco Administrative Code Section 6.22(G), and shall require Subtenant's Subtenants to comply with those obligations to the extent applicable. The requirements are summarized below. Before starting any Tenant Improvement Work, Subtenant shall contact the City's Office of Economic Workforce and Development ("OEWD") to verify the Local Hiring Policy requirements that apply to the Tenant Improvement Work, and Subtenant shall comply with all such requirements. Subtenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease and may subject Subtenant and its Sub-Subtenants to the consequences of noncompliance specified in the Local Hiring Policy, including but not limited to penalties.

**(1)** For each contractor and subcontractor performing Tenant improvements in amounts exceeding the Threshold Amount for a Covered Project, Subtenant and its Sub-Subtenants shall comply with the applicable mandatory participation levels for Project Work Hours performed by Local Residents, Disadvantaged Workers, and Apprentices set forth in Administrative Code §6.22(G)(4).

**(2)** For Covered Projects estimated to cost more than $1,000,000, prior to commencement of any work subject to the Local Hiring Policy, Subtenant and its Sub-Subtenants shall prepare and submit to Sublandlord and the City's Office of Economic and Workforce Development (OEWD) for approval a "local hire plan" for the project in accordance with Administrative Code §6.22(G)(6).

**(3)** Subtenant and its Sub-Subtenants shall comply with applicable recordkeeping and reporting requirements and shall cooperate in City inspections and audits for compliance with the Local Hiring Policy, including allowing access to employees of its contractors and subcontractors and other witnesses at the Premises.

**(4)** Subtenant agrees that (i) Subtenant shall comply with all applicable requirements of the Local Hiring Policy; (ii) the provisions of the Local Hiring Policy are reasonable and achievable by Subtenant and its Sub-Subtenants; and (iii) Subtenant and its Sub-Subtenants have had a full and fair opportunity to review and understand the terms of the Local Hiring Policy.

**34.20. Local Hiring Requirements for Special Events.**

Unless exempt, if Subtenant has a special event on the Premises, Subtenant must comply with all applicable provisions of the San Francisco Local Hiring Policy (San Francisco Administrative Code Chapter 82) in the performance of construction activities during the set-up, execution and strike of Events of four (4) or more consecutive or non-consecutive days. Before starting any Construction Work for Special Events covered under the Local Hiring Policy, Event Sponsor shall contact the City's Office of Economic Workforce and Development ("OEWD") to verify the Local Hiring Policy requirements that apply to the Special Event, and Event Sponsor shall comply with all such requirements. Failure to comply with the obligations in this subsection will constitute a material breach and may subject Event Sponsor to the consequences of noncompliance specified in the Local Hiring Policy, including but not limited to penalties.

(1) For construction work on events covered by the Local Hiring Policy that exceed $400,000, a budget of construction activities must be submitted with this application for review by OEWD.

(2) Contractors shall comply with the applicable mandatory participation levels for Project Work Hours performed by Local Residents, Disadvantaged Workers, and Apprentices as set forth in Section 6.22(G)(4).

(3) Contractors shall comply with applicable recordkeeping and reporting requirements and shall cooperate in City inspections and audits for compliance with the Local Hiring Policy, including allowing access to employees of its contractors and subcontractors and other witnesses at the Premises.

**34.21. San Francisco Packaged Water Ordinance.**

Subtenant agrees to comply with San Francisco Environment Code Chapter 24 ("Chapter 24"). Subtenant shall not sell, provide or otherwise distribute Packaged Water, as defined in Chapter 24 (including bottled water), in the performance of this Agreement or on City property unless Subtenant obtains a waiver from the City's Department of the Environment. If Subtenant violates this requirement, the City may exercise all remedies in this Agreement and the Director of the City's Department of the Environment may impose administrative fines as set forth in Chapter 24.

**34.22. Vending Machines: Nutritional Standards and Calorie Labeling Requirements.**

Subtenant shall not install or permit any vending machine on the Premises without the prior written consent of the TIDA Director. Any permitted vending machine must comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Subtenant agrees to incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this [Section 28.48] shall be deemed a material breach of this Lease. Without limiting Landlord's other rights and remedies under this Lease, Landlord shall have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements. In addition, any restaurant located on the Premises is encouraged to ensure that at least 25% of Meals offered on the menu meet the nutritional standards set forth in San Francisco Administrative Code section 4.9-1(e), as may be amended.

**34.23. Well Protection.**

(a) Standard Requirements. Landlord has adopted a Well Protection Plan for protection of soil vapor and groundwater wells associated with the Navy environmental cleanup program [a copy will be provided by staff on request]. Subtenant is responsible for compliance with the Well Protection Plan for any well located within the Premises. Subtenant must keep wells within the Premises visible and accessible at all times. Visibility is defined as no equipment, vehicles, soil, fill material, or other objects or structures placed over top of the well or within a five-foot

radius from the center of the well. Accessibility is defined as a five-foot wide path to the well that is free of obstacles. Accessibility must be maintained to support observation and sampling of the well by the Landlord and its agents and regulators. For wells located in indoor, unoccupied spaces, Subtenant must keep the building locked to the public to limit access. Any bollards protecting wells must be kept in good condition and free of damage. Subtenant shall avoid vehicle operation over existing wells to limit damage. Subtenant must report any well damage to wells within the Premises to Landlord within 24 hours. Damage is defined as broken or cracked well lid, broken or cracked well collar, or broken or cracked concrete associated with well construction. Subtenant is informed that the Navy or Landlord may enter the Premises to observe or sample wells.

(b) Building Demolition. If Subtenant demolishes a building containing interior wells, the Subtenant will notify Landlord who will notify the Department of Toxic Substances Control (DTSC) of demolition no later than 30 days prior to the start of demolition activities. Subtenant will notify demolition contractors of the presence of wells within the building before beginning demolition and the need to protect the wells during demolition in accordance with the Well Protection Plan. During demolition activities, wells within the building must be covered by a five-foot by five-foot trench steel plate of 0.25-inch minimum thickness painted a bright color prior to demolition activities. Contractors will keep the plate in place through placement of asphalt around the perimeter of the plate or through implementation of other methods that mitigate movement of the plate. The plate will remain in place atop the well through completion of demolition. Exterior wells within 50 feet of the external walls must be protected by surrounding the well with chain link fencing during demolition.

The Subtenant will instruct demolition contractors to leave the building slab intact where possible. If the building slab is required to be demolished during building demolition, slab demolition will be conducted following demolition of above-slab building components. An 8-foot by 8-foot box section of slab centered around each well will be saw-cut and the slab within the 8 by 8 foot box will be removed using hand tools only. Following slab demolition by hand, metal sleeves extending 2-3 feet above the ground surface will be placed to fit around the well covers and brightly painted. Additional protective measures detailed in previous section (Standard Requirements) will also be evaluated for implementation following building

demolition. Following completion of demolition activities, the structural integrity and condition of the wells will be evaluated by visual inspection and tagging the depth of the well. If wells have sustained damage to the point at which the well can no longer serve its purpose, the impacted wells must be properly decommissioned and reinstalled.

Wells located within buildings proposed for demolition that are deemed no longer essential by the Navy, DTSC, and the San Francisco Bay Regional Water Quality Control Board (Regional Water Board) must be properly decommissioned prior to the start of demolition activities. If the condition of the building in which the wells are located cannot support well decommissioning due to access restraints or health and safety hazards, steel plates will be placed over the wells as described above. In this case, well decommissioning shall be completed following completion of demolition.

(c) Subsurface/Utility Excavation. Subtenant is required to obtain a dig permit before any excavation or soil handling activities within the Premises. If Subtenant completes subsurface excavation activities in proximity to wells, a minimum of five feet between the edge of the well cover and the wall of the excavation must be maintained. Before the start of work, contractors will be made aware of all wells and protective measures, ensuring the five foot protective area and that equipment, haul trucks, and stockpiles are not stationed atop of wells. Excavation equipment is prohibited from accessing the excavation from the side with a well located five feet from the edge of the excavation. Additional protective measures detailed in the Standard Requirements section will also be evaluated for implementation during subsurface excavation. Following completion of excavation activities, contractors will assess the structural integrity and condition of wells within five feet of the excavation by visual inspection and tagging the depth of the well. If wells have sustained damage to the point at which the well can no longer serve its purpose, the impacted wells must be properly decommissioned and reinstalled. If the scope of work requires excavation within the five-foot minimum separation distance, the well will require abandonment prior to commencement of excavation and reinstallation, if needed, following completion of work.

(d) Staged Soil Management. Landlord has adopted a Contingency Plan for environmental management on former Navy properties [a copy will be provided by

staff on request]. Subtenant is responsible for compliance with the Contingency Plan within the Premises. Subtenant may not stockpile or manage soil, fill materials, or construction debris that may be impacted by environmental contaminants. If Subtenant (or a party acting by or through Subtenant) fails to comply with this requirement, Subtenant will be responsible, at no cost to Landlord, for corrective action to address the stockpile in the manner prescribed in the Contingency Plan. In accordance with plans approved by Landlord, Subtenant may temporarily stockpile construction debris (asphalt, concrete, brick, rock, lumber, etc.) as long as the debris is not mixed with soil, does not exhibit visual or olfactory indicators of contamination, and is not staged on lands currently subject to a CRUP or other environmental controls. Subtenant will place such stockpiles on plastic sheeting and cover the temporary stockpile in plastic sheeting and sand wattles surrounded by bright cones. Subtenant will immediately report to Landlord any illegal dumping of soil or other material within the Premises, unauthorized visitors or suspicious hauling vehicles. Landlord requests that Subtenants leasing space within Navy environmental cleanup Site 24 maintain security cameras and make video recording available to Landlord upon request in the event of illegal dumping.

(e) Import Soils and Fill Material. Subtenant is advised that the import of soil or fill materials within the Premises is prohibited unless performed in strict accordance with a process approved and overseen by the DTSC. Provisions of this process include analytical testing of any soil or fill material for potential environmental contaminants and comparison of results of allowable concentrations for import fill. If import of soils or fill materials are needed, Subtenant will notify Landlord for assistance performing the required sampling.

(f) Accidental Fuel Spills. Subtenant will report all spills of fuels or other potentially hazardous liquids to the California Office of Emergency Services State Warning Center and the Unified Program Agency or 911 and to Landlord. Landlord will notify DTSC and Regional Water Board within 48 hours of discovery. In the event of a spill within the Premises, Subtenant will contain or remove the spill source. Subtenant will use roll-off bins or 55-gallon drums to control standing liquid. Absorbent material and pumping will be implemented by Subtenant for active leaks. If removal of impacted soils is required due to a spill, Subtenant will obtain a USA ticket

and dig permit 72 hours before remediation activities and will perform the soil remediation in accordance with the Contingency Plan.

(g) Vapor Intrusion Assessment. Subtenant is advised that recorded environmental land use covenants and restrictions on some properties may require periodic indoor air sampling by Landlord to confirm acceptable indoor air quality. Subtenant will provide reasonable access to Landlord to perform this sampling if and when required.

(h) Site Reconnaissance. In accordance with the Contingency Plan, Landlord is required periodically to perform a site reconnaissance of leased spaces to observe general environmental conditions and confirm that environmental best practices are being utilized. Subtenant will notify Landlord if they observe any potential environmental contaminations issues, such as insufficient protection of groundwater and soil gas monitoring wells, handling of hazardous materials, or poor environmental housekeeping.

**34.23. All-Gender Toilet Facilities.**

If applicable, Subtenant shall comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of any new building on City-owned land and within existing buildings leased by the City where extensive renovations are made. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by this section. If Subtenant has any question about applicability or compliance, Subtenant should contact the TIDA Director for guidance.

**34.24. Local Hiring**.

Subtenant further agrees to use good faith efforts to hire residents of the City and County of San Francisco at all levels of Subtenant's personnel needs and to contract with local businesses for Subtenant's purchase of supplies, materials, equipment or services.

**34.25. First Source Hiring Ordinance**.

The City has adopted a First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264 98) which establishes specific requirements, procedures and monitoring for first source hiring of qualified economically disadvantaged individuals for entry level positions. Within thirty (30) days after Sublandlord adopts a First Source Hiring Implementation and Monitoring Plan in accordance with the First Source Hiring Ordinance, Subtenant shall enter into a First Source Hiring Agreement that meets the applicable requirements of Section 83.9 of the First Source Hiring Ordinance.

**34.26. Charter Provisions**.

This Agreement is governed by and subject to the provisions of the Charter of the City and County of San Francisco."

**13. Counterparts.** This Seventh Amendment 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.

**14. Force and Effect.** Except as specifically amended herein, the terms and conditions of the Agreement shall remain in full force and effect.

**[Remainder of page intentionally left blank]**

**IN WITNESS WHEREOF**, Sublandlord and Subtenant have executed this Seventh Amendment to this Agreement at San Francisco, California, as of the date first above written.

**AUTHORITY:**

**TREASURE ISLAND DEVELOPMENT AUTHORITY**

By: _____

Robert P. Beck

Treasure Island Director

**SUBTENANT:**

**The John Stewart Company, Inc.**
**a California corporation**

By: _____

Its: _____

**APPROVED AS TO FORM:**

**DAVID CHIU, City Attorney**

By: _____

Heidi J. Gewertz

Deputy City Attorney

Amendment Prepared By: Richard A. Rovetti, Deputy Director of Real Estate _____

(initial)