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THIRD AMENDMENT TO LEASE

THIS THIRD AMENDMENT TO LEASE (this “Amendment”), dated as of the Effective Date (as defined below), is made by and between Michael C. Mitchell, an individual, as landlord (“Landlord”), and the City and County of San Francisco, a municipal corporation acting by and through its Airport Commission, as tenant (“City” or “Tenant”).

RECITALS

A. Landlord and City entered into that certain Lease dated January 12, 2009, as amended by: (i) the First Amendment to Lease dated October 1, 2010, and (ii) the Second Amendment to Lease dated March 19, 2018 (the “Existing Lease”). Under the Existing Lease, Landlord leases to City certain Premises, consisting of approximately 6,000 square feet of improvements on approximately 10,500 square feet of land located at 837 Malcom Road, Burlingame, California (as further described in the Lease, the “Premises”).

B. The Term of the Existing Lease is scheduled to expire on April 30, 2025.

C. Landlord and City desire to extend the Term of the Existing Lease and amend the Lease upon the terms and conditions as provided below.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Landlord and City agree as follows:

1. Defined Terms. Capitalized terms used in this Amendment but not defined shall have the meaning provided for them in the Existing Lease. “Lease” as used in this Amendment shall mean the Existing Lease as amended by this Amendment.

2. Effective Date. This Amendment shall become effective on the date that each of the following have occurred (the “Effective Date”): (i) the Airport Commission and the San Francisco Board of Supervisors shall have finally approved this Amendment (“Final City Approvals”), and (ii) each of the parties shall have executed this Amendment. Landlord shall submit an executed copy of this Amendment in order for City to obtain Final City Approvals. Upon the determination of the Effective Date, City shall enter the date below and deliver a fully executed original copy of this Amendment to Landlord.

Effective Date: _____

3. Extension of Term. The Term of the Existing Lease is extended for three (3) years (“Extension Term”), commencing on May 1, 2025 (“Extension Term Commencement Date”) and expiring on April 30, 2028 (“Extension Term Expiration Date”), unless sooner terminated or extended pursuant to the terms of the Lease.

4. City's Options to Extend the Term. City shall have two (2) options to further extend the Term ("Extension Options") for one (1) year each (the "Option Terms"). The Option Term(s) shall be on all of the terms and conditions contained in the Lease, including but not limited to, the annual adjustment of Base Rent by the three percent (3%). City may exercise the Extension Options, if at all, by giving one (1) year's advance written notice to Landlord (the "Extension Notice"); provided, however, if City is in material default under the Lease on the date of giving such notice and fails to cure such default as provided in the Lease, Landlord may reject such exercise by delivering written notice thereof to City promptly after City's failure to cure.

5. Extension Term Base Rent. Commencing on the Extension Term Commencement Date, Base Rent under the Lease shall be paid by City in the monthly amount of \$13,250, and otherwise in accordance with Section 4.1 of the Existing Lease. Commencing on May 1, 2026, and annually thereafter until the expiration or sooner termination of the Lease, the monthly Base Rent shall be increased by three percent (3%). For the avoidance of doubt, Sections 4.2 and 4.4 of the Existing Lease shall be of no further force or effect.

6. General Provisions. Section 23.31 (Notification of Limitation on Contributions) of the Existing Lease, as amended by the Second Amendment, is amended and restated in its entirety as follows:

"23.31 Notification of Limitation on Contributions

By executing this Agreement, 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) an individual holding a City elective office if the lease must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the 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 on Landlord's board of directors, any of Landlord's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Landlord; any subcontractor listed in the contract or any contract proposal; 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. Additionally, Landlord certifies that it has informed any member of its board of directors and any of its principal officers, including its chairperson,

chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Landlord of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this lease, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.”

7. No Further Modification. Except as specified in this Amendment, all of the terms, covenants and conditions of the Existing Lease shall remain unmodified and in full force and effect. The Existing Lease, as amended by this Amendment, constitutes the entire agreement of the parties concerning the subject matter hereof, and supersedes any and all previous negotiations, agreements, or understandings regarding the matters contained herein. The execution of this Amendment shall not constitute a waiver of relinquishment of any rights that City may have relating to the Existing Lease. Landlord and City hereby ratify and confirm all of the provisions of the Existing Lease as amended by this Amendment.

8. Applicable Law. This Amendment shall be governed by, construed and enforced in accordance with the laws of the State of California and the Charter of the City and County of San Francisco.

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

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AMENDMENT, LANDLORD ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF CITY HAS AUTHORITY TO COMMIT CITY HERETO UNLESS AND UNTIL CITY’S BOARD OF SUPERVISORS SHALL HAVE DULY ADOPTED A RESOLUTION APPROVING THIS AMENDMENT AND AUTHORIZING CONSUMMATION OF THE TRANSACTION CONTEMPLATED HEREBY. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF CITY HEREUNDER ARE CONTINGENT UPON ADOPTION OF SUCH RESOLUTION, AND THIS AMENDMENT SHALL BE NULL AND VOID UNLESS CITY’S BOARD OF SUPERVISORS APPROVE THIS AMENDMENT, AND IN ACCORDANCE WITH ALL APPLICABLE LAWS. APPROVAL OF THIS AMENDMENT BY ANY DEPARTMENT, COMMISSION OR AGENCY OF CITY SHALL NOT BE DEEMED TO IMPLY THAT SUCH RESOLUTION WILL BE ADOPTED NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON CITY.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

LANDLORD
Michael E. Mitchell,
an individual

By: ^{Signed by:} Michael C. Mitchell
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CITY
CITY AND COUNTY OF SAN FRANCISCO,
A municipal corporation, acting by and through
its Airport Commission

By: _____
Mike Nakornkhet
Airport Director

RECOMMENDED:

By: _____
Andrico Penick
Director of Real Estate

**AUTHORIZED BY
AIRPORT COMMISSION**

Resolution No. _____

Adopted: _____

Attest: _____

APPROVED AS TO FORM:

DAVID CHIU,
City Attorney

By: _____
Christopher W. Stuart
Deputy City Attorney