

LEASE AMENDMENT

THIS AMENDMENT (this “**Amendment**”) is made as of September 15, 2020, in San Francisco, California, by and between CELESTINA JIMENEZ and ALAN SALVDOR JIMENEZ, CO-TRUSTEES OF THE TRUST OF SALVADOR JIMENEZ AND CELESTINA JIMENEZ-SURVIVING SPOUSE’S TRUST, as sole owners (collectively “**Landlord**”) and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (“**City**”). Landlord and City are sometimes collectively referred to in this Amendment as the “**Parties**” or singularly as a “**Party**.”

RECITALS

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

A. City and Landlord are parties to an existing lease agreement, dated as of April 24, 2015 (the “**Lease**”), that provides for City’s lease and occupancy of leased premises (“**Premises**”) that constitute a portion 100-110 Blanken Avenue (the “**Building**”), being a portion of Lot 017, in Assessor’s Block 5084, San Francisco, California. City uses the Premises for counseling and office space for the Department of Public Health and such other uses as specified in the Basic Lease Information.

B. The Parties now desire to modify the Lease on the terms and conditions set forth in this Amendment.

ACCORDINGLY, in consideration of the matters described in the foregoing Recitals, and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the City and Landlord agree as follows:

1. Capitalized terms used in this Amendment that are not otherwise defined shall have the meaning assigned to such terms in the Lease.
2. The subheadings and associated text in Section 1 (Basic Lease Information) of the Lease listed below are hereby amended and restated to read in their entirety as follows:

Term (Section 3.1):

Initial Term:

Approximately Three (3) years

Estimated commencement date: October 15, 2020

Expiration date: September 30, 2023

Extension Options (Section 3.3):

Two additional terms of one (1) year each, each of which may be exercised by City by notice to Landlord not given less than one hundred eighty (180) days in advance prior to expiration of then-current Term.

Base Rent (Section 4.1):

Initial Term: Annual Base Rent: \$90,000 (30.00 per sq. ft.)
Monthly payments: \$7,500.00 (2.50 per sq. ft.)”

Adjustment Dates (Section 4.2): On each annual anniversary date of the Commencement Date (each, an “**Adjustment Date**”) during the Term, the Base Rent for the next twelve-month period of the Term shall increase to be equal to 103% of the Base Rent in effect for the twelve-month period immediately prior to such Adjustment Date.

Base Rent – Extension Term
(Section 4.4): 103% of the previous year’s rent.

3. Section 3.3 (Extension Options) is hereby amended and restated to read in its entirety as follows:

“City shall have the right to extend the Initial Term of this Lease (the “**Extension Option(s)**”) for the additional term(s) specified in the Basic Lease Information (the “Extended Term(s)”). Such Extension Option(s) shall be on all of the terms and conditions contained in this Lease. City may exercise the Extension Option(s), if at all, by giving written notice to Landlord no later than one hundred eighty (180) days prior to expiration of the Term to be extended; provided, however, if City is in material default under this Lease on the date of giving such notice and fails to cure such default as provided in this Lease, Landlord may reject such exercise by delivering written notice thereof to City promptly after such failure to cure”

4. Section 4.2 (Adjustments in Base Rent) is hereby amended and restated to read in its entirety as follows:

“On each date specified in the Basic Lease Information for the adjustment of Base Rent (an “**Adjustment Date**”), the Base Rent payable under Section 4.1 (Base Rent) for the following twelve-month period shall be adjusted to equal one hundred and three percent (103%) of the Base Rent for the twelve month period immediately preceding such Adjustment Date.”

5. Section 4.4 (Determination of Base Rent for the Extended Term) is hereby deleted in its entirety.

6. The following language is added to the Lease as (new) Section 9.5 (Additional Services):

“City may request additional services for the Premises from Landlord, which Landlord may provide at its discretion, but which it will not unreasonably deny providing. If Landlord elects to provide the requested additional services, so long as City has approved the cost of the additional services in writing before Landlord incurs any costs for those requested additional services, City will pay for the cost of the requested additional services within

thirty (30) days after receipt of an invoice; provided, however, that City may elect to provide any deposit or other prepayment that City determines is appropriate given the nature of the requested services. Any additional terms for the additional services will be memorialized by a written agreement, which, upon execution by Landlord and City, will be considered a part of this Lease.”

7. **No Joint Venture.** This Amendment or any activity by the City under the Lease does not create a partnership or joint venture between the City and Landlord relating to the Lease or otherwise. This Amendment does not constitute authorization or approval by the City of any activity conducted by Landlord, and the City shall in no way be responsible for the acts or omissions of Landlord on the Premises or otherwise.

8. **References.** No reference to this Amendment is necessary in any instrument or document at any time referring to the Lease. Any future reference to the Lease shall be deemed a reference to such document as amended hereby.

9. **Landlord’s Compliance with City Business and Tax and Regulations Code.** Landlord acknowledges that under Section 6.10-2 of the San Francisco Business and Tax Regulations Code, the City Treasurer and Tax Collector may require the withholding of payments to any vendor that is delinquent in the payment of any amounts that the vendor is required to pay the City under the San Francisco Business and Tax Regulations Code. If, under that authority, any payment City is required to make to Landlord under this Lease is withheld, then City will not be in breach or default under this Lease, and the Treasurer and Tax Collector will authorize release of any payments withheld under this paragraph to Landlord, without interest, late fees, penalties, or other charges, upon Landlord coming back into compliance with its San Francisco Business and Tax Regulations Code obligations.

10. **Further Instruments.** The Parties shall execute such further instruments and to take such further actions as may be reasonably required to carry out the intent of this Amendment.

11. **Effective Date.** The date of which this Amendment shall become effective as of the date this Amendment is duly executed and exchanged by the Parties.

12. **Miscellaneous.** Except as expressly modified by this Amendment, the terms, covenants, and conditions of the Lease shall remain unmodified and in full force and effect. The Lease as amended by this Amendment constitutes the entire agreement of the Parties concerning City’s occupancy and use of the Premises and supersedes and conceals any and all previous negotiations, agreements, or understandings, if any, regarding the matters contained in the Lease. The execution of this Amendment shall not constitute a waiver of relinquishment of any rights which the City may have relating to the Lease. Landlord and City hereby ratify and confirm all of the provisions of the Lease as amended by this Amendment.

[Signatures on following page]

In witness whereof, the Parties have executed this Amendment as of the date written above.

LANDLORD:

CELESTINA JIMENEZ AND ALAN SALVDOR
JIMENEZ, CO-TRUSTEES OF THE TRUST OF
SALVADOR JIMENEZ AND CELESTINA
JIMENEZ-SURVIVING SPOUSE'S TRUST,
as sole owners

By: Celestina Jimenez
Celestina Jimenez

By: Alan Salvador Jimenez
Alan Salvador Jimenez

TENANT:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
Andrico Q. Penick
Director of Property

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Richard Handel
Deputy City Attorney