Office of the District Attorney Alameda County Nancy E. O'Malley, District Attorney



Rene C. Davidson Courthouse 1225 Fallon Street, Suite 900 Oakland, CA 94612

AGENDA # _____ November 3, 2015

October 20, 2015

Honorable Board of Supervisors County of Alameda 1221 Oak Street, Suite 536 Oakland, California 94612-4305

Dear Board Members:

SUBJECT: APPROVE FIFTH AMENDMENT TO LEASE FOR THE DISTRICT

ATTORNEY'S CONSUMER ENVIRONMENTAL AND WORKER PROTECTION DIVISION AT 7677 OAKPORT STREET, SUITE 650,

OAKLAND, CALIFORNIA; AMOUNT: \$1,311,379

RECOMMENDATION:

Approve the Fifth Amendment to Lease between Cranbrook Realty Investment Fund, L.P., dba Airport Corporate Centre, a California limited partnership (Bruce Cahoon, Chief Financial Officer, Modesto California), Landlord, and the County of Alameda, Tenant, extending by three years and six months the 15,178-square foot office space for District Attorney's Consumer, Environmental and Worker Protection Division at 7677 Oakport Street, Suite 650, Oakland, California. The cost of the extension in Fiscal Year 2015-16 will be \$242,848.

DISCUSSION/SUMMARY:

The District Attorney's Consumer, Environmental and Worker Protection Division has been located at this address since 1990. The program initially occupied 6,298 square feet. In 2010, your Board approved an expansion of the premises to its current 15,178 square feet. Terms and conditions of the Fifth Amendment to Lease include the following:

- 1. Term to be three years and six months from November 1, 2015 through April 30, 2019.
- 2. Full Service monthly rental rate for Suite 650 will be:

\$30,356 per month (\$2.00/SF/mo) 11/1/2015 to 10/31/2016 \$31,115 per month (\$2.05/SF/mo) 11/1/2016 to 10/31/2017 \$31,873 per month (\$2.10/SF/mo) 11/1/2017 to 4/30/2019

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- 3. Landlord will provide \$22,767 tenant improvements to expand the existing storage room.
- 4. Operating expense pass-throughs apply with 2015 being the base year.

All other terms and conditions of the lease will remain the same.

FINANCING:

Funding for the increased annual lease expenses will be paid from the D. A. Consumer penalties fund-Trust Fund 84102.

Respectfully submitted,

Nancy E. O'Malley

District Attorney Acting Director, General Services Agency

TYBOARD LETTERS/REAL PROPERTY/LETTERS/BOS. 11.03.15.RPM.5TH AMENDMENT FOR D.A. AT 7677 OAKPORT STREET, STE. 650

cc: Susan S. Muranishi, County Administrator

Steve Manning, Auditor-Controller

Donna R. Ziegler. Winnie, County Counsel

FIFTH AMENDMENT TO LEASE

This Fifth Amendment to Lease (hereinafter called "Fifth Amendment") is made as of November ______, 2015, between Cranbrook Realty Investment Fund, L.P., dba Airport Corporate Centre, a California limited partnership (hereinafter called "Landlord"), and County of Alameda (hereinafter called "Tenant").

The parties enter into this Fifth Amendment upon the following facts, understandings and intentions:

WHEREAS, Landlord and Tenant entered into a written Lease and Addendum thereto with a Lease Preparation date of March 28, 1990 and an execution date of April 10, 1990 (the "Original Lease") whereby Tenant leased from Landlord approximately 6,298 rentable square feet of space, commonly known as Suite 400 (the "Premises") in that certain building located at 7677 Oakport Street in the City of Oakland, County of Alameda, State of California (the "Building").

WHEREAS, Landlord and Tenant entered into a certain First Amendment to Lease – Extension/Expansion dated May 24, 1994 and executed by the County on May 24, 1994 (hereinafter called "First Amendment to Lease") whereby Landlord and Tenant agreed to expand the premises and extend the lease term;

WHEREAS, Landlord and Tenant entered into a certain written Second Amendment to Lease dated June 9, 1997 and executed by the County on August 5, 1997 (hereinafter called "Second Amendment to Lease") whereby Landlord and Tenant extended the lease term and adjusted the monthly base rent;

WHEREAS, Landlord and Tenant entered into a certain written Third Amendment to Lease dated April 4, 2000 and executed by the County of April 4, 2000 (hereinafter called "Third Amendment to Lease") whereby Landlord and Tenant agreed to relocate the premises to Suite 650 consisting of approximately 15,178 rentable square feet of space and extend the lease term;

WHEREAS, Landlord and Tenant entered into a certain written Fourth Amendment to Lease dated July 13, 2010 and executed by the County of July 16, 2010 (hereinafter called "Fourth Amendment to Lease") whereby Landlord and Tenant agreed to extend the lease term and adjust the monthly base rent;

WHEREAS, the Original Lease, as amended by the First Amendment to Lease, the Second Amendment to Lease, the Third Amendment to Lease, and the Fourth Amendment to Lease are collectively referred to herein as the "Lease."

WHEREAS, Landlord and Tenant have mutually agreed to extend the Term, adjust the Monthly Base Rent, and desire to further modify or amend the Lease on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. <u>Defined Terms</u>. Except as otherwise expressly provided herein, the capitalized terms used herein shall have the meanings set forth in the Lease.

- 1.1 <u>Law</u>. The term "Law" shall mean any judicial decision, statute (including, without limitation, the Americans with Disabilities Act and the regulations promulgated thereunder), ordinance, resolution, regulation, rule, administrative order, or other requirement of any municipal, county, state, federal or other government agency or authority having jurisdiction over the parties to this Lease or the Premises, or both, in effect either at the Effective Date or any time during the Lease Term.
- 1.2 <u>Project</u>. The term "Project" shall mean that real property (add address and assessor's parcel) and the improvements shown on Exhibit A-1 consisting of one building; the aggregate rentable area of which is approximately 263,833 square feet.
- 1.3 <u>Hazardous Materials Law</u>. As used herein, the term "Hazardous Materials Law" shall mean any statute, law, ordinance, code, policy or regulation of any governmental body or agency (including, without limitation, the U.S. Environmental Protection Agency, the California Regional Water Quality Control Board, and the California Department of Health Services) which regulates the use, storage, release or disposal of any Hazardous Material.
- 2. <u>Term.</u> Effective November 1, 2015 (hereinafter the "Commencement Date"), the Lease Term is deemed recast and extended forty-two (42) months to expire on April 30, 2019 in lieu of July 31, 2015.
- 3. <u>Rent Commencement Date</u>. The rent commencement date of this Fifth Amendment shall be November 1, 2015 (hereinafter the "Rent Commencement Date").

4. Rent.

4.1 <u>Monthly Base Rent</u>. Tenant shall pay the following to Landlord as Monthly Base Rent for the Premises:

<u>Term</u>	Monthly Base Rent
November 1, 2015 – October 31, 2016:	\$30,356.00
November 1, 2016 – October 31, 2017:	\$31,114.90
November 1, 2017 – April 30, 2019:	\$31,873.80

- 4.2 <u>Additional Rent</u>. Commencing on the Rent Commencement Date and continuing throughout the Lease Term, Tenant shall pay the following as additional rent (the "Additional Rent"): (i) Tenant's Percentage Share of Common Operating Expenses as defined below; and (ii) all other charges and costs required to be paid by Tenant to Landlord (other than Monthly Base Rent) pursuant to this Lease. Upon Tenant's non-payment of any Additional Rent, Landlord shall have all the rights and remedies with respect thereto as Landlord has for the non-payment of Monthly Base Rent. All Monthly Base Rent and Additional Rent are referred to herein as "Rent."
- 5. <u>Tenant's Percentage Share and Base Year</u>. As of the Commencement Date, Tenant's Percentage Share (as defined in the Basic Lease Information incorporated into the original Lease) shall be five and seventy-five hundredths percent (5.75%); and the Base Year (as defined in the Basic Lease Information incorporated into the original Lease) shall be calendar year 2015.

6. Common Operating Expenses.

- 6.1 Tenant's Obligation to Reimburse. Tenant shall pay to Landlord, as Additional Rent, Tenant's Percentage Share of the amount (if any) by which Common Operating Expenses, defined below in paragraph 6.2, paid or incurred in any calendar year during the Lease Term exceeds the Base Year amount ("Excess Expenses") for any annual period or portion thereof. The following provisions shall apply to the foregoing obligation of Tenant:
- Payment of Tenant's Percentage Share of Excess Expenses shall be made by whichever of the following methods is from time to time designated by Landlord, and Landlord may change the method of payment at any time. After each calendar year during the Lease Term, Landlord may invoice Tenant for Tenant's Percentage Share of the Excess Expenses for such calendar year, and Tenant shall pay such amounts so invoiced within thirty (30) days after receipt of such notice. Alternatively, prior to or during December of each calendar year during the Lease Term or as soon as practicable thereafter, Landlord may give Tenant written notice of Landlord's estimate of the amount by which the Common Operating Expenses for the next succeeding calendar year will exceed the Base Year amount. An amount equal to one-twelfth (1/12th) of Tenant's Percentage Share of any such estimated increase shall be payable monthly by Tenant with each installment of Base Monthly Rent, commencing on the first day of the calendar month following Landlord's notice and continuing throughout the Lease Term, subject to further adjustments following receipt of any notice of increase from Landlord given pursuant to subparagraph B below. Within ninety (90) days after the end of such calendar year, Landlord shall furnish to Tenant a statement in reasonable detail of the actual Excess Expenses paid or incurred by Landlord in accordance with this paragraph during the just ending calendar year, and thereupon there shall be an adjustment between Landlord and Tenant, with payment to or repayment by Landlord, as the case may require, within thirty (30) days after delivery by Landlord to Tenant of such statement, to the end that Landlord shall receive the entire amount of Tenant's Percentage Share of all the Excess Expenses for such calendar year and no more. The termination of the Lease shall not affect the obligations of Landlord and Tenant pursuant to the immediately preceding sentence.
- B. Landlord may at any time during the calendar year of the Lease Term adjust its estimate of Excess Expenses to reflect current expenditures and, following written notice to Tenant of such revised estimate, subsequent payments by Tenant shall be based upon such revised estimate.
- C. If the termination of the Lease shall be on a day other than the last day of a calendar year, the amount of any adjustment pursuant to subparagraph A above for the calendar year in which the Lease terminates shall be prorated on the basis which the number of days from the commencement of such calendar year to and including such termination date bears to 365.
- D. Notwithstanding any statement of Common Operating Expenses furnished by Landlord, if after any taxing authority or other governmental agency notifies Landlord of the levy, assessment or imposition of any Real Property Taxes which constitute a Common Operating Expense applicable to the Lease Term (whether such notice is received during the Lease Term or after termination of the Lease) for which Tenant has not yet been charged, Tenant shall pay, within thirty (30) days after written notice from Landlord, Tenant's percentage share of the sum of such Real Property

Taxes plus all other Common Operating Expenses incurred or accrued during such applicable Lease Year in excess of the Base Year amount.

- E. If, in the future, the Project contains more than one building, then the shared costs and expenses shall be equitably prorated and apportioned between the Building (and the Project) and the other buildings.
- F. Tenant shall have the right, exercisable upon not less than two (2) weeks prior written notice to Landlord, to review Landlord's books and records relating to Common Operating Expenses within ninety (90) days of receipt of any annual statement for the same, for the purpose of verifying the charges contained in such statement. Such review shall take place at Landlord's office during regular business hours and Tenant shall be responsible for all costs and related expenses of the review. In no event shall Tenant have the right to conduct such review if Tenant is then in default of this Lease with respect to any monetary obligations, including, without limitation, the payment by Tenant of all Additional Rent amounts that are the subject of Tenant's review. Tenant may not withhold payment pending completion of such inspection of Landlord's books and records. If Tenant fails to timely exercise its inspection rights in accordance with the terms above, the failure shall be conclusively deemed to constitute Tenant's approval of Landlord's reconciliation statement for the calendar year in question. Tenant shall keep any information gained from the inspection of Landlord's books and records confidential and shall not disclose it to any other party, except as required by law. If requested by Landlord, Tenant shall require its employees or agents inspecting Landlord's books and records to sign a confidentiality agreement as a condition of Landlord making Landlord's books and records available to them. Tenant covenants and agrees that any accounting or auditing firm or company retained by Tenant to review or inspect Landlord's books and records relating to Common Operating Expenses shall not be compensated on a contingency fee basis.
- 6.2 <u>Common Operating Expenses Defined</u>. The term "Common Operating Expenses" shall mean and include the following:
- All costs and expenses paid or incurred by Landlord in repairing, maintaining and operating the Building and Project, including without limitation the following: costs of (1) the all charges for electricity, gas, water and other utilities furnished to the Project, including any taxes thereon; (2) supplies; (3) insurance (including, without limitation, commercial general liability, property or casualty insurance (including, without limitation, earthquake coverage), rental loss, and other insurance maintained or required to be maintained by Landlord under this Lease); (4) services of independent contractors; (5) compensation (including employment taxes and fringe benefits) of all persons who perform duties connected with the operation, maintenance, repair or restoration of the Building or Project, and equipment, improvements and facilities located within the Project, including without limitation engineers, janitors, painters, window washers, security and parking personnel and gardeners (but excluding persons performing services not performed for substantially all Building or Project tenants); (6) fees for management of the Building or Project, whether managed by Landlord or an independent contractor, however, such management fees shall not exceed five percent (5%) of the aggregate gross revenues generated from the operation of the Project; (7) rental expenses for (or a reasonable depreciation allowance on) personal property used in the maintenance, operation or repair of the Building or Project; (8) maintaining, cleaning, repairing and resurfacing the roof (including repair of leaks) and the exterior surfaces (including painting) of all buildings located on the Project; (9) maintaining, repairing, operating and replacing when necessary HVAC equipment, utility facilities and

other building service equipment; (10) providing utilities to the Common Area (including lighting, trash removal and water for landscaping irrigation); (11) window washing; (12) maintenance, repair and replacement of HVAC and elevators; (13) fire monitoring and fire system maintenance; (14) operating, maintaining, repairing, cleaning, painting, restriping and resurfacing the Common Area; (15) replacement or installation of lighting fixtures, directional or other signs and signals, irrigation systems, trees, shrubs, ground cover and other plant materials, and all landscaping in the Common Area; (16) providing security; (17) the amount of any deductible paid by Landlord with respect to damage caused by a peril actually insured against for which the insurance proceeds actually received by Landlord are sufficient (except for any "deductible" amount specified by such insurance) to restore the Project under then existing building codes to the condition existing immediately prior to the damage (except that if the damage or destruction causing or triggering payment of such deductible by Landlord is caused or triggered by the act(s), negligence or willful misconduct of Tenant or any of its agents, employees, contractors, subcontractors, then Tenant shall reimburse or pay to Landlord, within ten (10) days following receipt of a statement or invoice, one hundred percent (100%) of the amount of such deductible payment), (18) staffing and administering (including supplies, telephones, equipment rental, payroll burden, professional fees, taxes and licenses and tenant and broker relations) an on-site project office; (19) legal fees; and (20) real estate tax consulting fees.

B. Real Property Taxes as defined in ¶6.3.

- C. The following costs: (i) costs of capital improvements required to be constructed in order to comply with any Law (excluding any Hazardous Materials Law) not in effect or applicable to the Project as of the Effective Date, (ii) costs of repairs or replacements of any capital improvements or building service equipment existing as of the Effective Date because of normal wear and tear or obsolescence, and (iii) the costs of modification or construction of existing or additional capital improvements or building service equipment for the purpose of improving the efficiency of any building system or reducing the consumption of utility services or Common Operating Expenses of the Project. To the extent any of the costs described in this ¶6.2C are capital expenditures, then such costs shall be amortized over the useful life of such applicable improvement (as reasonably determined by Landlord) with interest on the unamortized balance at the then prevailing market rate Landlord would pay if it borrowed funds to construct such improvements from an institutional lender, and Landlord shall inform Tenant of the monthly amortization payment required to so amortize such costs, and shall also provide Tenant with the information upon which such determination is made in accordance with the provisions of this ¶6.2C above.
- Real Property Taxes Defined. The term "Real Property Taxes" shall mean all taxes, assessments, levies, and other charges of any kind or nature whatsoever, general and special, foreseen and unforeseen (including all installments of principal and interest required to pay any existing or future general or special assessments for public improvements, services or benefits, and any increases resulting from reassessments resulting from a change in ownership, new construction, or any other cause), now or hereafter imposed by any governmental or quasi-governmental authority or special district having the direct or indirect power to tax or levy assessments, which are levied or assessed against, or with respect to the value, occupancy or use of all or any portion of the Project (as now constructed or as may at any time hereafter be constructed, altered, or otherwise changed) or Landlord's interest therein, the fixtures, equipment and other property of Landlord, real or personal, that are an integral part of and located on the Project, the gross receipts, income, or rentals from the Project, or the use of parking areas, public utilities, or energy within the Project, or Landlord's business of leasing the

Project. If at any time during the Lease Term the method of taxation or assessment of the Project prevailing as of the Effective Date shall be altered so that in lieu of or in addition to any Real Property Tax described above there shall be levied, assessed or imposed (whether by reason of a change in the method of taxation or assessment, creation of a new tax or charge, or any other cause) an alternate or additional tax or charge (i) on the value, use or occupancy of the Project or Landlord's interest therein, or (ii) on or measured by the gross receipts, income or rentals from the Project, on Landlord's business of leasing the Project, or computed in any manner with respect to the operation of the Project, then any such tax or charge, however designated, shall be included within the meaning of the term "Real Property Taxes" for purposes of this Lease. If any Real Property Tax is based upon property or rents unrelated to the Project, then only that part of such Real Property Tax that is fairly allocable to the Project shall be included within the meaning of the term "Real Property Taxes". Notwithstanding the foregoing, the term "Real Property Taxes" shall not include estate, inheritance, transfer, gift or franchise taxes of Landlord or the federal or state net income tax imposed on Landlord's income from all sources. Tenant acknowledges that the "assessments" referred to in this ¶6.3 may include assessment districts or other funding mechanisms, including but not limited to, improvement districts, maintenance districts, special services zones or districts, or any combination thereof for the construction, alteration, expansion, improvement, completion, repair, operation, or maintenance, as the case may be, of on-site or off-site improvements, or services, or any combination thereof as required by the City in which the Premises is located (the "City"), as a condition of approving or modifying the development of which the Premises are a part.

- 7. <u>Parking.</u> Effective on the Commencement Date, Tenant shall continue to receive, free of charge during the Lease Term, sixty (60) parking spaces on a non-exclusive basis; however, six (6) of these spaces shall be marked reserved for the County of Alameda's exclusive use.
- 8. <u>Tenant Improvements</u>. Landlord agrees to construct or install tenant improvements in the Premises ("Improvements") in accordance with the terms and conditions set forth below:
- (a) <u>Plans and Specifications</u>. Landlord agrees to construct or install within the Premises the tenant improvements shown or identified on the plans and specifications attached hereto as <u>Exhibit A</u> and made a part hereof (the "Premises Plans"). Tenant shall not have the right to modify or change the Premises Plans (or the tenant improvements described or identified therein) without Landlord's approval, which approval may be given or withheld in Landlord's sole discretion.
- (b) Tenant Improvement Allowance. Tenant shall bear all costs of designing and constructing the Improvements, except that Landlord shall provide a construction allowance to be applied to the costs of constructing the Improvements in an amount not to exceed Twenty-Two Thousand, Seven Hundred Sixty-Seven and no/100 Dollars (\$22,767.00) (the "Improvement Allowance"), which amount is the product obtained by multiplying One and 50/100 Dollars (\$1.50) per square foot by the rentable square footage of the Premises. The costs of such construction shall include, without limitation, costs for preparation of the Premises Plans and processing of applications for all governmental authorizations, approvals, licenses and permits; costs of obtaining building permits; fees of engineers, space planners, architects, attorneys and others providing professional or extra services in connection with the construction of the Improvements; all hard construction costs for the construction of the Improvements according to the Premises Plans and all approved changes thereto, including, but not limited to, all labor and supervision costs, costs of all materials and supplies used in such construction, contract price for all construction work undertaken by general contractors and subcontractors, fees, taxes

or other charges levied by governmental or quasi-governmental agencies (including, public utilities) in connection with the issuance of all approvals, licenses and permits necessary to undertake construction of the Improvements, the cost of all equipment and fixtures, if any, provided for in the Premises Plans, including the cost of installation thereof, the cost of installing standard utility services (i.e. standard HVAC controls and distribution facilities, standard electrical panels, distribution facilities, wiring, fixtures, switched and receptacles); Landlord's general contractor's overhead and profit; and all other costs of such construction including occupancy permits. No portion of the Improvement Allowance may be used for furniture, fixtures or equipment, or for any non-general utility improvements in the Premises. If, after completing the Improvements in accordance with the Premises Plans, the entire Improvement Allowance has not been applied by Landlord to the costs of completing such Improvements, then such unapplied portion of the Improvement Allowance shall remain the property of Landlord, Tenant shall not be entitled to any reduction in the payment of Base Monthly Rent or Additional Rent under the Lease or any offset or allowance of any kind.

Anything herein to the contrary notwithstanding, in no event shall Landlord be obligated to disburse or pay any portion of the Improvement Allowance if an Event of Tenant's Default exists under the Lease, as amended hereby. Except as provided in this Paragraph 8(b), Landlord shall have no obligation to provide any other allowance with respect to the Premises.

- (c) <u>Costs in Excess of the Improvement Allowance</u>. Tenant shall pay all reasonable costs of constructing the Improvements to the extent that the cost thereof exceeds the Improvement Allowance after review and approval by Tenant of the an invoice and documentation.
- (d) <u>Timing</u>. Promptly following the date Landlord has retained a general contractor to construct the Improvements, Landlord has obtained a bid (acceptable to Landlord and Tenant) from such general contractor for the costs of constructing the Improvements and Landlord has obtained all permits necessary to construct the Improvements, Landlord shall cause the construction of the Improvements to commence and shall diligently prosecute such work to completion.
- (e) <u>Inspection and Acceptance</u>. Upon substantial completion of the Improvements to be constructed by Landlord, Landlord shall notify Tenant of such completion and request a walk-through inspection of the Improvements by Tenant not later than five (5) working days after Tenant's receipt of such notice. Not later than two (2) working days following the date of such inspection, and provided that all Improvements have been completed in accordance with the approved Premises Plans, Tenant shall provide to Landlord a written statement formally accepting the Improvements, subject to prompt completion by Landlord of such minor "punchlist" items specified in such statement as do not materially impair Tenant's use or occupancy of the Premises.
- 9. <u>Commissions</u>. Landlord hereby represents and warrants to Tenant that it has not retained or worked with any broker or finder in connection with the negotiation of this Fifth Amendment and/or the consummation of the transaction contemplated hereby. Tenant hereby represents and warrants to Landlord that it has not retained or worked with any broker or finder in connection with the negotiation of this Amendment and/or the consummation of the transaction contemplated hereby. Landlord and Tenant do each hereby agree to indemnify, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any broker, finder or other similar party by reason of any dealings or actions of the indemnifying party, including any costs, expenses and/or

attorneys' fees reasonably incurred with respect thereto. The obligation to indemnify, defend and hold harmless as set forth in the immediately preceding sentence shall survive the termination of the Lease.

- 10. <u>Compliance with Law</u>. California law requires the Landlord to notify Tenant whether Landlord has had the Premises inspected by a Certified Access Specialist. Landlord hereby discloses to Tenant that Landlord has not caused the Premises to be so inspected.
- Options to Renew. Provided Tenant has not been in default beyond any applicable cure 11. period under this Lease at the time it exercises each option to extend as provided below and has not been in default as of the commencement of each option term, Tenant is hereby granted two (2) options to renew this Lease for an additional period of one (1) year each upon such terms and conditions and at 100% fair market value (adjusted for lease commissions and tenant improvements, if any) for comparable space in the Project at the effective date of the commencement of each renewed term (except that Tenant shall have no further right to extend the Lease term and there shall be no obligation of Landlord to construct any tenant improvements or to provide any tenant improvement allowance to or for Tenant). All such terms, conditions and rental provisions shall, upon the exercise of the option, be evidenced upon the form of Lease then in effect for the Project. Tenant shall notify Landlord of the intent to consider exercise of its option no earlier than nine (9) months prior to the expiration of the term and no later than three (3) months prior to the expiration of the initial term of this Fifth Amendment or first option period, as applicable, at which time Landlord shall notify Tenant of the rental amount for the option term. In the event Tenant and Landlord are unable to agree as to the terms, conditions and rental applicable to each renewed term within ninety (90) days prior to the expiration of the term of this Fifth Amendment, or first option period, as applicable, such applicable option to extend shall be void, and the Lease Term shall expire without extension. Landlord and Tenant each expressly agree that if Tenant and Landlord have not reached agreement on all of the rent applicable to the option term by the date ninety (90) days prior to the expiration of the initial term of this Fifth Amendment, then no judge, jury, arbitrator or other person or entity shall have a right to determine or establish such terms, conditions or rental.

12. Miscellaneous.

- (a) This Fifth Amendment and all obligations and undertakings herein shall be binding upon, and shall inure to the benefit of the parties hereto, their heirs, executors, administrators, successors, and assigns, and/or anyone claiming by, through, or under any of them.
- (b) Except as otherwise set forth in this Fifth Amendment, the terms and conditions of the Lease remain unchanged and in full force and effect. Should a conflict arise between the Lease and this Fifth Amendment, the terms and conditions in this Fifth Amendment shall prevail.
- (c) Each party acknowledges that it has been represented or has had ample opportunity to obtain representation of counsel with respect to this Fifth Amendment and, accordingly, each party represents to the other that it has read and understood the terms hereof and the consequences of executing this Fifth Amendment, and that, except as expressly set forth herein, no representations have been made by either party to induce the other party to execute this Fifth Amendment. Tenant further waives any right it may have to require any provision of this Fifth Amendment to be construed against the party who drafted the same.

- (d) If either party commences an action against the other party arising out of or in connection with this Fifth Amendment, the prevailing party shall be entitled to recover reasonable attorney fees and costs of suit.
- (e) This Fifth Amendment is made in, and shall be governed, enforced and construed under the laws of the State of California.
- (f) This Fifth Amendment may not be modified, amended or terminated except pursuant to a written instrument duly executed by the parties hereto, or their successors-in-interest.
- (g) No delay or omission by Landlord in exercising any right or power hereunder shall impair any such right or constitute a waiver thereof, unless such waiver is set forth in a written instrument duly executed by Landlord. A waiver of any covenant, condition or term set forth herein shall not be construed as a waiver of any succeeding breach of the same of other covenant, condition or term.
- (h) All notices, demands, or other communications between the parties hereto shall be in writing and shall be given in the manner set forth for the giving of notices in the Lease.

[Signatures on immediately following page.]

IN WITNESS WHEREOF, the parties hereto have executed this Fifth Amendment to Lease as of the date and year first written above.

LANDLORD:

CRANBROOK REALTY INVESTMENT FUND, L.P., dba Airport Corporate Centre, a California limited partnership

By: Cranbrook GP, Inc., a California corporation, its General Partner

By:

Bruce Cohoon

Title: CFO

Date: 10-14-15

TENANT:

COUNTY OF ALAMEDA, a political subdivision of the State of California, acting by and through its Board of Supervisors

By:

Scott Haggerty

Title: President of the Board of

Supervisors

Date:

Approved as to form: DONNA R. ZIEGLER

County Counsel

By:

Title: Deputy

EXHIBIT A

PREMISES PLANS

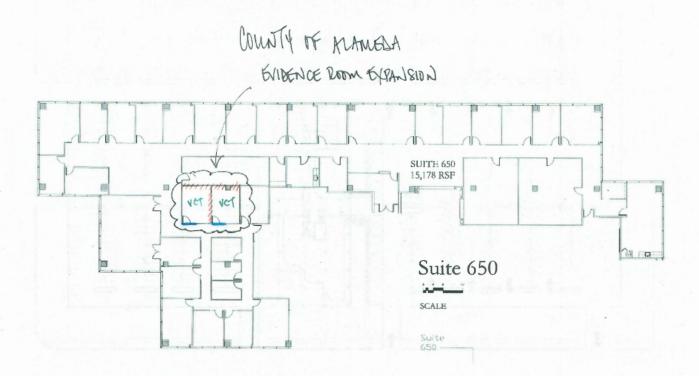


EXHIBIT A-1 <u>SITE PLAN OF THE PROJECT</u>

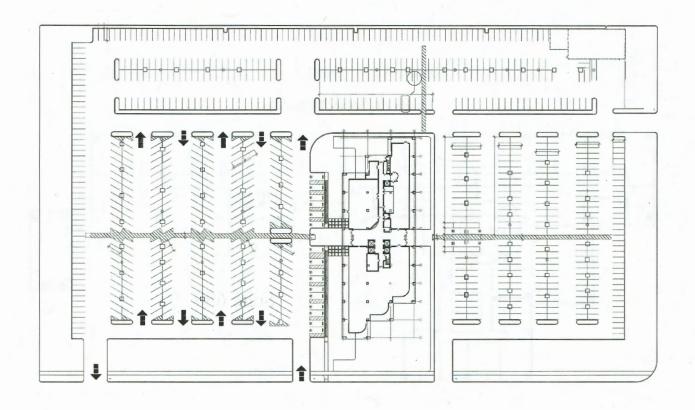


EXHIBIT B WORK LETTER

This **WORK LETTER** (the "Agreement") is hereby made a part of that certain 5th Amendment to Lease (the "Lease") dated as of November _____, 2015, and made and entered into by Cranbrook Realty Investment Fund, L.P., dba Airport Corporate Centre, a California limited partnership, (Tax ID 91-1827017), ("Lessor") and the County of Alameda, a body corporate and politic and a political subdivision of the State of California, acting by and through its Board of Supervisors ("County"). All terms used herein which are defined in the Agreement shall have the same meanings herein as are ascribed to such terms in the Lease. Lessor and County hereby agree as follows with respect to the construction of initial improvements in the Premises:

1.0 SPACE PLANS, CONSTRUCTION DOCUMENTS, & LESSOR'S WORK

- 1.1 Space Plans. Lessor shall be responsible for generating a final space plan to be approved by the County, and for developing the construction documents in accordance with that certain space plan (the "Space Plan") attached to the Lease in Exhibit A. The final space plan shall include a general layout of County workstations, if any, and shall show the locations of all electrical outlets, electrical connections for County workstations (if any), phone/fax/data outlet locations to be cut into walls, ceilings and floors. Lessor shall provide a copy of the space plan to County in CAD format for County's furniture vendor to use as a base sheet for furniture planning.
- 1.2 Construction Plans and Documents. Lessor will be responsible for providing any surveys and services such as architectural, structural, electrical and mechanical engineering necessary for the preparation of construction drawings and final specifications necessary for the construction of improvements in the Premises that meet the design of the Space Plan (the "Improvements"). Construction documents will include architectural floor plans scaled at 1/4" or 1/8", reflected ceiling, finish schedules, door and hardware schedule, millwork details, electrical, plumbing, HVAC, fire and life safety protection plans, a specification book or project manual (if required by County) and Title 24 calculations; provided, however, such submittals for electrical, plumbing, HVAC, and fire and life safety shall be deferred as typical in the remodeling of second generation office space. Lessor will provide completed construction drawings for County review no later than thirty (30) days after full execution of this lease.
 - **1.2.1 Plans, Studies, Drawings.** Lessor shall cause to be prepared such plans, drawings and specifications (collectively, the "Plans") as may be necessary to obtain a building permit for construction of the Improvements. Upon 100% completion of the Plans, Lessor shall immediately submit Plans to County.
 - **1.2.2 Documents.** Lessor agrees to provide cutsheets, manufacturers' specs and other documentation upon County request for all items used in the construction and County Improvements.
 - 1.2.3 County Review and Comment of Construction Plans and Documents. County's review and comments on the Plans and Documents shall not be interpreted as

resulting in any approval of the documents or design, but are intended to discover any information which County may be able to call to the Lessor's attention to prevent costly misdirection of effort. The Lessor will remain completely responsible for designing, constructing, operating, and maintaining the building in full accordance with the requirements of this Lease and Agreement. County shall notify Lessor in writing following receipt by County of the Plans of any County comments. Such disapproval shall be communicated with sufficient specificity to enable Lessor to revise the Plans in a manner acceptable to County. County shall be permitted to make minor revisions to the Plans to the extent they may not exactly conform to the Space Plan, but shall reasonably not increase the cost nor not change the scope of the Improvements. County shall not be permitted to propose revisions to the Plans which would conflict with any applicable law. Failure of County to timely notify Lessor of any comments shall constitute approval by County of the Plans. If County timely reviews and comments on any portion of the plans, Lessor shall cause same to be revised accordingly, and shall resubmit the revised Plans to County. The final Plans, prior to submission for permit, are to be presented to County for its review and comment.

- **1.2.4 Planning/Construction Documents As-Builts.** A reproduction set of final As-Built plans, three (3) sets of blueprints, copy of air balance reports, and AutoCad disk will be provided to the County when the Improvements have been completed.
- **1.2.5 Operating Manuals.** Lessor to provide County with operating manuals for thermostats, kitchen/break area equipment such as dishwashers, alarm systems, and any other equipment provided by Lessor when the project has been completed.
- 1.3 Permit Required Changes. County hereby consents to any changes to the Plans which may be imposed as a condition of obtaining a permit for the construction of the Improvements by any municipal department having jurisdiction over same. Lessor shall immediately notify County of any such changes made.
- 1.4 County Requested Changes. County may request changes to the final Plans following the submission of the plans by the Lessor for permit. All such requests for changes shall be subject to the procedures set forth in Paragraph 3.4 hereof.
- 1.5 Lessor's Work/ Work Performance. All work required to be performed by Lessor or Lessor's contractor pursuant to this Agreement is hereinafter referred to as the "Lessor's Work." Lessor shall cause to be constructed, in accordance with Paragraph 8 of the Fifth Amendment to Lease dated November _____, 2015 (except as expressly set forth herein) the Improvements.

1.5.1 Remediation.

Lessor's Work shall include the remediation of asbestos-containing materials, if any, lead-based paint, if any, PCB's, if any, and other potential hazards, if any, ("Remediation Plans") described hereinafter.

1.5.1.1 Asbestos. N/A.

1.5.1.2 Lead-Based Paint. N/A.

1.5.1.3 Polychlorinated Biphenyls (PCBs).

The Lessor shall replace any PCB-containing light ballasts. Unless clearly marked "Non-PCB", ballasts will be assumed to contain PCBs. Lessor shall use light ballasts clearly marked "Non-PCB").

1.5.1.4 Other Potential Hazards.

Lessor shall remediate any other dangerous conditions identified in the Premises as deemed necessary by Lessor and County to ensure the health and safety of the occupants.

1.5.1.5 Remediation Reports. N/A.

- 1.5.2 Performance. All work in construction of the Improvements must be done by skilled workers or mechanics, be acceptable to County, and must be in conformance with the prevailing wage provisions of the State of California, and any other entity having such jurisdiction. Prevailing wages are to be paid for work to be performed in connection with this Agreement, as provided by the relevant provisions of the California Labor Code. Lessor agrees to comply with all applicable provisions of said Code as they relate to the payment of prevailing wages, and Lessor agrees to indemnify, defend, and hold County harmless from all claims, costs, causes of action, attorneys fees, damages or liability arising out of or in connection with the failure of Lessor or Lessor's contractors or subcontractors to comply with the applicable provisions of said Code.
- 1.6 Construction of Lessor's Work. Lessor shall enter into a contract for the construction of Lessor's Work with the general contractor who has been approved by both Lessor and County. Lessor shall cause the construction of Lessor's Work to commence within ten (10) days from the date Lessor has obtained Building Permits pursuant to Paragraph 2.2 of this Agreement ("Lessor's Work Commencement Date"). Lessor agrees to diligently construct and complete Lessor's Work in substantial compliance with the final Plans and Remediation Plans and in compliance with all applicable federal, state and municipal laws of the governmental authorities having jurisdiction. Lessor shall exercise reasonable efforts to deliver possession of the Premises, with Lessor's Work completed in accordance with the Final Construction Plans and any Remediation Plans. The parking areas, drives, entrances, sidewalks, curbing, landscaping, and other improvements to the Common Areas which are part of Lessor's Work shall also be completed by Lessor's Work Completion Date.

Lessor's Work Completion Date shall be subject to extensions of time based upon delays beyond Lessor's control as provided in Paragraph 8.1 of this Agreement. If, however, Lessor has not completed Lessor's Work by a date which is one hundred eighty (180) days, subject to extension for Force Majure Delays or County Delays, from Lessor's Work Commencement Date ("Absolute Deadline Date"), County shall at any time after the Absolute Deadline Date have the election to give Lessor written notice of County's election to terminate the Lease if Lessor does not complete Lessor's Work within thirty (30) days following receipt of County's notice. If

Lessor completes Lessor's Work within such thirty (30) day period, the Lease shall remain effective, otherwise the Lease shall terminate at the end of such thirty (30) day period without further acts of the parties required. For every day beyond the Absolute Deadline Date that Lessor has not completed Lessor's Work, Lessor shall grant County a day of free Rent starting the first day of County's obligation to pay Rent as described in the Lease. County shall prorate the amount of free Rent starting with County's first payment of Rent as provided under the Lease.

2.0 CODES AND PERMITS

2.1 Codes. All work shall be in accordance with the most current editions of the following codes and standards:

Local Building Code, current edition, and current Uniform Building Code
Local Plumbing, Electrical, Mechanical and Fire codes, current edition
State Building Code, Title XXIV
Bay Area Air Quality Management District (BAAQMD)
Bay Area Water Quality Control District
California Administrative Code
Comprehensive Environmental Response Compensation and Liability Act
Americans With Disabilities Act, current updates
All other codes enforced within local jurisdiction

- **2.2 Permits.** All required permits for the construction, remodeling, testing, or debris removal are to be obtained by the Lessor from those jurisdictions having such authority to grant them.
- **2.3** Copies Provided To County. Copies of all permits shall be provided to County upon Substantial Completion, as defined hereinafter.

3.0 FEES, COSTS, AND CHANGE ORDER PROCEDURE

- 3.1 Construction Management Fees. There will be no fees added by Lessor, its construction manager or the property manager for administration of Lessor's Work, Improvements and architectural/engineering services.
- 3.2 Cost of the Improvements. Except as otherwise set forth herein, Lessor shall bear all costs of constructing the Improvements. The cost of the Improvements shall include, without limitation, preparation of Plans and all working drawings, obtaining building permits, labor and materials used in such construction, and all other costs of such construction including a conditional use permit (if required) and occupancy permits.
- 3.3 Changes Requested by the Lessor. Except as required in Paragraph 1.4 above, Lessor shall not enter into any change without County's prior written approval. Any such disapproval of Lessor's written request on the part of County shall be accompanied by a

statement of the reasons for such disapproval, set forth with sufficient specificity to permit Lessor to understand the nature of County's objections thereto.

- 3.4 Changes Requested by the County. County may require Lessor to perform any such additional, nonstandard or revised work (hereinafter collectively referred to as "Extra Work") desired by County. County acknowledges that any delays in the completion of the Improvements caused by the review of any request for, as well as any approval and/or performance of, Extra Work shall constitute a County Delay as described in Paragraph 8.2 below
 - 3.4.1 Request Procedure. Any request by County for Extra Work which would require a change to the final Plans shall be accompanied by all necessary additional and/or revised Plans, if necessary, for such Extra Work. Lessor shall respond in writing to any request by County for the performance of Extra Work, which response shall include the scope, extra cost or credit, and delay of the completion of the Improvements, if any. Any approval of such request may, in Lessor's sole discretion, be conditioned upon any or all of the following: (1) payment by County of all estimated costs of such Extra Work no later than thirty (30) days after Substantial Completion; as described in Paragraph 3.4.3 below; (2) the written acknowledgment by County that any additional time required to perform such Extra Work shall constitute a County Delay; and (3) any other reasonable conditions which Lessor may find to be reasonable under the circumstances
 - 3.4.2 County Approval. County shall approve or disapprove Lessor's written response on the scope, cost (if any), and delay (if any) of the Extra Work within three (3) business days following presentation by Lessor. No Extra Work shall be deemed approved by County unless written authorization is received from, or the Extra Work request is signed by, the Director of the General Services Agency or the General Services Agency Real Property Manager. Lessor acknowledges, and Lessor shall direct Lessor's contractor to acknowledge that no direction for Extra Work from County's employees, agents, or contractors that changes the scope of the Improvements, the cost of the Improvements, or changes the completion date of the Improvements is valid unless the procedure described in this Paragraph 3.4.2 is followed. If County shall fail to approve Lessor's response for Extra Work within three (3) business days following Lessor's presentation to County, the proposed Extra Work shall be deemed disapproved by County.
 - 3.4.3 Payment Procedure. Upon Substantial Completion (defined in the Lease hereof), Lessor shall submit to County the approved Extra Work request and an original invoice including any detailed cost breakdowns from the contractor showing materials and labor. The invoice shall include Lessor's taxpayer identification number. County shall pay Lessor, based on the invoice, within thirty (30) days of receipt of Lessor's complete, correct invoice.
- 3.5 Lessor's Error. To the extent any Extra Work is required as a result of Lessor's error, omission, negligence or willful misconduct, Lessor shall be responsible for the cost of performing such Extra Work. However, Lessor shall not be responsible for any Extra Work required as a result of the error, negligence or willful misconduct of any contractor chosen by County.

4.0 SCHEDULES AND COMPLETION OF IMPROVEMENTS

- **4.1 Schedules.** Lessor shall provide County with a detailed construction schedule within four (4) weeks of full execution of the Lease. The schedule will include all trades, particularly noting when walls and ceilings will be open for County's cabling subcontractor to install communication and data processing wires. Lessor's contractor shall coordinate with County's cabling contractor for the installation dates for County's cabling requirements. The schedule will also be updated at least thirty (30) days prior to anticipated Lease commencement date set forth in the Lease. Lessor's Contractor shall provide access during regular business hours to the Premises for County's employees and agents to install telephone and data cables (above ceiling rough-in only) prior to of dropping ceilings or closing walls.
- 4.2 Access to Premises during Construction. County and its approved contractors shall have the right to enter the Premises during the construction of the Improvements, provided such entry does not interfere in any manner with the construction of Landlord's Work, without payment of rent, for the following purposes only: (a) to perform such work or decoration as is to be performed by or under the direction or control of County; (b) to review the progress of the construction of the Improvements for the purpose of coordinating County's move into the Premises; (c) to install County's furniture, fixtures, and equipment, provided that such entry or performance of work shall not interfere in any manner with the conduct of Lessor's Work; and (d) to review construction in progress to insure that the Improvements are being constructed according to the Plans. Any entry into the Premises by County, its agents, contractors and employees, during the construction of the Improvements shall be at the sole risk of the County, and County hereby releases Lessor, its agents, contractors and employees, from any and all liability, cost, damage, expense and claim for injury (including bodily injury, death or property damage) (collectively, "Claims") incurred or suffered by Lessor in or about the Premises during the construction of the Improvements, except for Lessor's or Lessor's contractor's error, omission, negligence or willful misconduct.

4.3 Substantial Completion. [Intentionally deleted.]

4.4 County Walk-through/Punchlist. Within five (5) days following or upon Substantial Completion of the Improvements, County and Lessor shall conduct a walk-through inspection of the Premises to determine County's acceptance of Premises and to agree on the Punchlist of items of Lessor's Work still to be completed by Lessor ("Punchlist").

4.5 Acceptance of Premises.

4.5.1 Lessor shall deliver the Premises to County, and County shall accept the Premises, upon Substantial Completion of the Improvements (subject to Punchlist items). If County accepts the Premises and the Punchlist items are agreed upon, the Lease Commencement Date shall be deemed to have occurred on the first business day following County's acceptance of such Substantial Completion.

- 4.5.2 Neither the County's acceptance of the Premises for occupancy, nor the County's occupancy thereof, shall be construed as a waiver of any requirement of Lessor or right of the County under this Lease, its attachments, addenda, or its Exhibits, or as otherwise prejudicing the County with respect to any such requirement or right. Lessor shall remain responsible for diligently correcting any construction deficiencies, latent defects, or design errors of the Improvements that may be discovered after County's acceptance and occupancy of the Premises.
- **4.6 Completion of Punchlist Items.** Lessor's contractor shall complete all Punchlist items within thirty (30) days after the walk-through inspection. Lessor shall provide the AS-Built Plans and items detailed in Paragraph 1.2.4. and 1.2.5 above as part of the Punchlist.

5.0 SPECIFICATIONS

In the event of any conflicts between the building standards set forth by Landlord for the Project, the requirements set forth hereinafter and the above-referenced codes and standards, the building standards set forth by Landlord, provided however that such building standards shall fully comply with Paragraph 2 above, shall apply.

- 5.1 Contractors and Materials. Except as otherwise herein provided or as may be otherwise approved by Lessor, all construction of the Improvements shall be performed by Lessor's contractors. Unless otherwise expressly described in the Plans or expressly described herein this Agreement, all wall coverings, woodwork, paint, floor coverings and other finishes shall be of building standard quality, as determined by Lessor ("Building Standard") from time to time for general tenant improvement work in the Building. Lessor shall not under any circumstances be required to provide or pay for any furniture, trade fixtures, equipment or other personal property of County, or any other item which is not to be permanently affixed to the Premises and made a part thereof.
- **5.2 Color Selections.** County shall approval all colors prior to the ordering of any materials requiring color choice. County may choose up to two paint colors per office/room for walls.
- **5.3 Partitions.** 5/8" gypboard on both sides of 2-1/2" metal studs at 24" on center, from floor slab to suspended ceiling for non-rated; from floor slab to roof or concrete slab above for rated. All walls will be straight, level and plumb. There will be no visible joints, cracks, crazing, tool marks or discoloration.
- **5.4 Doors, Frames, Hardware, and Locks.** All doors shall be full height 3'-0" x 1-3/4" thick solid core. Approved commercial grade ADA locksets will be provided for all offices and storage rooms. Approved ADA latchsets shall be provided to all other doors. All locksets and latchsets Schlage with Rhodes level or equivalent. Copy rooms, entry doors, break room doors shall have automatic LCN door closers. All doors to include Glynn Johnson door stops. Stanley, McKinney or Lawrence 1-1/2" x 4-1/2" butt hinges. Use Pemko thresholds where required.

Clearance for all doors shall not exceed 1/4" from finish floor or threshold, 1/8" for jambs and heads and meeting edges. Keying -- furnish keys to all employees designated by County. Key and master key all locksets and cylinders. For existing spaces, rekey all entry doors, storage rooms, and private offices.

5.5 Sound Insulation and Acoustical Requirements. For demising partitions, conference rooms, sound-sensitive rooms, all partitions will be built from floor to slab above and include 3-1/2" batt insulation. For all walls located adjacent to other private offices, 3-1/2" batt insulation will be included, with a blanket acoustical insulation at least 24" in ceiling on each side of the office partitions. Electrical outlets will be staggered between offices to minimize sound transmission. HVAC ductwork shall be diverted to minimize sound transmission. Lessor shall provide HVAC equipment and exhaust fans that transmit sound levels acceptable to County. If unacceptable, Lessor agrees to replace/repair at County's request at no charge.

REVERBERATION CONTROL:

Ceilings in carpeted space shall have a Noise Reduction Coefficient (NRC) of not less than 0.55 in accordance with ASTM C-423. Ceilings in offices, conference rooms, and corridors having resilient flooring shall have an NRC of not less than 0.65.

AMBIENT NOISE CONTROL:

Ambient noise from mechanical equipment shall not exceed Noise Criteria curve (NC) 35 in accordance with the ASHRAE Handbook in offices and conference rooms; NC 40 in corridors, cafeterias, lobbies, and toilets; NC 50 in other spaces.

NOISE ISOLATION:

Rooms separated from adjacent spaces by ceiling-high partitions (not including doors) shall not be less than the following Noise Isolation Class (NIC) Standards when tested in accordance with ASTM E-336:

conference rooms:

NIC-40

offices:

NIC-35

The Acoustical Requirements in this Section shall take precedence over any additional specifications in this Lease if there is a conflict.

5.6 Painting. Products should be selected that are the least harmful to human health and the environment. Properties of such products include: no carcinogenic ingredients; zero/low Volatile Organic Compounds (VOC's); and low odor. Material Safety Data Sneets (MSDS's) should be submitted to the County for approval, prior to application. Adequate ventilation shall be used during application, and for at least 48 hours after completion. Fuller-O'Brien, Sherwin-Williams, Benjamin Moore, or equal. Minimum shall include one coat primer with P.V.A. primer sealer, and two finish coats. Apply additional coats if necessary to provide uniform coverage and full hiding. All tool marks, nail holes, defects shall be sanded smooth prior to painting. Paint all exposed conduit in finished areas. Paint all interior surfaces of air ducts, baseboard heating units that are visible through grilles and louvers with one coat of flat black

paint. Paint dampers exposed behind louvers, grilles to match face panels. Paint chips will be provided to County within one (1) week of Lease execution for primary wall and door colors. Brushouts (8" x 10") will be provided to County for approval. Once the Premises are occupied, paint touch ups with County approved products will be conducted during unoccupied hours, with 3 days advance notice to the County.

- 5.7 Electrical. Three duplexes shall be provided to each private office. Larger conference/training rooms shall include at least one duplex per wall. Each workstation shall be provided with an equivalent of three duplexes. Outlet plates -- white or color-approved by County. Dedicated circuits shall be provided for telephone and data processing equipment, copiers, shared printers, microwave oven, servers and other special equipment. GFI receptacles shall be provided adjacent to water sources. Code all special receptacles. Label all electrical panels. Each room switched, with multiple-way switches for rooms with multiple doors. Load shall be no less than five (5) watts per square foot. If building requires additional power, Lessor will supply such power.
- 5.8 Communications and Data Processing. All cabling is to be provided by County through a County-approved cabling vendor. A minimum of one telecommunications outlet will be provided for each workspace. The number of telecommunications outlets for conference rooms and other areas will be dependent on their size and function and must be approved by County. All communication outlets should have a ring and string provided for voice and data cabling. Refer to County's cabling specifications in Exhibit B-1 for additional information.

5.9 Telephone Service. N/A.

- **5.10 Pathways/Conduit.** Provide all necessary conduit and pathways for County's electrical. This shall include pathways to County's workstations and pathways from Building's utility rooms to County's equipment to enable distribution of wire. The exact size and location of conduits to be determined by County's communications and data processing departments.
- **5.11 Heating, Ventilation and Air Conditioning.** The HVAC system shall meet the following specifications:
 - The building shall be heated and cooled by a forced-air system consisting of separate thermostatically controlled zones of not more than 1,000 square feet each. The HVAC equipment shall be sized to maintain an inside temperature of 70 °F during heating cycles and 76 °F during cooling cycles when outside temperatures range from 30 °F to 90 °F, dry bulb. For zones which contain meeting rooms, the zone thermostat shall be located in the meeting room. Each zone shall distribute the air with a maximum of 400 CFM per supply outlet and 800 CFM per return outlet. Conference and training rooms with a capacity greater than nine people shall have their own separate thermostats. Supply and return registers shall be provided for all rooms and open areas of the Premises.

- The HVAC design shall take into account all heat-generating loads, and shall be based on an occupant loading of one person per 12 square feet for meeting rooms, and one person per 100 square feet for all other areas of the building.
- The system shall bring in no less than 15 CFM per person of outside air. The outside air shall be provided continuously during occupied hours and be provided independent of the heating and cooling cycles.
- Separate exhaust fans shall be provided for all toilet rooms and kitchen/break rooms. The minimum exhaust rate for exhaust fans shall be two CFM per square foot.

A final air balancing report of the HVAC system shall be provided to the County, along with any other documentation required to demonstrate compliance with the above criteria.

- **5.12 Plumbing.** All break rooms and kitchens shall include hot and cold water supplied to faucet, sink, stops, and traps. Valves shall be accessible.
 - 5.13 Toilets and Accessories. N/A.
 - 5.14 Flooring.
 - 5.14.1 Subfloor. N/A.
 - **5.14.2** Carpet. Carpets emit low levels of VOC's when first installed. Where possible, preference should be given to carpets that demonstrate low emissions of VOC's, either by participation in the Carpet and Rug Institute VOC testing program, or an equivalent program. The space should not be occupied until at least three days after carpet installation, in order to allow VOC's to dissipate. In addition, the ventilation system should be operated continuously for at least one week after installation of the carpet. A minimum 26 oz. glue-down loop-pile (unitary backing) with color acceptable to County. County to be provided with carpet samples to select color within one (1) week of executing County's Lease. Must be static control carpet with maximum rating below 3.0 KV at 20 percent (20%) relative humidity. Seams shall be uniform, unnoticeable, and permanent: a seaming diagram will be provided in the construction documents. Lessor shall provide same die lot for entire installation. Provide a warranty for the Term of the Lease on product and installation.
 - **5.14.3** Resilient Flooring. Vinyl composition tile, 12" x 12" Armstrong Standard Excelon Tile, shall be provided in break rooms, kitchens, storage rooms, and copy rooms. County to be provided with samples to select color within one (1) week of executing County's Lease.
 - **5.14.4 Base.** In conjunction with the installation of all carpeting, remove and replace all current molding with rubber cover base that is a minimum of 4" high. Standard "Roppe" or "Burke" rubber base, 48" cut lengths, 1/8" thick, with

premolded inside and outside corners shall be provided along all partitions, cabinet bases. Straight base shall be provided with carpet flooring and cove base shall be used with VCT and hard flooring. Provide tile/carpet joiner reducer moldings. County to be provided with samples to select color within one (1) week of executing County's Lease.

5.15 Lighting, Interior.

- **5.15.1 Fixtures.** 2' x 4' recessed U.L. approved energy-efficient fluorescent fixtures with 18-cell parabolic lenses with three (3) lamps shall be provided. Ballasts to have minimum "A" sound rating and U.L. approved. Energy-efficient ballasts and controls shall be provided. Provide emergency lighting for egress, including fixtures for toilet and common areas. For existing lighting, relamp and repair/replace to meet lighting levels and energy efficiency.
- **5.15.2 Lighting Levels.** Office areas: 60 minimum foot candles at 30" above finished floor. Toilet room and corridors: 30 foot candles. All other areas: 50 foot candles at 30".
- **5.15.3** Exterior. Lessor to provide exterior lighting making a safe, well-lit environment, surrounding the Building to which the Premises are a part, to all common areas which County must pass within the Building to access the Premises, and to the parking garage and accesses to the parking garage under the Building. Light fixtures, along with the lighting levels they provide, shall be submitted to County for approval during Lessor's preparation of the Plans.
- **5.16 Ceiling.** 2' x 4' suspended ceiling grid, with 2' x 4' Armstrong Second Look II, 9/16" score ceiling shall be provided. Tiles to be new, or look new -- no yellowed, broken or stained tiles will be acceptable. Seismic bracing compliance required. Provide stock supply of ceiling tile (one [1] unit for 100 units installed) shall be provided to County and stored by Lessor for repairs. Provide guarantee for term of lease against sag. All components of ceiling grid to terminate at the end of each wall, to be aesthetically pleasing.
- **5.17 Glazing.** All private offices and conference rooms to include full height twenty-four (24") inch wide side light. All offices will be provided with mini-blinds to cover all glazing. 3M or equivalent film shall be provided on exterior glass for sun control, as requested by County.
 - 5.18 Window Coverings. Install 1" mini-blinds. Color to be selected by County.
- **5.19 Fire Protection.** An approved automatic sprinkler system, fire alarm system and fire extinguishers shall be provided to meet code. Provide U.L.-approved, polished chrome, semi-recessed, with polished chrome escutcheons. Fire extinguishers shall be recessed in partition in cabinet. Lessor shall provide County with Fire Department certificate upon occupancy by County.

5.20 Burglar Alarm. N/A

- **5.21 Signage and Graphics.** Provide suite signage, floor lobby directory, central lobby directory or monument, die cut fire extinguisher signs, and all regulatory signage. Wording for County's use in the lobby to be provided.
- **5.22 Energy Management.** Lessor shall install such a system to the Premises that meets the County's Specifications for a new CSI management system. The County would expect that the installation be of premium quality, follow all CSI guidelines and allow for maximum data acquisition from and control of the site. County shall provide detailed specifications during the development of the Plans.

6.0 COUNTY-APPROVED EQUIVALENTS

In the event of any question of County-approved equivalents in these specifications, Lessor is to contact the Real Property Manager of the General Services Agency for approval.

7.0 CERTIFICATIONS

Lessor shall provide the following certifications upon completion of the Improvements at or before completion of the Punchlist:

- **7.1.1** Seismic. Lessor shall furnish at no cost to County a certification from a qualified, licensed, and registered structural engineering firm attesting that the Building meets seismic standards of the applicable UBC code.
- **7.1.2 Building Systems.** Lessor shall furnish at no cost to County a certification by a licensed and registered professional engineer(s) showing the Premises and its systems are designed in accordance with ASHRAE/IES standards and is designed to optimally accommodate the County Space Plan.
- **7.1.3** Floor Load. Lessor shall provide at no cost to County a report by a licensed and registered professional structural engineer(s) certifying the level of the floor load capacity, and any restrictions.
- **7.1.4** Acoustical Testing. Lessor shall provide at no cost to the County test reports by a qualified acoustical consultant showing that acoustical requirements of this Lease have been met (see Acoustical Requirements Section, 5.5)

8.0 DELAY

8.1 Lessor Delay/Force Majeure. The term "Force Majeure" shall mean any delay in the completion of the Improvements which is attributable to any (1) delay or failure to perform attributable to any strike, lockout or other labor or industrial disturbance, civil disturbance, judicial order, act of a public enemy, war, riot, sabotage, blockade, embargo, inability to secure customary materials, supplies or labor through ordinary sources by reason of regulation or order of any government agency; (2) delay attributable to inability to secure building permits and approvals; (3) delay in completing working drawings or other necessary components of final Plans, and/or delay in the construction of the Improvements despite Lessor's diligent efforts to

complete same, because of changes in any laws subsequent to the execution date hereof (including, without limitation, the Americans with Disabilities Act of 1990) or changes in the interpretation of any such law by the applicable building department; or (4) delay attributable to lightening, earthquake, fire, storm, hurricane, tornado, flood, washout, explosion, or any other natural cause beyond the reasonable control of Lessor.

8.2. County Delay. The term "County Delay" shall mean, with respect to the completion of the Improvements, delay which is attributable to any (1) delay in the giving of authorizations or approvals by County; (2) delay attributable to the negligent or willfully wrongful acts or failures to act, of County, its agents or contractors, where such acts or failures to act delay the completion of the Improvements; (3) delay attributable to the interference of County, its agents or contractors with the completion of Lessor's Work, including delays resulting from entry into the Premises by such persons as contemplated in Paragraphs 4.2 and 5.8 above; or (4) any delay in obtaining a certificate of occupancy (or final permit sign-off) for the Premises as a result of the failure of any contractor hired by County to complete any portion of the Improvements (required for such certificate of occupancy or final permit sign-off) prior to the completion of Lessor's work. In the event of any County Delay, the date of delivery of the Premises to County by Lessor shall be deemed, for the purpose of determining the Commencement Date, to be the day Lessor would reasonably have completed Lessor's Work but for County's Delay.

LESSOR

CRANBROOK REALTY INVESTMENT FUND, L.P., dba Airport Corporate Centre, a California limited partnership, (Tax ID 91-1827017)

By:	Smuscolous.
	Bruce Cohoon
Its:	CFO
_	
Doto	10-14-15

EXHIBIT C

ACCEPTANCE AGREEMENT

Amendment to Lease dated November, 2 Fund, L.P., dba Airport Corporate Centre, a Califo	nd between the parties hereto with regard to that Fifth 2015, by and between Cranbrook Realty Investment ornia limited partnership ("Landlord"), and County of monly known as 7677 Oakport Street, Suite 650. The
Lease have been completed in accordance with t	constructed by Landlord by the Fifth Amendment to the terms of the Fifth Amendment to Lease and are on of punch list items identified on Attachment No. 1
2. Possession of the Premises has been taken possession of the Premises.	en delivered to Tenant and Tenant has accepted and
3. The Premises Commencement Date on unless sooner terminated agreement.	and the Lease Term shall expire according to the terms of the Lease or by mutual
PRODUCE PRODUC	nt Date, the Base Monthly Rent due pursuant to the e and no/100 Dollars (\$30,356.00) per month, subject se.
	ed with Landlord the amount of Zero Dollars (\$0.00) bligations under the Lease, and not as prepayment of (the "Security Deposit").
	, neither party is in default of its obligations under the etoffs, claims, or defenses to the enforcement of the
LANDLORD:	TENANT:
CRANBROOK REALTY INVESTMENT FUND, L.P., dba Airport Corporate Centre,	COUNTY OF ALAMEDA, a political subdivision of the
a California limited partnership	State of California, acting by and through its Board of Supervisors
By: Cranbrook GP, Inc., a California corporation, its General Partner	Board of Supervisors
By:	By:
Bruce Cohoon Title: CFO	Scott Haggerty Title: President Board of Supervisors
Date:	Date: