SIXTH LEASE AMENDMENT Lease No. 1161

This Sixth Lease Amendment ("Amendment"), dated for reference purposes only as of April 30, 2002 is by and between HARBOR BELMONT ASSOCIATES, a California General Partnership ("Landlord"), as Lessor, and the COUNTY OF SAN MATEO, a political subdivision of the State of California ("County" or "Tenant"), as Lessee.

<u>Recitals</u>

A. As authorized by San Mateo County Resolution No. 61798, Landlord and Tenant entered into a lease agreement dated February 2, 1988 (the "Lease") for portions of Buildings B and C (the "Buildings") of the Harbor Park, which portions consisted of approximately 50,243 rentable square feet of space in the Buildings commonly known as 400 - 450 Harbor Boulevard, Belmont, California.

B. The Lease was amended by the following amendments as authorized by the indicated San Mateo County Resolution:

RESOLUTION NO.	DATE
50819	9/20/88
58172	4/19/94
58426	6/28/94
61798	3/24/98
63984	10/3/00
	50819 58172 58426 61798

The Lease, together with the First through the Fifth Amendments constitutes the entire agreement between Landlord and County (the "Lease as Amended"). The Premises set forth in the Lease as Amended consist of approximately 56,931 rentable square feet in Buildings B and C. The monthly rent set forth in the Lease as Amended is \$152,266.64. In addition to the monthly rent set forth, County pays to Landlord \$7,771.00 per month for Operating Expense Adjustments and \$4,200.00 for amortization of the cost of leasehold improvements.

C. County desires to lease from Landlord, and Landlord desires to lease to County, additional space in Building C comprised of approximately 1,238 rentable square feet, and commonly known as 492 Harbor Boulevard.

D. County requires certain improvements and alterations to the Premises in order to efficiently use 492 Harbor Boulevard and the Premises throughout the balance of the Term.

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and County hereby agree to further amend the Lease as follows:

Agreement

- 1. **<u>Recitals.</u>** The foregoing recitals are true and correct and are incorporated herein by reference.
- 2. **Defined Terms.** All capitalized terms not defined herein have the same meaning as set forth in the Lease as Amended.

3. <u>**Premises.**</u> Effective May 1, 2002, the first paragraph of Section 3 of the Lease is amended to read as follows:

3. **PREMISES**. Landlord does hereby lease to Tenant, and Tenant hereby leases from Landlord, the space in that certain building and appurtenant improvements and common area ("Premises") located at Harbor Park, 400 - 450 Harbor Boulevard, Belmont, California, 94002, and shown on **Exhibit 1A** attached to the Sixth Lease Amendment and incorporated herein, which Exhibit 1A replaces Exhibit A of the Lease as Amended. The Premises consist of approximately 58,169 rentable square feet in Buildings B and C.

4. The following is added to Section 6 [Monthly Rental] of the Lease as Amended:

Commencing on May 1, 2002 (the "Rent Commencement Date"), the Base Rent for the entire Premises shall be \$155,572.00 per month, which Rent shall be in effect through May 31, 2002. The Base Rent shall be adjusted on the Adjustment Date as set forth in the Lease as Amended.

- 5. <u>Term.</u> This Amendment shall be effective on the Effective Date as defined in Section 10 hereof. The Termination Date of the Lease as Amended (May 31, 2008) is not affected by this Sixth Amendment.
- 6. <u>Parking.</u> Parking as set forth in Section 10 of the Lease as Amended as "Reserved for Exclusive County Use" shall be as identified on **Exhibit 1A** of this Sixth Amendment.
- 7. Leasehold Improvements, Improvement Allowance and Reimbursement by <u>County.</u> Subject to reimbursement by County as hereinafter set forth, Landlord shall pay up to a total sum of One Hundred Thousand Dollars (\$100,000) (the "Allowance") for the cost of constructing and installing the Leasehold Improvements described in Section 8 hereof.

County shall reimburse Landlord for the Allowance in 72 equal monthly payments of \$1,827.47 including principal and interest at the rate of 9.5% per annum (the "Monthly Amortization") commencing June 1, 2002, which payment shall be in addition to the \$4,200.00 monthly payment for leasehold improvement costs as set forth in the Lease as Amended. Each such payment shall be made together with the Base Rent then due. To the extent that any portion of the Allowance is not used by County, such portion may, at County's sole discretion, be credited against the

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Base Rent next payable under the Lease, or reserved for future improvements required by County. Landlord shall promptly deliver to County (i) copies of all invoices received by Landlord from Contractor in connection with the construction of the Leasehold Improvements, (ii) satisfactory evidence of payment of such invoices, including unconditional lien waivers, or if such invoices have not been paid. conditional lien waivers, all such lien waivers being in the form prescribed by California Civil Code Section 3262, executed by each subcontractor and material supplier intended to be paid out of the particular disbursement and covering all labor, services, equipment and materials performed or supplied by the particular subcontractor or material supplier since the last previous disbursement (collectively, "Lien Waivers"), and (iii) such additional supporting data which substantiates the Contractor's right to payment as County may reasonably require, such as copies of requisitions from subcontractors and material suppliers. In the event that the actual cost to construct and install the Leasehold Improvement Work incurred by Landlord exceeds the amount of the Allowance, County may pay such excess cost at the time of Substantial Completion, or increase the amount of the Monthly Amortization by an amount sufficient to amortize such excess cost over the then remaining balance of the Lease Term. If the excess cost exceeds the Allowance by more that \$20,000 (the "Contingency"), County shall, upon receipt of such required documentation, pay Landlord for any costs in excess of \$120,000 (The Allowance plus the Contingency).

8. <u>Improvements by Landlord.</u>

Landlord, through its general contractor approved by County ("Contractor"), shall improve the Premises, perform the work and make the installations in the Premises as set forth in plans and specifications to be approved in advance by County (the "Construction Documents"). Said work shall be made at Landlord's sole cost, subject to the provisions regarding reimbursement set forth in Section 7 hereof. All work shall be performed pursuant to the Construction Documents to be approved by County at its sole discretion. Such work and installations are referred to as the "Leasehold Improvement Work" and "Leasehold Improvements."

- 9. <u>Operating Expense Adjustments.</u> County shall pay Operating Expense Adjustments as set forth in Section 8 of the Lease as Amended, and such Adjustments shall be based on the area of the Premises as set forth in Section 3 hereof.
- 10. <u>Effective Date; Approval.</u> The date on which this Amendment shall become effective (the "Effective Date") is that on which (i) County's Board of Supervisors, in their sole and absolute discretion, adopt a resolution approving this Amendment in accordance with all applicable laws and (ii) this Amendment is duly executed by, and delivered to the parties hereto. If the Effective Date occurs on a date later than May 1, 2002, then promptly thereafter Landlord shall deliver to County a notice substantially in the form of Exhibit 1B attached to this Amendment, confirming the actual Effective Date and Rent Commencement Date.

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11. <u>Counterparts.</u> This Lease 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 LEASE AMENDMENT, LANDLORD ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF COUNTY HAS AUTHORITY TO COMMIT COUNTY HERETO UNLESS AND UNTIL THE COUNTY'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 COUNTY HEREUNDER ARE CONTINGENT UPON ADOPTION OF SUCH A RESOLUTION, AND THIS AMENDMENT SHALL BE NULL AND VOID UNLESS COUNTY'S BOARD OF SUPERVISORS APPROVES THIS AMENDMENT, IN ITS SOLE AND ABSOLUTE DISCRETION, AND IN ACCORDANCE WITH ALL APPLICABLE LAWS. APPROVAL OF THIS AMENDMENT BY ANY DEPARTMENT, COMMISSION OR AGENCY OF COUNTY SHALL NOT BE DEEMED TO IMPLY THAT SUCH RESOLUTION WILL BE ADOPTED, NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON COUNTY.

12. <u>No Further Amendments: Conflicts.</u> All the terms and conditions of the Lease as Amended remain in full force and effect except as expressly amended herein. The Lease as amended by this Amendment constitutes the entire agreement between Landlord and County and may not be modified except by an instrument in writing duly executed by the parties hereto. In the event of any conflict between the terms of the Lease as previously amended and the terms of this Amendment, the terms of this Amendment shall control.

Landlord and County have executed this Lease Amendment as of the date first written above.

LANDLORD: HARBOR BELMONT ASSOCIATES

By The

Phillip H. Raiser, Agent of JHR TRUST, General Partner

COUNTY:

COUNTY OF SAN MATEO, a political subdivision of the State of California

By:

Jerry Hill President, Board of Supervisors

Resolution No.:____

Attest:

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Clerk of the Board



NOT TO SCALE

PREMISES:

PARKING RESERVED FOR THE EXCLUSIVE USE OF TENANT:

EXHIBIT 1A

EXHIBIT 1B

[Date]

Mr. Paul Scannell Assistant County Manager County of San Mateo 400 County Center Redwood City, CA 94063

RE: Acknowledgement of Effective Date and Rent Commencement Date Sixth Lease Amendment Between HARBOR BELMONT ASSOCIATES (Landlord), and the COUNTY OF SAN MATEO (Tenant), for premises known as 400 - 450 Harbor Boulevard

Dear Mr. Scannell:

This letter will confirm that for purposes of the Sixth Lease Amendment, the Effective Date as set forth in Section 10 of the Amendment is ______, 2002. As set forth in Section 4 of the Amendment, the Rent Commencement Date is May 1, 2002.

Please acknowledge your acceptance of this letter by signing and returning a copy of this letter.

Very truly yours,

By_____ Title

Agreed and Acknowledged:

By

Assistant County Manager