

Facility # 41-A-01

Building Name: Hall of Justice

Building Address: 400 County Center, Redwood City, CA 94063

**TRANSFER AGREEMENT  
BETWEEN THE JUDICIAL COUNCIL OF CALIFORNIA,  
ADMINISTRATIVE OFFICE OF THE COURTS,  
AND THE COUNTY OF SAN MATEO  
FOR THE TRANSFER OF RESPONSIBILITY FOR COURT FACILITY**

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## TRANSFER AGREEMENT

### 1. PURPOSE

The Judicial Council of California (“**Council**”), Administrative Office of the Courts (together, the “**AOC**”), and the County of San Mateo (“**County**”), set forth the terms and conditions for the transfer of responsibility for funding and operation of the trial court facility commonly known as the San Mateo County Hall of Justice.

### 2. BACKGROUND

The Lockyer-Isenberg Trial Court Funding Act of 1997, AB 233 (Escutia and Pringle) provides for transfer of the primary obligation for funding of court operations from the counties to the State. The restructuring of funding for trial court operations accomplished by the Lockyer-Isenberg Trial Court Funding Act of 1997 ended a dual system of county and state funding of, and created a more stable and consistent funding source for, trial court operations. The Trial Court Facilities Act of 2002 was adopted to provide for the transfer of responsibility for funding and operation of trial court facilities from the counties to the AOC. The Parties enter into this Agreement to implement the provisions of the Act as it exists on the Effective Date.

### 3. DEFINITIONS

“**Act**” means the Trial Court Facilities Act of 2002 (Government Code sections 70301-70404) as of the Effective Date.

“**Agreement**” means this Transfer Agreement, together with the attached Exhibits.

“**AOC Authorized Signatory**” means the AOC’s Business Services Manager, Grant Walker.

“**Bonded Indebtedness**” means “bonded indebtedness”, as defined in section 70301(a) of the Act, to which some or all of the Real Property is subject as of the Effective Date.

“**Bonded Indebtedness Documents**” means the agreements evidencing or securing the Bonded Indebtedness.

“**Building**” means the building on the Land occupied by the Court and the County, and all Building Equipment.

“**Building Equipment**” means all installed equipment and systems that serve the Building.

**“Building Software”** means any software program that is licensed to the County for the operation of the Building Equipment.

**“Campus”** means the entirety of the property owned and operated by the County as of the Effective Date in Redwood City bounded by Marshall Street, Winslow Street, Brewster Avenue, Veteran’s Boulevard and Middlefield Road.

**“Closing”** means completion of all steps required to complete the Transfer under this Agreement and the Act.

**“Closing Date”** means the later to occur of: (1) the first day of the month following the Effective Date of the Agreement (e.g. if the Effective Date is June 15, 2008, the Closing Date will be July 1, 2008), or (2) the date on which the County Facilities Payment has been approved by the State Department of Finance, as more specifically provided in section 6.1.1 below, unless modified by Section 5.1.

**“Closing Documents”** means the documents listed in section 5.1 of this Agreement.

**“Common Area”** means the areas of the Land and the Building that are used non-exclusively and in common by, or for the common benefit of, the County, the Court, and the Occupants, and includes (1) the Tunnel (as defined in the JOA), hallways, stairwells, elevators, escalators, and restrooms that are not located in either Party’s Exclusive-Use Area, (2) foundations, exterior walls, load-bearing walls, support beams, exterior windows, the roof, and other structural parts of the Building, (3) the sally port, and (4) the Mechanical Rooms (as defined in the JOA), together with any Building Equipment and Utilities that do not exclusively serve only one Party’s Exclusive-Use Area. The Common Area does not include any part of the Exclusive-Use Area of either Party, except for any Building Equipment that is located in a Party’s Exclusive-Use Area. (i.e., Building Equipment that is located in a Party’s Exclusive-Use Area is still part of the Common Area).

**“Controller”** means the State Controller.

**“County Authorizing Document”** means a copy of a certified resolution evidencing that the County has taken all steps and obtained all approvals required to: (1) authorize the County Authorized Signatory to execute this Agreement and the Closing Documents on behalf of the County; and (2) authorize the County to perform its obligations under this Agreement and the Closing Documents.

**“County Authorized Signatory”** means the President of the County’s Board of Supervisors.



**“County Exclusive-Use Area”** means the 126,759 square feet of the Building that are exclusively occupied and used by the County, as depicted on Exhibit “F” to this Agreement. As of the Effective Date, the County Exclusive-Use Area is 47.30% of the Total Exclusive-Use Area.

**“County Facilities Payment”** means the payments the County must make to the Controller with respect to the Court Facility under Article 5 of the Act.

**“County Parking”** means all parking on the Campus and in carpool lots that is not exclusive Court Parking, metered parking, or designated for exclusive use by the Child Care Center, together with any of the parking spaces defined under “Court Parking” that are intended to be shared by the Court and the County on a first-come, first-served basis.

**“County Parties”** means the County, its political subdivisions, and their respective officers, agents, and employees.

**“Court”** means the Superior Court of California for the County of San Mateo.

**“Court Exclusive-Use Area”** means the 141,227 square feet of the floor space in the Building that are exclusively occupied and used by the Court, as depicted on **Exhibit “F”** to this Agreement. As of the Effective Date, the Court Exclusive-Use Area constitutes 52.70% of the Total Exclusive-Use Area.

**“Court Facility”** means the Court Exclusive-Use Area, which includes all spaces, fixtures, and appurtenances described in section 70301(d) of the Act, including 24 rooms for holding superior court, 24 chambers of judges of the Court, rooms for attendants of the Court, ten rooms for secure holding of prisoners attending Court sessions, rooms for storage, and certain other areas required or used for Court functions, together with the non-exclusive right to occupy and use the Common Area, and with the right to enter, exit, pass over, and pass through the Land as necessary to access the Court Facility. A copy of a site plan depicting the location of the Building on the Land and a floor plan depicting the layout of the Court Facility in the Building, are attached as **Exhibit “F”** to this Agreement and are further described in the JOA.

**“Court Operations MOA”** means the February 15, 2000, Memorandum of Agreement between the Superior Court of San Mateo County and the County of San Mateo, as amended from time to time.

**“Court Parking”** means: (i) ten full-size premium reserved parking spaces, dedicated for use by judges, located in a parking lot on the northeast corner of the intersection of County Center and Marshall Street, (ii) 15 full-size premium, reserved spaces, dedicated for use by judges, located in an underground parking structure at 555

County Center, (iii) 693 full-size non-exclusive unreserved parking spaces, 37 compact non-exclusive unreserved parking spaces, and 8 ADA accessible non-exclusive unreserved parking spaces all located within a multi-story parking structure located on the Campus, which spaces are shared by Court and County employees on a first-come, first served basis and which are located on the following floors: basement, 2, 3, 4 and 5; (iv) 43 full-size premium reserved parking spaces located in the shared parking lots at the southeast corner of the intersection of Marshall Street and Hamilton Street and at the southeast corner of the intersection of Marshall Street and Winslow Street, dedicated for use in the County's Commute Alternatives Program, which program provides that carpool parking applicants are considered in the order in which they sign up, with no priority given to an employee based on whether employed by the Court or the County, (v) 64 full-size parking spaces, which includes two ADA accessible parking spaces, located in one surface-level parking lot on the Campus, which spaces are shared by Court and County employees on a first-come, first served basis; and (vi) 212 full-size parking spaces, including six ADA accessible parking spaces, located in two surface-level parking lots on the Campus, dedicated for use at times that Court is in session by jurors attending Court sessions, all as shown on the parking plan attached as **Exhibit "G,"** which the County and the Court have agreed is parking of the same number, size, type, and convenience as made available for users of the Court on October 1, 2001. The Parties hereby acknowledge and agree that the Court Parking also serves the Traffic/Small Claims Annex court facility located at 500 County Center in Redwood City, California. The parties further acknowledge that the City of Redwood City has agreed to provide to the Court the non-exclusive use of 35 metered parking spaces located on the city streets in the immediate vicinity of the Building, dedicated for use by jurors attending Court sessions, at no cost to such jurors. Such parking is not part of the Court Parking as defined herein and the County has no responsibilities or obligations in connection with such parking as may be provided to the State Parties by the City of Redwood City except to include the Court and the AOC in any discussions with the City of Redwood City regarding this parking.

**"Deficiency"** has the meaning ascribed to it in the JOA.

**"Dispute"** means each and every pending or threatened claim, liability, litigation, arbitration, mediation, administrative proceeding, settlement negotiation, or other dispute-resolution proceeding related to the Property that, if determined adversely to the County or the AOC, would have a Material Adverse Effect.

**"Effective Date"** means the date on which this Agreement is signed by the last of the Parties to sign.

**“Environmental Law”** means federal, state, or local laws, ordinances, regulations, rules, statutes, and administrative actions or orders respecting hazardous or toxic substances, waste, or materials, or industrial hygiene.

**“Hazardous Substance”** means, without limitation: (1) those substances identified as hazardous substances in local, state and federal environmental laws and regulations, including those included within the definitions of “hazardous substance,” “hazardous waste,” “hazardous material,” “toxic substance,” “solid waste,” “pollutant” or “contaminant,” and (2) any material, waste, or substance, whether or not defined as a hazardous material, hazardous waste or hazardous substance in a law or regulation, that contains (i) a petroleum or refined petroleum product, (ii) asbestos, (iii) polychlorinated biphenyl, (iv) a flammable explosive, (v) a radioactive material, (vi) lead, or (vii) cyanide. The term Hazardous Substances is intended by the Parties to be interpreted in its most comprehensive and cumulative sense.

**“Indemnified Loss”** means all claims, demands, liabilities, damages, attorney fees, costs, expenses, and losses as to which either Party is obligated to indemnify the other Party under this Agreement or the Closing Documents.

**“Intangible Personal Property”** means all of the County’s: (1) Building Software and agreements or arrangements for the operation of the Building Equipment in the Court Facility; (2) warranties, permits, licenses, certificates, guaranties, and suretyship agreements and arrangements, and indemnification rights in favor of the County with respect to the Court Facility; (3) commitments, deposits, and rights for utilities relating to the Court Facility; (4) engineering, accounting, title, legal, and other technical or business data concerning the Court Facility or the Tangible Personal Property; (5) deposits, deposit accounts, and escrow accounts arising from or related to any transactions related to the Court Facility or the Personal Property, and rights to receive refunds or rebates of impact fees, assessments, charges, premiums, or other payments made by the County if these refunds or rebates relate to the period on or after the Closing Date; or (6) all other intangible rights, interests, and claims of the County which are a part of or related to the Court Facility or the Tangible Personal Property.

**“JOA”** means the document titled Joint Occupancy Agreement that is similar in form and content to the document attached to this Agreement as **Exhibit “J”**, and under which the County and the Court will occupy, and the Parties will operate and maintain, the Real Property.

**“Land”** means the real property described on **Exhibit “A,”** including the County’s (1) rights to enter and exit the Land, (2) recorded and unrecorded rights to water, water stock, oil, gas, minerals, and timber related to the Land, and (3) existing, granted development permits and entitlements.

**“Law”** means State and federal codes, ordinances, laws, regulations, the California Rules of Court, and judicial and administrative orders and directives, to the extent binding on the County and issued by a court or governmental entity with jurisdiction over the County.

**“Managing Party”** means the Party designated the “Managing Party” in the JOA.

**“Material Adverse Effect”** means any of (1) a material adverse change in (a) the condition, operations, overall functionality, or value of the Property, (b) the County’s use of, interest in, or right or title to, the Property, (c) the ability of the County to perform its obligations under this Agreement or the Closing Documents, or (d) the validity or enforceability of this Agreement or the Closing Documents; or (2) the imposition on the County of actual or contingent payment or performance obligations in respect of the Property of \$50,000 or more in the aggregate; or (3) any event, circumstance, or Dispute that causes or results in a Deficiency.

**“Material Agreements”** means any and all agreements, contracts, or understandings (whether written or unwritten) relating to the Property (1) for which termination requires advance notice by a period exceeding 30 calendar days, or (2) that obligate the County to make payment, or entitle the County to receive payment, exceeding \$25,000 within any fiscal year.

**“Memorandum”** means the document titled Memorandum of Joint Occupancy Agreement that is similar in form and content to the document attached to this Agreement as **Exhibit “K”**.

**“Occupancy Agreement”** means any agreement or arrangement that entitles a third party to occupy or use the Real Property for a period that continues after the Closing Date, and that cannot be terminated on 30 or fewer days notice.

**“Occupant”** means any third party that occupies, possesses, or uses the Real Property under an Occupancy Agreement.

**“Operation”** means the administration, management, maintenance, and repair of designated areas of the Real Property, but does not include custodial services.

**“Party”** means either of the AOC or the County, and **“Parties”** means the AOC and the County.

**“Pending Projects”** means any pending maintenance project or other project involving the Court Facility under sections 70326(d) or 70331(c) of the Act.

**“Personal Property”** means the Intangible Personal Property, if any, together with the Tangible Personal Property.

**“Property”** means all right, title, and interest in and to the Land, the Building (including the Court Facility, the County Exclusive-Use Area, and the Common Area), the Parking Area, and the Personal Property.

**“Property Disclosure Documents”** means all documents including Material Agreements that pertain to the title, ownership, use, occupancy, or condition of the Property or any rights, benefits, liabilities, obligations, or risks associated with the Property. A list of the categories of Property Disclosure Documents is attached as **Exhibit “I”**.

**“Real Property”** means the Land and the Building.

**“Security Services MOU”** means the written Service Level Agreement between the Superior Court of California, County of San Mateo and the County of San Mateo, Sheriff’s Office last dated November 1, 2004, as amended from time to time; excluding Exhibit C thereto .

**“Service Contracts”** means all contracts between the County and any third parties under which goods or services are provided with respect to the Operation of the Court Exclusive-Use Area.

**“State”** means the State of California.

**“State Parties”** means the Council, the Administrative Office of the Courts, and the Court, their respective political subdivisions, officers, agents, and employees.

**“Tangible Personal Property”** means any unaffixed item that is, on the Closing Date, located on or in, or exclusively used in or necessary to the use, occupancy, or Operation of the Court Exclusive-Use Area. The term **“Tangible Personal Property”** does not include any of the **“Excluded Tangible Personal Property”** listed on **Exhibit “B”** attached to this Agreement.

**“Telecommunications MOU”** means the Information Services Department Service Level Agreement for Fiscal Year 2005-06 between the County’s Information Services Department (ISD) and customer departments of the County of San Mateo dated July 1, 2005, as amended from time to time.

**“Total Exclusive-Use Area”** means, together, the Court Exclusive-Use Area and the County Exclusive-Use Area (as defined in the JOA).

**“Transfer of Responsibility” or “Transfer”** means the County’s full and final grant, transfer, absolute assignment, and conveyance to the applicable State Parties, and the State Parties’ full and final acceptance and assumption of, entitlement to and responsibility for, all of the County’s rights, duties, and liabilities arising from or related to the Court Facility under this Agreement and the Act, except for those duties and liabilities expressly retained by the County under this Agreement and the Act, and Disputes that commenced prior to the Closing Date or are related to facts or circumstances that occurred or existed prior to the Closing Date.

**“Transition Date”** means March 1, 2009.

**“Utilities”** means all of the utilities provided to the Real Property, except for telecommunications services provided by third parties.

#### **4. RESPONSIBILITIES AFTER TRANSFER.**

4.1 Transfer of Responsibility. On the Closing Date, the Transfer of Responsibility for the Court Facility from the County to the AOC will occur under this Agreement and the Closing Documents.

4.2 General Responsibilities After Transfer. Upon the completion of the Transfer, the Parties will have the general rights, duties, and liabilities set forth in the Act in respect of the Real Property, except as expressly delegated by the Parties in this Agreement, the Closing Documents (including the JOA), or any other agreement.

4.3 Specific Responsibilities After Transfer. The Parties will have the following specific rights, duties, and liabilities upon and after the Transfer:

4.3.1 Utilities. The County is solely responsible for all Utilities costs and expenses incurred prior to the Closing Date, and the Parties will comply with the JOA with respect to the provision of Utilities and the payment of Utilities costs and expenses incurred on and after the Closing Date.

4.3.2 Property Insurance and Risk Allocation. Responsibility and liability for (i) damage to or destruction of the Real Property, (ii) bodily injury to or death of third parties in, on, or about the Real Property, and (iii) Disputes, are allocated as set forth in the JOA.

4.3.3 Responsibility for Operation. Under the JOA and this Agreement, the County is responsible for the Operation of the Common Area, including the Building Equipment. Operation of the Building Equipment includes maintaining and renewing all permits, certificates, approvals, and licenses required for lawful use of any of the

Building Equipment. Under the JOA and this Agreement, each Party is responsible for the Operation of its Exclusive-Use Area at its sole cost and expense.

4.3.4 Parking. The County is responsible for the Operation of the Court Parking under the terms of the JOA, provided, however, that the County is not responsible for the administration and distribution of parking permits for jurors using the 212 jury-identified parking spaces, which shall be the responsibility of the Court. The County will at all times provide, at the County's sole expense, the Court Parking, or its equivalent as set forth below, for use by the Court and people attending to business and personal affairs in the Court Facility. The County shall not enter into any future agreements or amend any existing agreements with third parties that will in any way materially adversely affect the Court's rights to use the Court Parking during Court sessions (and for the Court's judges, staff, and employees to use the Court Parking after regular Court business hours and on weekends on an equivalent basis as County employees), or otherwise allow third parties to use the Court Parking in such a way as to interfere with the Court's use of such parking, without the prior written consent of the Court, which consent shall not be unreasonably withheld. If any of the Court Parking becomes unavailable for Court use in accordance with this section 4.3.4, the County will be responsible to provide, at no cost to the State Parties, alternate parking spaces of equal number and type, and reasonably similar size and convenience to the parking spaces that are no longer available. Notwithstanding any of the foregoing, if Court Parking and County Parking are simultaneously made unavailable due to parking lot repair or maintenance, the Court Parking and the County Parking shall be subject to the same inconveniences and unavailability. By way of example only, if repair or maintenance work on the Campus or a parking area causes parking spaces to be made unavailable on a temporary basis, then the County shall provide alternative or substitute parking for the Court on the same basis and degree of convenience/inconvenience that such parking is provided to County employees. If the Court vacates the Building, the County will increase the County Facilities Payment by an amount equal to the County's costs and expenses associated with the operation and maintenance of the Court Parking as of the Effective Date.

4.3.5 Occupancy Agreements. The County will remain responsible for all Occupancy Agreements governing Occupants located in the Common Area or the County Exclusive-Use Area, and the AOC will be responsible for all Occupancy Agreements governing Occupants located in the Court Exclusive-Use Area, but only to the extent that such Occupancy Agreements are either assigned to the AOC or entered into directly by any of the State Parties. The County shall remain responsible for all existing Occupancy Agreements not assigned to the AOC or entered into directly by a State Party.

4.3.6 Security Related Areas. The County's Sheriff's Office will remain liable and responsible for the secure entry, exit, transport, and holding of prisoners attending Court sessions in and through the security-related areas of the Real Property, including the Skyway (as defined in the JOA), sally port, holding cells, secured elevator/staircase, and secured corridors under the Security Services MOU. The County will remain solely liable and responsible for all non-grandfathered, non-conforming code conditions of any security-related areas of the Real Property, so long as such conditions are not caused by the State Parties; provided however, once a non-conforming code condition in the Court Exclusive-Use Area is corrected to the satisfaction of the agency with jurisdiction over such code conditions, the County shall no longer have such liability or responsibility. This Agreement does not supersede, replace, or modify the Security Services MOU or any other agreement between the County and the Court with respect to security staffing for the Real Property.

4.3.7 IT/Telephone Services. The AOC and the County will be responsible for the Operation of the telecommunications and data equipment located in the Court Facility, and for provision of telecommunications services to the Court in the Court Facility, consistent with existing arrangements, unless otherwise revised under the terms of the JOA and the Telecommunications MOU. In particular, the existing arrangements include: i) County is not responsible for the Operation of non-telephone Network Appliances in the Court Exclusive-Use Area; ii) County is responsible for the Operation of telephone network in the Court Facility; iii) County is responsible for the physical wiring in the Court Facility, except for the two 50 micron fiber optic cable wiring runs that are the property of the Court; iv) County owns and operates all telephone sets; and v) all software used by the Court is owned and operated by the Court except GroupWise Email, Novell NDS, McAfee Anti-Virus and BigFix Enterprise Suite.

4.3.8 Correspondence. The County will direct all correspondence, invoices, and information related to management, operation, maintenance, or repair of the Court Facility for the period on and after the Closing Date to the AOC's Office of Court Construction and Management pursuant to section 12 of this Agreement.

4.3.9 County Facilities Payments. The County will make all County Facilities Payments in accordance with the Act and section 6 of this Agreement.

4.3.10 Personal Property. If either Party determines that there exists any Tangible or Intangible Personal Property not previously transferred or assigned to the AOC that should have been so transferred or assigned, as required by applicable statutes, that Party will promptly provide to the other Party a notice that includes a reasonably-detailed, written description of that property. After a mutual determination is reached that said property should have been transferred or assigned, then at the AOC's request,



the County will transfer, convey, or assign to the AOC any or all of the Tangible or Intangible Personal Property agreed upon. If either Party determines that any Tangible or Intangible Personal Property was inadvertently or mistakenly transferred or assigned to the AOC and that it should not have been so transferred or assigned, that Party will promptly provide to the other Party a notice that includes a reasonably-detailed, written description of that property. After a mutual determination is reached that said property should not have been transferred or assigned, then at the County's request, the AOC will return, transfer, reconvey, or assign to the County any or all of the Tangible or Intangible Personal Property agreed upon.

4.3.11 Adjustments. The Parties will make the appropriate adjustments for prorations or computations required by this Agreement or the Closing Documents as promptly as possible once accurate information becomes available evidencing that either Party is entitled to an adjustment. Any prorations will be based on a 365-day fiscal year. The Party entitled to the adjustment must make written demand on the other Party for the adjustment within one year after the Closing Date and provide a reasonably-detailed explanation of the basis for the demand and all supporting documentation. The Parties will promptly pay each other any corrected proration or adjustment amounts.

4.3.12 Bonded Indebtedness. To the extent that, on the Effective Date, some or all of the Real Property is subject to Bonded Indebtedness, the County will remain solely responsible to meet its obligations under the Bonded Indebtedness Documents, and will not act or fail to act in a way that violates the Bonded Indebtedness Documents ("**BI Default**"). The County will promptly provide the AOC with a copy of any notice given or received by the County that concerns or alleges a BI Default. The AOC has the right, but not the obligation, to cure any County BI Default on behalf of the County. The County will provide full cooperation to the AOC in connection with any AOC cure of a County BI Default, and will promptly reimburse the AOC for any amounts spent by the AOC in curing a County BI Default. The AOC will exercise its rights under sections 70391 and 70392 of the Act in a way that does not (i) violate the terms of the Bonded Indebtedness Documents, (ii) cause any amounts payable by the County under the Bonded Indebtedness Documents to be includable in gross income for federal or State income tax purposes, or (iii) otherwise adversely affect the tax-exempt status of the Bonded Indebtedness. The County will promptly notify the AOC in writing if the County at any time believes that any act or omission by any State Party will or might result in a BI Default. If the Court is required to vacate the Court Facility through the operation or enforcement of the Bonded Indebtedness Documents, the County will comply with the provisions of section 70325(c) of the Act.

4.3.13 Relief from Section 70311 Obligations. Effective upon the Transfer, the AOC confirms and agrees that the County will be and is relieved of any responsibility

under section 70311 of the Act for providing to the Court those necessary and suitable court facilities currently located in the Building, except as specifically provided in this Agreement and the Act.

4.3.14 No Material Changes. The County will not, to the extent it causes material damage to or materially affects the value of the State Parties' interest in the Real Property, or interferes with the State Parties' use of the Real Property: (1) transfer, agree to transfer, or enter into any agreement concerning, any right, title, or interest in the Real Property, to any third party; (2) do anything that would result in a change to the zoning or entitlements for use of the Real Property; or (3) act or fail to act in any way that results in the Real Property being subject to a Deficiency. The County's vacation or abandonment of County Exclusive-Use Area shall not alone constitute a cause of material damage to or materially affect the value of the State's Parties interest in the Real Property; provided that any such vacation or abandonment shall not modify or eliminate any obligations under this Agreement or the JOA that the County may have with regard to such area or the Common Area, including without limitation the County's obligations and responsibilities as Managing Party under the JOA .

4.3.15 Remediation. The AOC may conduct a Phase II environmental site assessment of the Real Property within six months after the Closing Date to determine whether there are any Hazardous Substances in, on, under, or affecting the Real Property. In the event that the foregoing Phase II assessment identifies any such Hazardous Substances, within one year after notice from the AOC identifying the type and amount of Hazardous Substances found, the County shall take, or have already undertaken, the necessary actions, at its sole cost and expense, to remediate the Hazardous Substances to the levels required for the existing uses of the Real Property, or to otherwise comply with the remediation and/or mitigation requirements of the lead government agency or agencies having jurisdiction over the remediation or mitigations. A copy of a "no further action" letter from the lead government agency or agencies having jurisdiction over the remediation delivered to the AOC by the County shall be sufficient evidence of the completion of the remediation. The State Parties shall reasonably cooperate with the County in its remediation and mitigation efforts, particularly with regard to the granting of access when and as necessary to carry out those efforts.

4.3.16 Court Operations MOA. Unless specifically superseded by the terms and conditions of this Agreement or the JOA, the terms and conditions of the Court Operations MOA shall remain in full force and effect. In the event of a conflict between the terms of the Court Operations MOA and the terms of this Agreement or the JOA, the terms of this Agreement or the JOA shall control.

## 5. CLOSING

5.1 The Closing Date. The Closing will occur upon signature of this Agreement and the Closing Documents by the last of the Parties to sign, and will not be affected by the date of delivery of the signed originals of this Agreement or the Closing Documents.

5.1.1 Closing Documents. The Closing Documents are as follows:

- (a) the JOA;
- (b) the Memorandum;
- (c) the County Authorizing Document; and
- (d) any other documents required by Law, or reasonably requested by the State Parties or the County to complete the Transfer.

5.1.2 Time for Signature for Closing Documents. The Parties will sign the Closing Documents on or as expeditiously as possible after the Effective Date. If the Closing Documents have not been signed within ten days after the Effective Date, either Party that has signed the Closing Documents may terminate this Agreement and the Closing Documents upon five business days notice to the other Party, but if the Closing Documents are fully signed by the Parties prior to the end of the five business day period, any termination notice shall be of no force or effect.

5.2 Conditions for Closing. Neither Party will be obligated to consummate the Transfer unless the following conditions are satisfied or waived prior to the Closing Date. The conditions for the benefit of the County may only be waived by the County, and the conditions for the benefit of the AOC may only be waived by the AOC.

5.2.1 Conditions for the Benefit of the AOC. All of the County's representations and warranties in this Agreement must be accurate and complete in all material respects as though made on the Closing Date; the County must not have breached any of the County's representations, warranties, or covenants in this Agreement; and there must be no County Event of Default under this Agreement nor any circumstance which, but for the passage of time or the giving of notice or both, would constitute a County Event of Default as of the Closing Date.

5.2.2 Conditions for the Benefit of the County. All of the AOC's representations and warranties in this Agreement must be accurate and complete in all material respects as though made on the Closing Date; the AOC must not have breached any of the AOC's representations, warranties, or covenants in this Agreement; and there must be no AOC Event of Default under this Agreement nor any circumstance which, but

for the passage of time or the giving of notice or both, would constitute an AOC Event of Default as of the Closing Date.

5.3 Delivery of Signed Agreement, Closing Documents, and County Authorizing Document. The last Party to sign this Agreement and the Closing Documents must deliver, within three business days after signing, (i) to the County, one signed original of this Agreement and the Closing Documents, and (ii) to the AOC, all remaining signed originals of this Agreement, and the Closing Documents, and the County Authorizing Document. The AOC will endeavor to cause the Memorandum to be recorded in the County Recorder's Office within ten business days after the AOC's receipt of the signed originals of this Agreement and the Closing Documents.

5.4 Delivery of Possession. On the Closing Date, the County will deliver to the AOC custody and control over the Court Exclusive-Use Area and the non-exclusive right to occupy and use the Common Area, subject to the terms of the JOA.

## **6. COUNTY FACILITIES PAYMENT**

6.1 Amount of County Facilities Payment. The annual amount of the County Facilities Payment submitted to the State Department of Finance is \$1,054,477, and after adjustment under section 70362 of the Act, this amount will be \$1,054,477, based on the Closing occurring in the same month as the Effective Date. If the Closing Date does not occur in the same month as the Effective Date, the Parties will recalculate the County Facilities Payment based upon the actual Closing Date.

6.1.1 DOF Approval. If DOF does not approve the County Facilities Payment in an amount equal to or less than the annual amount set forth in section 6.1 of this Agreement, then the Parties will promptly meet and confer to determine how to proceed in respect of this Agreement and the Transfers, and the Closing Date will not occur unless and until the County Facilities Payment has been approved by DOF in an amount that is either (a) equal to or less than the amount set forth in section 6.1, above, or (ii) has been approved in writing by both the AOC and the County. If the County Facilities Payment has not been approved by DOF in accordance with (a) or (b) of this section 6.1.1 by 180 days after the Effective Date, either Party may cancel and terminate this Agreement upon ten days prior notice to the other Party; provided that, if DOF approval of the County Facilities Payment in accordance with (a) or (b) of this section 6.1.1 is received during the ten day period, any termination notice will be of no force or effect.

6.2 County Facilities Payment Obligation. The County will pay the County Facilities Payment to the Controller every fiscal quarter under Article 5 of the Act and section 6 of this Agreement, except that, subject to the provisions of section 6.3 below, the

County must deliver to the Controller the first quarterly installment in the amount of \$263,619.25 within five (5) business days after the Closing Date. Unless the Closing Date is on the first day of a fiscal quarter, the first installment of the County Facilities Payment will be prorated under section 4.3.11 for the period from the Closing Date to and including the last day of the fiscal quarter in which the Closing Date occurs, subject to adjustment under section 70355 of the Act. Thereafter, the quarterly installments of the County Facilities Payment will be in the amount of \$263,619.25, subject to adjustment under the Act.

6.3 CFP Suspension until Transition Date. Notwithstanding anything in this Agreement or the JOA to the contrary, until the Transition Date, the County will continue to perform the Operation of the Real Property, including the Court Exclusive-Use Area and the Common Area, at no cost to the AOC. The County's responsibility for the County Facilities Payment commences on the Closing Date; however, in consideration of the above-described services provided by the County to the AOC, the County will have no obligation to make any payments of the County Facilities Payment to the Controller for the period from the Closing Date through the Transition Date, and the County shall make its first payment of the County Facilities Payment on the day after the Transition Date.

## **7. REPRESENTATIONS AND WARRANTIES**

Each Party makes the representations and warranties in this section 7 to the other Party effective on both the Effective Date and the Closing Date. Each Party will give written notice to the other within five business days of its discovery of any facts or circumstances that would render any information contained in that Party's representations and warranties in this Agreement or any Closing Document incomplete, untrue, or misleading, but if a Party makes that discovery within seven calendar days prior to the Closing Date, then that Party must immediately deliver written notice of the relevant information to the other Party, whereupon the Closing will be automatically delayed to allow the Party receiving that notice sufficient time to decide whether to proceed with the Closing.

7.1 The County's Representations and Warranties. The phrase "to the best of the County's knowledge" or words of similar import, means the actual knowledge, after reasonable independent investigation and inquiry, of James N. Saco, Budget Director, and the County represents that this is the person within the County most knowledgeable with respect to the County's representations and warranties.

7.1.1 Good Standing. The County is a political subdivision of the State duly organized and validly existing under the Law of the State.

7.1.2 Authority. The County Authorized Signatory has been duly authorized and empowered to sign this Agreement and the Closing Documents on behalf of the County, and the County has taken all steps and obtained all approvals required to authorize and empower the County to sign and perform this Agreement and the Closing Documents.

7.1.3 Due Execution and Delivery. This Agreement and the Closing Documents are legal, valid, and binding obligations of, and are fully enforceable against, the County.

7.1.4 No Conflict. This Agreement and the Closing Documents do not violate any provision of any agreement, obligation, or court order to which the County is a party or by which the County or any of its assets is subject or bound. No other action of any governmental agency or authority is required for, and the County has no actual knowledge of any Law in effect which would prohibit, the County's execution, delivery, or performance of its obligations under this Agreement or the Closing Documents.

7.1.5 Title to Real Property. Other than the rights and interests that have been recorded as encumbrances on the Real Property prior to the Effective Date: the County has not granted, conveyed, or otherwise transferred to any person or entity any right, title or interest in or right to, or any future right to acquire any title or leasehold interest in the Real Property.

7.1.6 Intentionally left blank

7.1.7 No Service Contracts. To the best of the County's knowledge, there are no Service Contracts.

7.1.8 No Disputes. To the best of the County's knowledge, there are no Disputes pertaining to the Property, or the County's right, title, and interest in and to the Property.

7.1.9 No Occupancy Agreements. To the best of the County's knowledge, the County is not a party to any Occupancy Agreement governing an Occupant located in the Court Exclusive-Use Area, including any Occupancy Agreement under which vending facilities are located in the Court Exclusive-Use Area.

7.1.10 No Violations of Law. The County has no actual knowledge of, nor has the County received any written notice from any State, federal, or other governmental or quasi-governmental authority relating to: (1) any violation of Law, whether or not appearing in public records, with respect to the Property, which violation has not been corrected to the satisfaction of the State, federal, or other governmental or quasi-

governmental authority that issued the notice, or (2) any unrecorded restriction applicable to the Real Property. To the best of County's knowledge, all security-related areas of the Court Facility, including but not limited to the holding cells, are either in full compliance with Law, including the standards set forth in Titles 15 and 24 of the California Code of Regulations, or are exempt from compliance.

7.1.11 Full and Complete Disclosure. The County conducted a reasonable and diligent search of its records for, and provided to the AOC, all existing Property Disclosure Documents within the County's possession, custody, or control. The County maintains the Property Disclosure Documents in its ordinary course of business and has not intentionally altered any Property Disclosure Documents in any manner that renders them inaccurate, incomplete, or misleading.

7.1.12 No Condemnation. The County has not received a written notice of any pending modification of a street or highway contiguous to the Real Property, or any existing or proposed eminent domain proceeding that could result in a taking of any part of the Real Property.

7.1.13 No Environmental Violations. Except as set forth in the Property Disclosure Documents or in any environmental assessments or investigations of the Real Property performed by the AOC, the County has no knowledge of the actual, threatened, or suspected presence of any Hazardous Substance, and there are no existing violations of Environmental Laws, in, on, under, adjacent to, or affecting the Real Property, except for any Hazardous Substance used or held in conformity with Environmental Laws.

7.1.14 No Special Circumstances. The County has not undertaken or commenced any Pending Projects in or around the Real Property, the Real Property is not subject to "bonded indebtedness" as defined in section 70301(a) of the Act, and the Building is not an "historical building" as defined in § 70301(f) of the Act.

7.2 AOC's Representations and Warranties. The phrase "to the best of the AOC's knowledge," or words of similar import, means the actual knowledge, after reasonable independent investigation and inquiry, of the Director, Office of Court Construction and Management, who the AOC hereby represents is the person within the AOC most knowledgeable with respect to the matters described in the AOC's representations and warranties.

7.2.1 Good Standing. The Administrative Office of the Courts is the staff agency to the Council, an entity established by the Constitution of the State, validly existing under the Law of the State.

7.2.2 Due Execution and Delivery. This Agreement and Closing Documents are legal, valid, and binding obligations of, and are fully enforceable against, the AOC.

7.2.3 No Conflict. This Agreement and the Closing Documents do not violate any provision of any agreement, obligation, or court order, to which the AOC is a party or by which the AOC or any of its property is subject or bound. No other action of any governmental agency or authority is required for, and the AOC has no actual knowledge of any Law in effect which would prohibit, the AOC's execution, delivery, or performance of its obligations under this Agreement or the Closing Documents.

7.2.4 Non-reliance. The AOC is relying solely on its own investigation of the physical condition of the Real Property and all title issues, and except as specifically otherwise set forth herein, including without limitation section 7 and section 8 of this Agreement, accepts this Transfer of Responsibility AS IS.

## **8. INDEMNITIES**

8.1 AOC's Indemnities. Subject to section 8.3, below, the AOC indemnifies, defends, and holds harmless the County Parties (with counsel reasonably acceptable to the County) from and against all Indemnified Loss asserted against the County Parties arising from the matters described below in this section 8.1:

8.1.1 AOC Breach. Any breach by a State Party of its obligations set forth in this Agreement or in the Closing Documents;

8.1.2 Representations and Warranties. Any breach of or inaccuracy in the AOC's representations and warranties contained in section 7.2 of this Agreement or in the Closing Documents.

8.2 County's Indemnities. Subject to section 8.3, below, the County indemnifies, defends, and holds harmless the State Parties (with counsel reasonably acceptable to the State Parties) against all Indemnified Loss asserted against the State Parties arising from the matters described below in this section 8.2:

8.2.1 County Breach. Any breach by a County Party of its obligations set forth in this Agreement or in the Closing Documents;

8.2.2 Representations and Warranties. Any breach of or inaccuracy in the County's representations and warranties contained in section 7.1 of this Agreement or in the Closing Documents;



8.2.3 Pre-Closing Events. Any event or Dispute occurring before the Closing Date, or which is otherwise attributable to the time prior to the Closing Date, related to the County's ownership, possession, operation, management, maintenance, repair of, or responsibility for, the Real Property; and

8.2.4 CERCLA. Under section 70393(d) of the Act, any liability imposed on the State Parties pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, (42 U.S.C. § 9601 et seq.), or related provisions, for conditions that existed in, on, or under the Real Property at the time of the Closing whether or not known to the County.

8.2.5 Hazardous Substances Migration. Any liability imposed on the State Parties as a result of the presence of any Hazardous Substances in, on, under, or affecting the Real Property (including the ground water under the Land), where and to the extent that such Hazardous Substance has migrated from a nearby or adjacent Campus property, irrespective of whether such migration occurred prior to, on, or after the Closing Date, including but not limited to the cost of removal or other remediation of all Hazardous Substances from the Real Property as may be ordered or required by a Court of law or the government agency or agencies having jurisdiction over such Hazardous Substances, claims, damages, costs, liabilities, attorney fees, and losses imposed on the State Parties as a consequence of the presence of the Hazardous Substances on the Land or from the migration of such Hazardous Substances from nearby or adjacent Campus property to other properties. Provided, however, this section 8.2.5, shall not apply to a new spill from a new source (a "new release") of Hazardous Substances. In particular, a "new release" means a release or discharge into the environment after the Closing Date from a source that has not previously been a source of discharge or release.

8.3 Indemnity Exclusions. Neither Party is entitled to be indemnified, defended, or held harmless by the other Party under this Agreement in respect of any event, circumstance, or condition that arises from its own negligence or willful misconduct, nor from any property insurance claim for which the Party is responsible under this Agreement or the JOA. The obligations of a Party under section 8.1 or 8.2 of this Agreement, as applicable, will in no event release the other Party from, or diminish its obligation to fully and faithfully perform its duties under, the Agreement, the Closing Documents, or any other agreement.

## **9. RIGHT TO AUDIT**

The County will maintain all records relating to the County Facilities Payment due and owing from the County under the Act, according to the time limits contained in the instructions for calculation of the County Facilities Payment. The County will also maintain an accounting system, supporting fiscal records, and agreements related to the

Property, including the Property Disclosure Documents, adequate to ensure that all claims and disputes arising under this Agreement or the Closing Documents can be resolved in accordance with the requirements of this Agreement and the Act. The County will also maintain records relating to all receipts and expenditures from the local courthouse construction fund established under Government Code section 76100, which the AOC has the right to audit under section 70391(d)(2) of the Act. The AOC may audit or inspect these County records upon reasonable prior notice.

## 10. DEFAULT NOTICE AND CURE

Upon a Party's breach or default of any provision of this Agreement, the non-defaulting Party will provide written notice to the defaulting Party of the breach or default ("**Default Notice**"). Upon receipt of the Default Notice, the defaulting Party will have 30 calendar days to cure the breach or default described in the Default Notice and to provide evidence of that cure to the non-defaulting Party. If the breach or default is not capable of cure within the 30 calendar day period, then no breach or default can be deemed to have occurred by reason of the failure to cure so long as the defaulting Party promptly begins and diligently and continuously performs the cure to completion within a reasonable time period, not to exceed 90 calendar days from commencement of the cure ("**Cure Period**"). If the defaulting Party does not provide evidence of the cure to the non-defaulting Party within the Cure Period, then the defaulting Party will be deemed to have committed an "**Event of Default**," and the non-defaulting Party will have the right, but not the obligation, to pursue its rights with respect to resolution of disputes under section 11 of this Agreement. The Parties may mutually agree to commence the dispute resolution procedures in section 11 of this Agreement before the end of the Cure Period.

## 11. DISPUTE RESOLUTION

11.1 Unassisted Negotiation; Mediation. In the event of a dispute between the Parties arising under or relating to performance of the Parties' obligations under this Agreement, or any aspect of the transactions contemplated in this Agreement, the County Manager or his/her designee and an Assistant Director of the AOC's Office of Court Construction & Management will meet to discuss a resolution to the dispute. If the Parties are not able to resolve their dispute within 30 calendar days through that unassisted negotiation, they will attempt to resolve the dispute by mediation under this section 11.1. If the dispute concerns a matter within the jurisdiction of the Court Facilities Dispute Resolution Committee ("**CFDRC**"), established by section 70303 of the Act, the Parties must first mediate the dispute before a Party can commence a dispute resolution proceeding before the CFDRC.

11.1.1 Initiation of Mediation. Either or both of the Parties may request the initiation of mediation for any dispute described in section 11.1, whether or not the

dispute falls within the CFDRC's jurisdiction, by delivering a written request for mediation ("**Mediation Request**") to the other Party. The Mediation Request must (1) include a brief summary of the issues in dispute, (2) state the dates on which the requesting Party is unavailable to attend the mediation within the immediately-succeeding 90 calendar days after the delivery to the other Party of the Mediation Request, and (3) list at least three neutral mediators who are acceptable to the requesting Party for mediation of the dispute. Within five business days after the requesting Party's delivery of a Mediation Request to the other Party, the responding Party must deliver to the requesting Party a response to the Mediation Request ("**Mediation Response**"), which must: (a) include a brief summary of the issues in dispute (which may or may not be the same as the summary provided by the requesting Party); (b) state the dates on which the responding Party is unavailable to attend the mediation within the 85 calendar days immediately following the requesting Party's receipt of the Mediation Response; and (c) state whether any of the neutral mediators listed in the Mediation Request are acceptable to the responding Party and, if none are, then the Mediation Response must list at least three neutral mediators who are acceptable to the responding Party.

**11.1.2 Selection of Mediator.** Within 10 calendar days after delivery to the requesting Party of the Mediation Response, the Parties will attempt in good faith to agree upon a neutral mediator to preside over the mediation. If the Parties are not able to agree upon a neutral mediator within 10 calendar days after delivery to the requesting Party of the Mediation Response, the Parties must apply to the JAMS Government Dispute Resolution Group ("**JAMS**") for selection of a neutral mediator to mediate the dispute. The Parties' application to JAMS must be filed in accordance with the JAMS International Mediation Rules then in effect, and must include copies of the Mediation Request and Mediation Response. The mediator must be a person with a reasonable degree of experience and expertise in handling disputes involving governmental entities. The mediator must have no current or prior involvement with either Party in the negotiations between the Parties related to the Act or any of the court facility transfers provided for in the Act, and shall discharge his or her duties impartially and as a neutral, independent participant to the mediation process to assist the Parties to achieve a settlement and compromise of their dispute, taking into consideration the relevant facts, applicable Law, and the pertinent provisions of any relevant agreement between the Parties. Subject to the foregoing, the selection of a mediator by JAMS will be final and binding on the Parties, and the Parties shall be equally responsible for the payment of all fees and costs charged by JAMS.

**11.1.3 Cost of Mediation.** The Parties will share equally in payment of all costs of the mediation, including the compensation of the mediator. The Parties and the mediator must reach a written agreement regarding the mediator's compensation and expenses before the mediation is commenced.

11.1.4 Date, Time, and Place of Mediation. In consultation with the Parties, the mediator will fix the date, time, and place of each mediation session. The mediation may be held at any convenient location agreeable to the Parties and the mediator. Mediation must be completed within 90 calendar days after the requesting Party's delivery to the responding Party of the Mediation Request.

11.1.5 Attendance at Mediation. Both Parties must attend the mediation session(s). The Parties may satisfy this attendance requirement by sending a representative familiar with the facts of the dispute, who has the authority to negotiate on behalf of, and to effectively recommend settlement to, the Party he or she represents. Any Party to the mediation may have the assistance of an attorney or other representative of its choice, at its own cost. Other persons may attend the mediation sessions only with the consent of the Parties and the mediator.

11.1.6 Statements Before Mediation. The mediator will determine the manner in which the issues in dispute will be framed and addressed. The Parties should expect that the mediator will request a premediation statement outlining facts, issues, and positions of each Party ("**Premediation Statement**") in advance of the mediation session. At the discretion of the mediator, the Premediation Statements or other information may be mutually exchanged by the Parties.

11.1.7 Confidentiality. The mediation will be confidential in all respects, and the provisions of California Evidence Code sections 1152 and 1154 will apply to all written and verbal evidence presented in the mediation and to settlement communications made in the Premediation Statement, during the mediation itself, or otherwise in furtherance of or related to the mediation or the settlement of the dispute. The Premediation Statements shall be confidential, for settlement purposes only, and will not be admissible for any purpose other than for the mediation. Without limiting the foregoing, the provisions of California Evidence Code sections 1115 through 1128, inclusive, will apply in connection with any mediation under this Agreement.

11.2 Resolution of Claims Remaining After Mediation. After compliance with the terms of section 11.1 of this Agreement, the Parties shall proceed as follows in respect of any dispute that remains unresolved: (i) if the unresolved dispute involves any of the matters set forth in sections 70303(c)(1) through (5) of the Act, the Parties shall refer the dispute to the CFDRRC for hearing and recommendation to, and decision by, the Director of Finance, pursuant to the Act and the regulations and rules adopted by the CFDRRC; or (ii) if the unresolved dispute does not involve any of the matters described in sections 70303(c)(1) through (5) of the Act, then the Parties may proceed to resolve the dispute in any manner permitted by Law or in equity.

## 12. NOTICES

Any notice or communication required to be sent to a Party pursuant to this Agreement must be sent in writing by personal delivery (including overnight courier service), certified U.S. mail, postage pre-paid and with return receipt requested, or facsimile transmission, sent during regular business hours of the recipient to the Parties at their addresses or fax numbers indicated below. Routine exchange of information may be conducted via telephone, facsimile, and/or electronic means, including e-mail.

If to the AOC:

Administrative Office of the Courts  
Office of Court Construction and Management  
Attention: Portfolio Administration Analyst for the  
Bay Area/North Coastal Regional Office  
455 Golden Gate Avenue, 8<sup>th</sup> Floor  
San Francisco, CA 94102  
Voice: 415-865-4053  
Fax: 415-865-8885

With a copy to:

Administrative Office of the Courts  
Office of Court Construction and Management  
Attention: Manager, Real Estate  
455 Golden Gate Avenue  
San Francisco, CA 94102  
Voice: 415-865-4048  
Fax: 415-865-8885

In addition, all audit requests and notices by the County relating to termination of this Agreement or alleged breach or default by the AOC of this Agreement or any other Closing Document must also be sent to:

Administrative Office of the Courts  
Attention: Senior Manager, Business Services  
455 Golden Gate Avenue  
San Francisco, CA 94102-3688  
Voice: 415-865-4090  
Fax: 415-865-4326

If to the County:

County of San Mateo  
County Manager's Office  
Attention: County Manager  
Hall of Justice and Records  
400 County Center, First Floor  
Redwood City, California 94063  
Voice: 650-363-4121  
Fax: 650-363-1916

With a copy to:

County of San Mateo  
County Counsel  
Hall of Justice and Records  
400 County Center, Sixth Floor  
Redwood City, California 94063  
Voice: 650-363-4250  
Fax: 650-363-4034

A Party may change its address for notice under this Agreement by giving written notice to the other Party in the manner provided in this section 12. Any notice or communication sent under this section 12 will be deemed to have been duly given as follows: (1) if by personal delivery, on the date actually received by the addressee or its representative at the address provided above, or (2) if sent by certified U.S. mail, return receipt requested, on the first business day that is at least three calendar days after the date deposited in the U.S. Mail, or (3) if sent by facsimile transmission, upon electronic confirmation of good receipt by the receiving facsimile machine except that facsimile notice received after normal business hours of the recipient will be deemed received at 9:00 a.m. on the first business day after the date on which the facsimile notice was confirmed electronically.

### **13. SURVIVAL OF TERMS AND PROVISIONS**

The following sections of this Agreement will survive the Closing, and will thereafter remain in full force and effect: 3, 4, 5.3, 5.4, and 6 through 14, inclusive. All other rights and duties hereunder will cease upon termination of this Agreement or Closing. In the event of the termination of this Agreement, all documents, other tangible objects, and information containing or representing confidential or proprietary information disclosed by one Party to the other, and all copies that are in the possession

or under the control of the other Party will be and remain the property of the Party that disclosed the documents, objects, and information, and all those documents and tangible objects will be promptly returned to the Party that disclosed them at that Party's written request.

## **14. MISCELLANEOUS**

14.1 Waivers. No waiver of any provision of this Agreement will be valid unless it is in writing and signed by both the AOC and the County. Waiver by either Party at any time of any breach of this Agreement cannot be deemed a waiver of or consent to a breach of the same or any other provision of this Agreement. If a Party's action requires the consent or approval of the other Party, that consent or approval on any one occasion cannot be deemed a consent to or approval of that action on any later occasion or a consent or approval of any other action.

14.2 Force Majeure. Neither Party will be responsible for performance under this Agreement to the extent performance is prevented, hindered, or delayed by fire, flood, earthquake, elements of nature, acts of God, acts of war (declared and undeclared), riots, rebellions, revolutions, or terrorism, whether foreseeable or unforeseeable.

14.3 Assignment. Neither Party may assign this Agreement in whole or in part, whether by operation of law or otherwise, to any other entity, agency, or person without the prior written consent of the other Party. Even if that consent is given, any assignment made in contravention of any Law will be void and of no effect.

14.4 Binding Effect. This Agreement binds the Parties and their permitted successors and assigns.

14.5 Third Parties Benefited. The State Parties are intended beneficiaries of all provisions of this Agreement and the Closing Documents for the benefit of the AOC.

14.6 Governing Law. This Agreement, and the Parties' performance under this Agreement, will be exclusively governed by the laws of the State without regard to its conflict of law provisions.

14.7 Construction. The headings used in this Agreement are for convenience only and will not affect the meaning or interpretation of this Agreement. The words "hereof," "herein," and "hereunder," and other words of similar import, refer to this Agreement as a whole and not to any subdivision of this Agreement. This Agreement and the Closing Documents will not be construed against either Party as the principal draftsman. The words "include" and "including" when used are not exclusive and mean "include, but are not limited to" and "including but not limited to," respectively. The

capitalized terms used in this Agreement have the meanings ascribed to them in this Agreement.

14.8 Integration; Amendments. This Agreement and the Closing Documents contain the entire agreement of the Parties with respect to the Transfer, and supersede all previous communications, representations, understandings, and agreements, whether verbal, written, express, or implied, between the Parties. This Agreement may be amended only by written agreement signed by both of the Parties.

14.9 Incorporation By Reference. The factual recitals and Exhibits contained in or attached to this Agreement are all incorporated into and made a part of this Agreement for all purposes, and all references to this Agreement in any of the recitals or Exhibits will be deemed to include the entirety of this Agreement.

14.10 Severability. If a term of this Agreement is inconsistent with applicable Law, then on the request of either Party, the Parties will promptly meet and confer to determine how to amend the inconsistent term in a manner consistent with Law, but all parts of this Agreement not affected by the inconsistency will remain in full force and effect.

14.11 Further Assurances. The Parties agree to cooperate reasonably and in good faith with one another to (1) implement the terms and provisions set forth in this Agreement, the Closing Documents, and the Act, and (2) consummate the transactions contemplated herein, and shall execute any further agreements and perform any additional acts that may be reasonably necessary to carry out the purposes and intent of this Agreement, the Closing Documents, and the Act.

14.12 Future Development. AOC acknowledges that the County intends to construct a new County office building that would require the use of the area currently occupied by the Redwood City Traffic/Small Claims Annex. AOC agrees to reasonably cooperate with the County in its efforts to develop the new County office building. Nothing herein changes either party's rights, duties or obligations pursuant to the Trial Court Facilities Act (Government Code section 70301 et. seq.) or other applicable law.

**CONTINUED ON NEXT PAGE**



I agree to the terms of this Agreement.

**JUDICIAL COUNCIL OF CALIFORNIA,  
ADMINISTRATIVE OFFICE OF THE  
COURTS**

APPROVED AS TO FORM:  
Administrative Office of the Courts  
Office of the General Counsel

By: \_\_\_\_\_  
Name: Kenneth Levy  
Title: Attorney  
Date: \_\_\_\_\_

ATTEST:  
\_\_\_\_\_, Clerk of the Board

By: \_\_\_\_\_

By: \_\_\_\_\_  
Name: Grant Walker  
Title: Senior Manager, Business Services  
Date: \_\_\_\_\_

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

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: County Manager  
Date: \_\_\_\_\_

## **EXHIBITS**

Exhibit “A” – Legal Description of the Land

Exhibit “B” – Excluded Tangible Personal Property Inventory

Exhibit “C” – Intentionally Omitted

Exhibit “D” – Intentionally Omitted

Exhibit “E” – Intentionally Omitted

Exhibit “F” – Site Plan and Floor Plan

Exhibit “G” – Depiction of Court Parking

Exhibit “H” – Intentionally Omitted

Exhibit “I” – Categories of Property Disclosure Documents

Exhibit “J” – Form of Joint Occupancy Agreement

Exhibit “K” – Form of Memorandum of Joint Occupancy Agreement

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

APN: 052 337 020

ALL THAT CERTAIN REAL PROPERTY SITUATE IN REDWOOD CITY, COUNTY OF SAN MATEO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

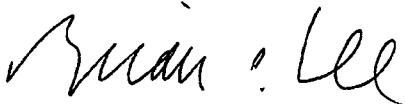
BEING ALL OF THE LAND DESCRIBED IN THAT CERTAIN GRANT DEED TO COUNTY OF SAN MATEO, RECORDED JANUARY 8, 1953, UNDER SERIES NUMBER 52874K, IN VOLUME 2351 O.R., AT PAGE 274, AND A PORTION OF LAND DESCRIBED AS "PARCEL I" IN THAT CERTAIN GRANT DEED TO COUNTY OF SAN MATEO, RECORDED MARCH 27, 1963, UNDER SERIES NUMBER 75187V, IN VOLUME 4421 O.R., AT PAGE 219, COUNTY OF SAN MATEO RECORDS, FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID DEED (52874K); THENCE EASTERLY ALONG THE SOUTHERLY LINE OF SAID DEED (52874K), BEING THE NORTHERLY RIGHT OF WAY LINE OF MARSHALL STREET (FORMERLY B STREET), 200.00 FEET TO THE SOUTHEAST CORNER OF SAID DEED (52874K); THENCE NORTHERLY ALONG THE EASTERLY LINE OF SAID DEED (52874K), BEING THE WESTERLY RIGHT OF WAY LINE OF COUNTY CENTER (FORMERLY HAMILTON STREET), 300.00 FEET TO THE NORTHEASTERLY CORNER OF SAID DEED (52874K); THENCE CONTINUING ALONG THE NORTHERLY PROLONGATION OF THE LAST SAID LINE, 6.00 FEET; THENCE WESTERLY, MEASURED AT RIGHT ANGLES FROM AND PERPENDICULAR TO THE LAST SAID LINE, 138.40 FEET; THENCE NORTHERLY, MEASURED AT RIGHT ANGLES FROM AND PERPENDICULAR TO THE LAST SAID LINE, 9.30 FEET; THENCE WESTERLY, MEASURED AT RIGHT ANGLES FROM AND PERPENDICULAR TO THE LAST SAID LINE, 61.60 FEET TO THE NORTHERLY PROLONGATION OF THE WESTERLY LINE OF SAID DEED (52874K), BEING THE EASTERLY RIGHT OF WAY LINE OF WINSLOW STREET (FORMERLY FOURTH STREET); THENCE SOUTHERLY ALONG LAST SAID LINE, 15.30 FEET TO THE NORTHWESTERLY CORNER OF SAID DEED (52874K); THENCE CONTINUING ALONG LAST SAID LINE, 300.00 FEET TO THE POINT OF BEGINNING.

AREA = 1.418 ACRES (61,773 SQUARE FEET), MORE OR LESS

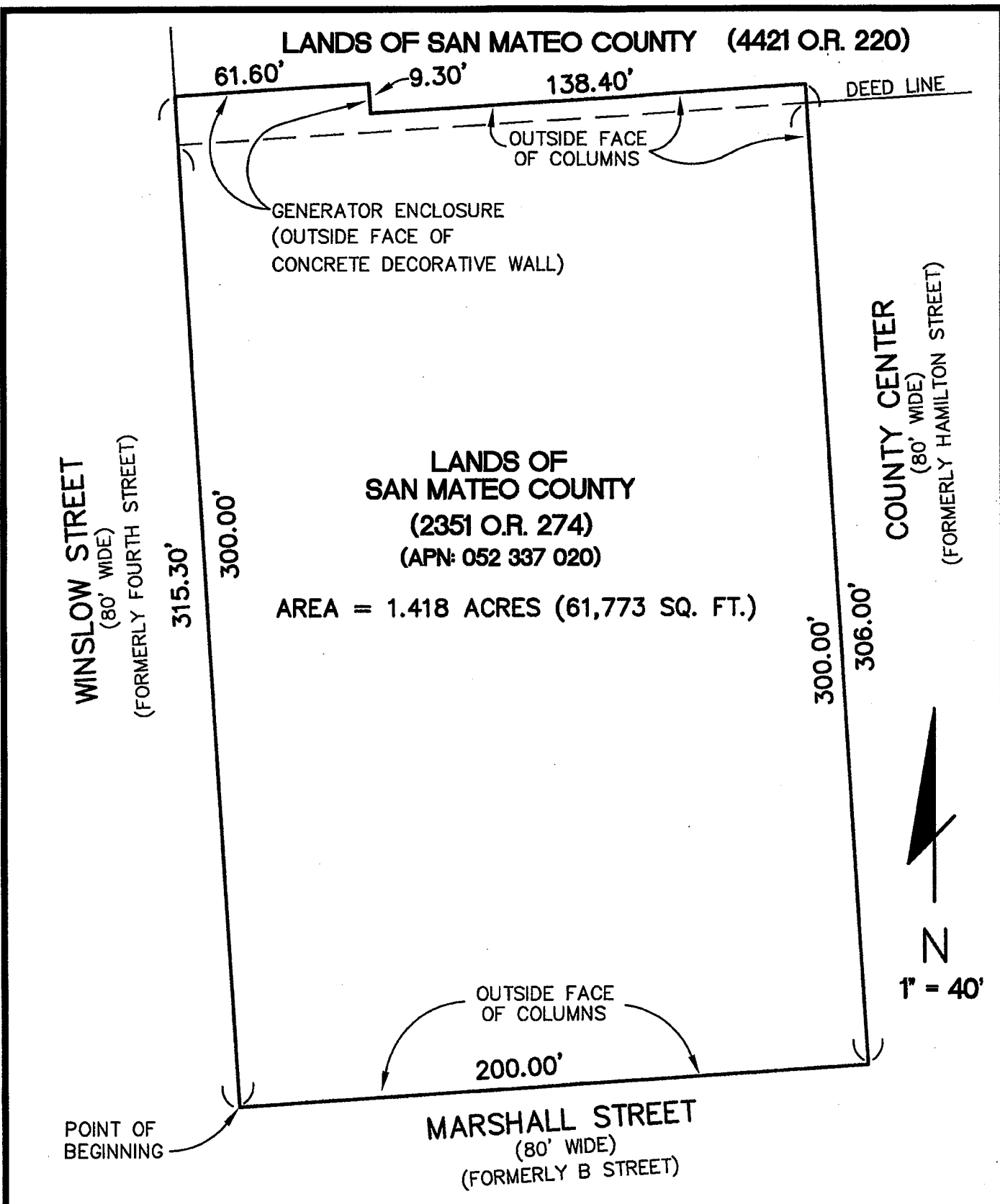
SEE PLAT ATTACHED HERETO AND MADE A PART HEREOF.

NOVEMBER 6, 2008



**BRIAN C. LEE**  
DEPUTY DIRECTOR OF PUBLIC WORKS  
R.C.E. 26573, LICENSE EXPIRES 3/31/10





DESIGNED BY: KN  
CHECKED BY: LL  
DRAWN BY: KN

JAMES C. PORTER, DIRECTOR OF PUBLIC WORKS  
SAN MATEO COUNTY

555 COUNTY CENTER, 5TH FLOOR  
REDWOOD CITY, CALIFORNIA 94063-1665

SCALE: 1" = 40'  
DATE: 11/6/08  
FILE NO: 08-04

Exhibit "B"  
Excluded Tangible Personal Property  
41-A1 Hall of Justice

| ID #                  | LOCATION                      | EQUIPMENT TYPE                | MODEL                 | SERIAL #     |
|-----------------------|-------------------------------|-------------------------------|-----------------------|--------------|
| Hall of Justice 41-A1 | 400 County Ctr.               | PBX                           | Option 81C            | 4148         |
|                       | 400 County Ctr.               | Dumb Terminal                 | VT520                 |              |
|                       | 400 County Ctr.               | Power Plant w/ Batteries      | SL1 QCA13             |              |
|                       | 400 County Ctr.               | Call Center Manager           | Dell Power Edge 2850  |              |
|                       | 400 County Ctr.               | Call Center Web/Client server | Dell Power Edge 1850  |              |
|                       | 400 County Ctr.               | Call Pilot voice mail server  | RTP 1002              |              |
|                       | 400 County Ctr.               | Telephony Manager server      | Dell Power Edge 1950  |              |
|                       | 400 County Ctr.               | Call Pilot Reporter           | Dell Power Edge 1850  |              |
|                       | 400 County Ctr.               | Dell Client                   | Dell Power Edge 850   |              |
|                       | 400 County Ctr.               | Elan Switch                   | baystack 5520         |              |
|                       | 400 County Ctr.               | SEB modem                     | Netpath               |              |
|                       | 400 County Ctr.               | Server/client Console         | Avocent Autoview 1400 |              |
|                       | 400 County Ctr.               | Telesoft Tadpoll              | HP Thin client        |              |
|                       | 400 County Ctr.               | UPS                           | FERRUPS               |              |
|                       | 400 County Ctr.               | T1 Rack                       | Verilink 10           |              |
|                       | 400 County Ctr.               | Data Cabinet                  | hoffman               |              |
|                       | Hall of Justice Basement      | Switch                        | 3750G-12S             | CAT1042RHAP  |
|                       | Hall of Justice Basement      | Switch                        | 3750G-12S             | CAT1043ZMY5  |
|                       | Hall of Justice Basement      | Switch                        | 2950SX-24             | FHK1038Z006  |
|                       | Hall of Justice Basement      | Switch                        | 6506E-S32-3B          | SAL1123QPPL  |
| Hall of Justice       | Hall of Justice Eighth Floor  | UPS                           | 750                   | ZA0652004801 |
|                       | Hall of Justice Eighth Floor  | Switch                        | 2950SX-24             | FOC1106X1U8  |
|                       | Hall of Justice Fifth Floor   | Switch                        | 6509-SUP2             | SAL0734K6A0  |
|                       | Hall of Justice Fifth Floor   | UPS                           | 2200                  | 3A0105S12180 |
|                       | Hall of Justice First Floor   | UPS                           | 750RM                 | ZA0643004253 |
|                       | Hall of Justice First Floor   | Wireless Access Point         | AP1231G-A-K9          | FTX0935E2Z9  |
|                       | Hall of Justice First Floor   | Switch                        | 2950SX-24             | FOC1034Z1MF  |
|                       | Hall of Justice First Floor   | Switch                        | 6506E-S32-3B          | SAL10436DSD  |
|                       | Hall of Justice First Floor   | UPS                           | 2200RM                | ZA0628017025 |
|                       | Hall of Justice First Floor   | UPS                           | 750                   | NA0725021531 |
|                       | Hall of Justice First Floor   | Wireless Access Point         | AP1242AG-A-K9         | FTX1050B49S  |
|                       | Hall of Justice First Floor   | Wireless Access Point         | AP1242AG-A-K9         | FTX1050B49R  |
|                       | Hall of Justice First Floor   | Switch                        | 2924                  | FAB0442U0NY  |
|                       | Hall of Justice First Floor   | Switch                        | 2950-24               | FOC1135X0FL  |
|                       | Hall of Justice Fourth Floor  | Switch                        | 2950SX-24             | FOC1034Z1MB  |
|                       | Hall of Justice Fourth Floor  | UPS                           | 750RM                 | ZA0643004192 |
|                       | Hall of Justice Fourth Floor  | UPS                           | 2200                  | ZA0602003485 |
|                       | Hall of Justice Fourth Floor  | UPS                           | 750                   | ZA0645039489 |
|                       | Hall of Justice Fourth Floor  | Switch                        | 6506E-S32-3B          | SAL09444CJK  |
|                       | Hall of Justice Fourth Floor  | Switch                        | 2950SX-24             | FOC1106X1U7  |
|                       | Hall of Justice Penthouse     | Switch                        | 2950SX-24             | FHK1038Z008  |
|                       | Hall of Justice Penthouse     | Switch                        | 2950C-24              | FHK0630W0GU  |
|                       | Hall of Justice Second Floor  | UPS                           | 2200                  | ZA0602003301 |
|                       | Hall of Justice Second Floor  | UPS                           | 2200                  | ZA0602003330 |
|                       | Hall of Justice Second Floor  | Switch                        | 6506E-S32-3B          | SAL09444CJH  |
|                       | Hall of Justice Second Floor  | Switch                        | 6506E-S32-3B          | SAL09454SKC  |
|                       | Hall of Justice Seventh Floor | UPS                           | 750                   | ZA0652004839 |
|                       | Hall of Justice Seventh Floor | Switch                        | 2950SX-24             | FOC1106X1SG  |
|                       | Hall of Justice Sixth Floor   | UPS                           | 2200                  | ZA0625027068 |
|                       | Hall of Justice Sixth Floor   | Switch                        | 6506E-S32-3B          | SAL1020NFKP  |
|                       | Hall of Justice Sixth Floor   | Wireless Access Point         | AP1242AG-A-K9         | FTX1050B7CD  |
|                       | Hall of Justice Thrid Floor   | Switch                        | 6506E-S32-3B          | SMG1035NWLJ  |
|                       | Hall of Justice Thrid Floor   | UPS                           | 2200RM2U              | ZA0632006834 |

**EXHIBIT "C"**  
**INTENTIONALLY OMITTED**

**EXHIBIT "D"**

**INTENTIONALLY OMITTED**

**EXHIBIT "E"**  
**INTENTIONALLY OMITTED**



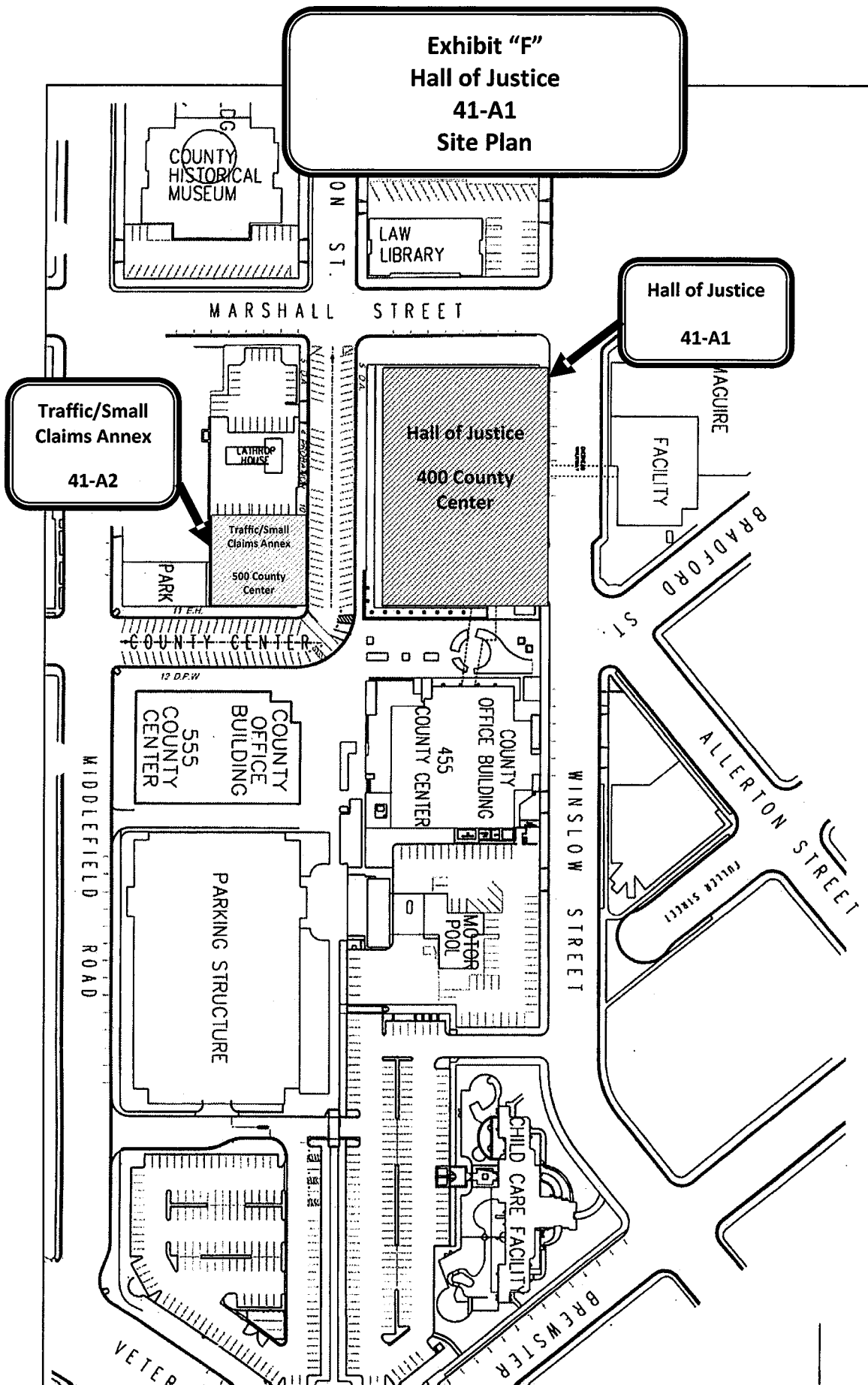
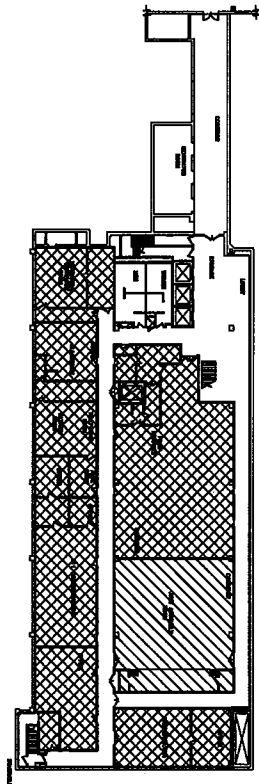





Exhibit F  
Hall of Justice 41-A1  
Basement Floor Plan

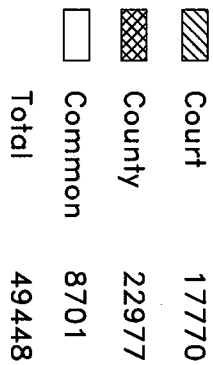


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|---|--------|-------|
|  | Court  | 2457  |
|  | County | 9389  |
|  | Common | 6619  |
|   | Total  | 18465 |



|  |  |
|--|--|
| <p>General Notes</p>   |  |
| <p>COUNTY OF SAN MATEO<br/>HALL OF JUSTICE AND RECORDS<br/>ZONE 1<br/>BUILDING #1962<br/>BASEMENT</p>  |  |
| <p>APPLIED MANAGEMENT ENGINEERING INC.<br/>200 COLLEEN OAK, COLLEEN, CA 94506<br/>TEL: (925) 251-1000<br/>FAX: (925) 251-1001<br/>WWW.APMENGINEERING.COM</p> |  |
| <p>01/23/2007<br/>1 OF 11<br/>1/8" = 1'-0"</p>   |  |

Exhibit F  
Hall of Justice 41-A1  
Floor Plan 1st Floor















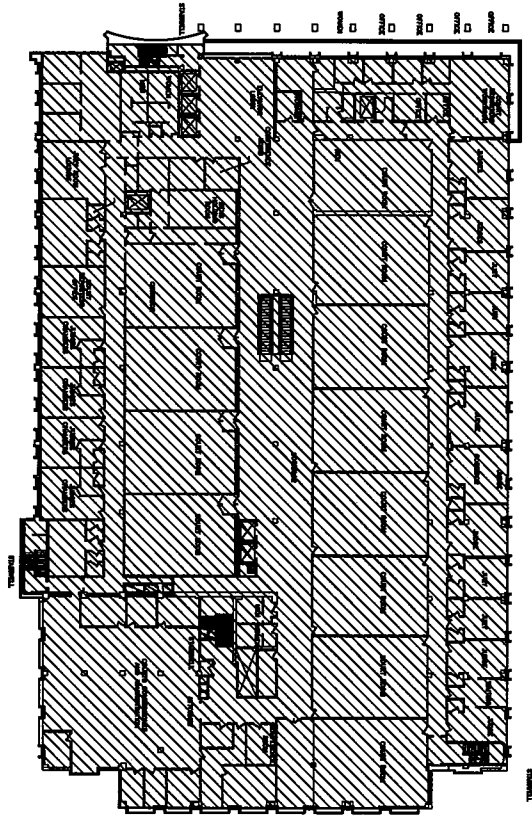

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|---|--|
| General Notes   |  |
| COUNTY OF SAN MATEO   |  |
| HALL OF JUSTICE AND RECORDS   |  |
| ZONE 1  |  |
| BUILDING #E19062  |  |
| FIRST FLOOR   |  |
|    |  |
|  <p>APPLIED<br/>MANAGEMENT<br/>ENGINEERING INC.<br/>206 DOWLING DRIVE, SUITE 200<br/>SAN FRANCISCO, CA 94104<br/>TELEPHONE: (415) 764-4400<br/>FAX: (415) 764-4401<br/>WWW.AMENGINEERING.COM</p> |  |
|  <p>DAVID A. GLICK<br/>REGISTERED PROFESSIONAL ENGINEER<br/>NO. 45678<br/>EXPIRATION DATE 12/31/2010<br/>TELEPHONE: (415) 764-4400<br/>FAX: (415) 764-4401<br/>WWW.AMENGINEERING.COM</p>         |  |
|  <p>DAVID A. GLICK<br/>REGISTERED PROFESSIONAL ENGINEER<br/>NO. 45678<br/>EXPIRATION DATE 12/31/2010<br/>TELEPHONE: (415) 764-4400<br/>FAX: (415) 764-4401<br/>WWW.AMENGINEERING.COM</p>         |  |
|  <p>DAVID A. GLICK<br/>REGISTERED PROFESSIONAL ENGINEER<br/>NO. 45678<br/>EXPIRATION DATE 12/31/2010<br/>TELEPHONE: (415) 764-4400<br/>FAX: (415) 764-4401<br/>WWW.AMENGINEERING.COM</p>         |  |
|  <p>DAVID A. GLICK<br/>REGISTERED PROFESSIONAL ENGINEER<br/>NO. 45678<br/>EXPIRATION DATE 12/31/2010<br/>TELEPHONE: (415) 764-4400<br/>FAX: (415) 764-4401<br/>WWW.AMENGINEERING.COM</p>         |  |
|  <p>DAVID A. GLICK<br/>REGISTERED PROFESSIONAL ENGINEER<br/>NO. 45678<br/>EXPIRATION DATE 12/31/2010<br/>TELEPHONE: (415) 764-4400<br/>FAX: (415) 764-4401<br/>WWW.AMENGINEERING.COM</p>         |  |
|  <p>DAVID A. GLICK<br/>REGISTERED PROFESSIONAL ENGINEER<br/>NO. 45678<br/>EXPIRATION DATE 12/31/2010<br/>TELEPHONE: (415) 764-4400<br/>FAX: (415) 764-4401<br/>WWW.AMENGINEERING.COM</p>         |  |
|  <p>DAVID A. GLICK<br/>REGISTERED PROFESSIONAL ENGINEER<br/>NO. 45678<br/>EXPIRATION DATE 12/31/2010<br/>TELEPHONE: (415) 764-4400<br/>FAX: (415) 764-4401<br/>WWW.AMENGINEERING.COM</p>        |  |
|  <p>DAVID A. GLICK<br/>REGISTERED PROFESSIONAL ENGINEER<br/>NO. 45678<br/>EXPIRATION DATE 12/31/2010<br/>TELEPHONE: (415) 764-4400<br/>FAX: (415) 764-4401<br/>WWW.AMENGINEERING.COM</p>       |  |
|  <p>DAVID A. GLICK<br/>REGISTERED PROFESSIONAL ENGINEER<br/>NO. 45678<br/>EXPIRATION DATE 12/31/2010<br/>TELEPHONE: (415) 764-4400<br/>FAX: (415) 764-4401<br/>WWW.AMENGINEERING.COM</p>       |  |
|  <p>DAVID A. GLICK<br/>REGISTERED PROFESSIONAL ENGINEER<br/>NO. 45678<br/>EXPIRATION DATE 12/31/2010<br/>TELEPHONE: (415) 764-4400<br/>FAX: (415) 764-4401<br/>WWW.AMENGINEERING.COM</p>       |  |

Exhibit F  
Hall of Justice 41-A1  
Floor Plan - 2nd Floor



 Court 53335




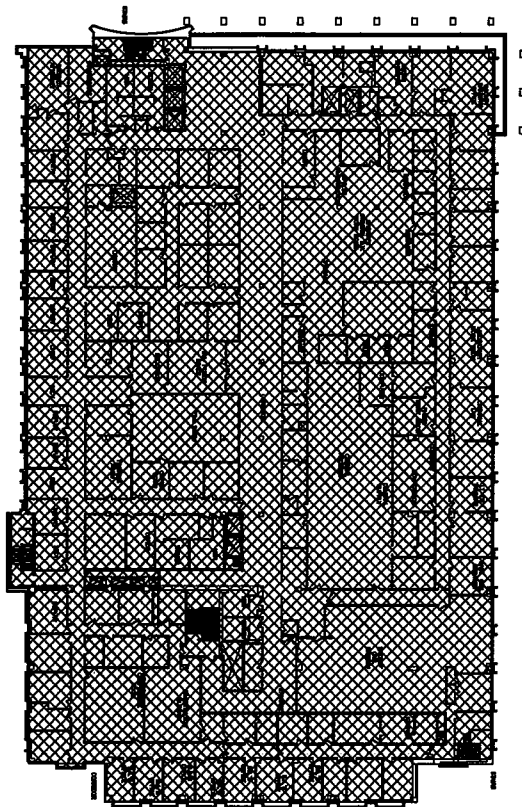
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|---|---------|---|---|---------------|
|  |         | <b>APPLIED MANAGEMENT ENGINEERING INC.</b><br>2800 DUBLIN AVE., SUITE 200<br>DUBLIN, CA 94568<br>TEL: (925) 835-1000<br>FAX: (925) 835-1001<br>WWW.APMENGINEERING.COM | COUNTY OF SAN MATEO<br>HALL OF JUSTICE AND RECORDS<br>ZONE 1<br>BUILDING #19062<br>SECOND FLOOR | General Notes |
| FLOOR PLAN<br>01/23/2007<br>1/6" = 1'-0"  | 3 OF 11 |   |   |               |

Exhibit F  
Hall of Justice 41-A1  
Floor Plan - 3rd Floor



County 53335




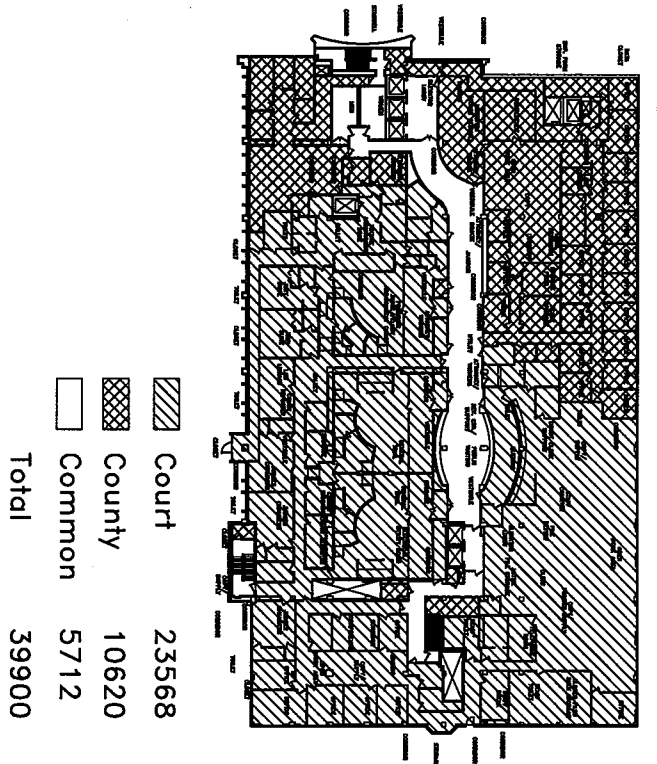
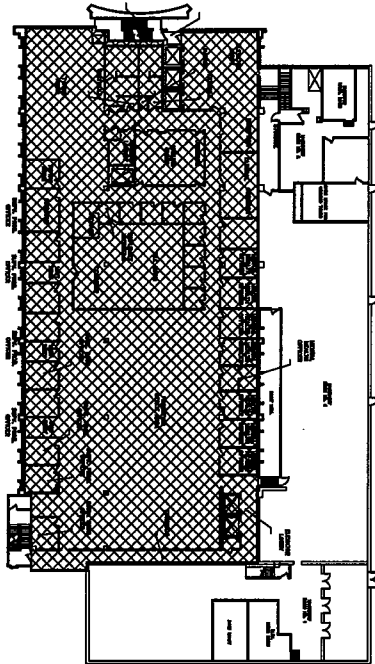
|   |  |   |  |
|---|--|---|--|
|  |  | <b>APPLIED MANAGEMENT ENGINEERING INC.</b><br><small>200 COLLEGE OAK COURT, SUITE 100<br/>         SAN MATEO, CA 94401<br/>         TEL: 650/335-1100<br/>         FAX: 650/335-1101<br/>         WWW.AMENGINEERING.COM</small> |  |
| <b>FLOOR PLAN</b><br>01/23/2007<br>1/6" = 1'-0"                                     |  | COUNTY OF SAN MATEO<br>HALL OF JUSTICE AND RECORDS<br>ZONE 1<br>BUILDING #1002<br>THIRD FLOOR   |  |

Exhibit F  
Hall of Justice 41-A1  
Floor Plan - 4th Floor



|  |         |
|--|---------|
| COUNTY OF SAN MATEO<br>HALL OF JUSTICE AND RECORDS<br>ZONE 1<br>BUILDING #10002<br>FOURTH FLOOR  |         |
| APPLIED MANAGEMENT ENGINEERING INC.<br>28 GOLDEN OAK COURT, SUITE 100<br>SAN MATEO, CA 94401<br>TELEPHONE: (650) 994-1400<br>FAX: (650) 994-1401<br>WWW.APMENGINEERING.COM |         |
| FLOOR PLAN<br>01/23/2007<br>1/64" = 1'-0"  | 5 OF 11 |

Exhibit F  
Hall of Justice 41-A1  
Floor Plan - 5th Floor

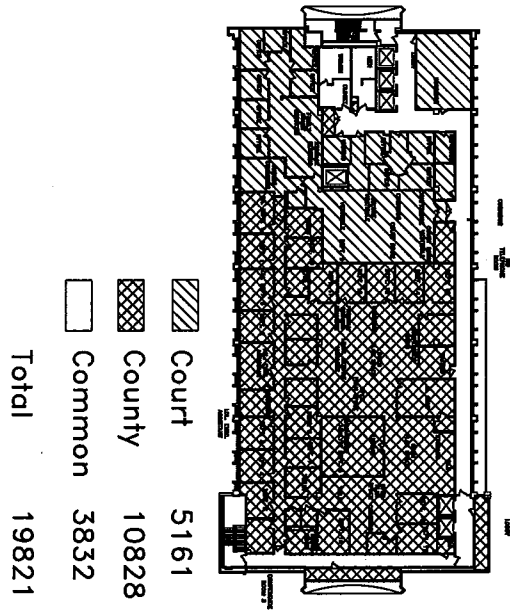


|  |              |              |
|--|--------------|--------------|
|  | County       | 18898        |
|  | Common       | 12696        |
|  | <b>Total</b> | <b>31594</b> |



|  |                |
|--|----------------|
| <p>General Notes</p>   |                |
| <p>COUNTY OF SAN MATEO<br/>HALL OF JUSTICE AND RECORDS<br/>ZONE 1<br/>BUILDING #F19062<br/>FIFTH FLOOR</p>   |                |
| <p><b>APPLIED MANAGEMENT ENGINEERING INC.</b><br/>300 DOWLING OAK COURT, SUITE 100<br/>FREMONT, CA 94538<br/>TELEPHONE: (925) 984-4400<br/>FAX: (925) 984-4402<br/>WWW.AMENGINEERING.COM</p> |                |
| <p></p>  |                |
| <p>FLOOR PLAN<br/>01/23/2007<br/>1/6" = 1'-0"</p>  | <p>6 OF 11</p> |

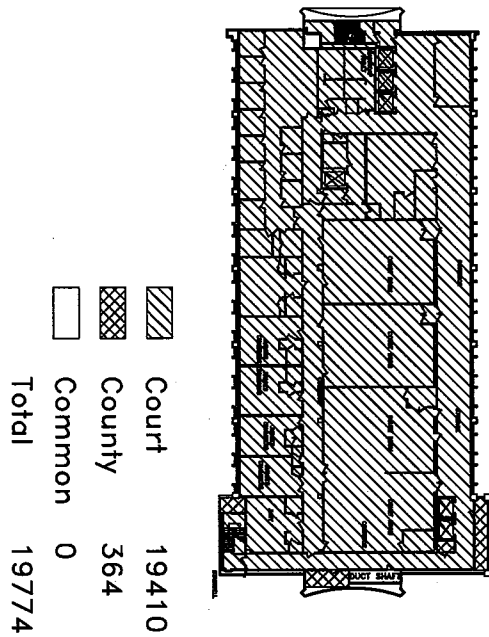
Exhibit F  
Hall of Justice 41-A1  
Floor Plan - 6th Floor



|   |                       |
|---|-----------------------|
| <p>General Notes</p>  |                       |
| <p>COUNTY OF SAN MATEO<br/>HALL OF JUSTICE AND RECORDS<br/>ZONE 1<br/>BUILDING #19062<br/>SIXTH FLOOR</p>   |                       |
| <p><b>APPLIED MANAGEMENT ENGINEERING INC.</b><br/>300 GOLDEN OAK COURT, SUITE 200<br/>VICTORIA, BRITISH COLUMBIA V8N 1L2<br/>TEL: (250) 383-1100<br/>FAX: (250) 383-1101<br/>WWW.AMEINC.BC.CA</p> |                       |
| <p><b>FLOOR PLAN</b><br/>01/23/2007<br/>1/6" = 1'-0"</p>  | <p><b>7 OF 11</b></p> |

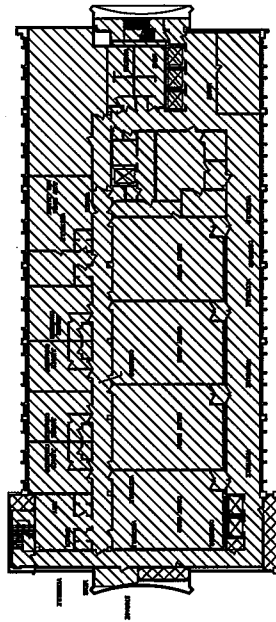




Exhibit F  
Hall of Justice 41-A1  
Floor Plan - 7th Floor



|  |  |
|--|--|
| <p>General Notes</p>   |  |
| <p>COUNTY OF SAN MATEO</p>   |  |
| <p>HALL OF JUSTICE AND RECORDS</p>   |  |
| <p>ZONE 1</p>  |  |
| <p>BUILDING #19062</p>   |  |
| <p>SEVENTH FLOOR</p>   |  |
| <p><b>APPLIED MANAGEMENT ENGINEERING INC.</b><br/>         256 DOLAN OAK CIRCLE, SUITE 100<br/>         SAN FRANCISCO, CA 94134<br/>         TELEPHONE: (415) 779-1400<br/>         FAX: (415) 779-1401<br/>         WWW.AMENGINEERING.COM</p> |  |
| <p><b>FLOOR PLAN</b><br/>         Date: 01/23/2007<br/>         Scale: 1/64" = 1'-0"</p>   |  |
| <p><b>8 OF 11</b></p>  |  |

Exhibit F  
Hall of Justice 41-A1  
Floor Plan - 8th Floor



|   |        |       |
|---|--------|-------|
|  | Court  | 19526 |
|  | County | 348   |
|   | Common | 0     |
|   | Total  | 19874 |




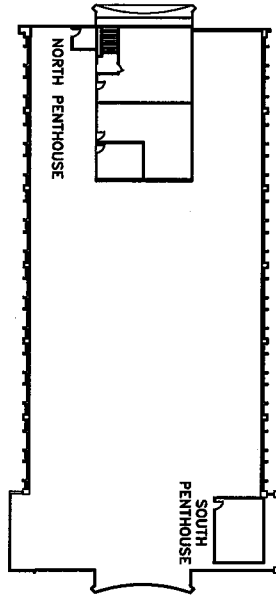

|   |  |   |  |   |  |               |
|---|--|---|--|---|--|---------------|
|  |  | <b>APPLIED MANAGEMENT ENGINEERING INC.</b><br>200 COLLEEN PARK COURT, SUITE 200<br>FARMINGDALE, CALIFORNIA 94534<br>TELEPHONE: (925) 938-1400<br>FAX: (925) 938-1401<br>WWW.AMENGINEERING.COM |  | COUNTY OF SAN MATEO<br>HALL OF JUSTICE AND RECORDS<br>ZONE 1<br>BUILDING #19862<br>EIGHTH FLOOR |  | General Notes |
| FLOOR PLAN<br>01/23/2007<br>1/6" = 1'-0"  |  | 9 OF 11   |  |   |  |               |

Exhibit F  
Hall of Justice 41-A1  
Penthouse Floor Plan



Common 2230



|   |   |   |  |
|---|---|---|--|
|  |   | <b>APPLIED<br/>MANAGEMENT<br/>ENGINEERING INC.</b><br><small>208 COLLIER OAK COURT, SUITE 1100<br/>SANTA CLARA, CALIFORNIA 95050<br/>TELEPHONE: (925) 948-1448<br/>FAX: (925) 948-1449<br/>WWW.APMENGINEERING.COM</small> | COUNTY OF SAN MATEO<br>HALL OF JUSTICE AND RECORDS<br>ZONE 1<br>BUILDING #19042<br>PENTHOUSE |
| Project<br>Name<br>Date<br>Scale  | FLOOR PLAN<br>01/22/2007<br>1/64" = 1'-0" | 10 OF 11  | General Notes  |

## EXHIBIT "G"

## DEPICTION OF COURT PARKING

| BUILDING                                   | LOCATION  | TYPE                                 | TOTAL COUNTY SPACES | TOTAL COURT SPACES | TOTAL SHARED SPACES* | TOTAL PUBLIC SPACES | TOTAL OF ALL SPACES |
|--|---|--------------------------------------|---------------------|--------------------|----------------------|---------------------|---------------------|
| <b>REDWOOD CITY GOVERNMENT CENTER</b>      |   |                                      |                     |                    |                      |                     |                     |
| <b>JURY LOT</b>                            |   | DESIGNATED-ADA                       | 0                   | 6                  | 0                    | 0                   | 6                   |
|  |   | DESIGNATED-JURORS **                 | 0                   | 145                | 0                    | 0                   | 145                 |
|  |   | <b>TOTAL:</b>                        | 0                   | 151                | 0                    | 0                   | 151                 |
| <b>CHILD CARE CENTER LOT</b>               |   | ADA                                  | 0                   | 0                  | 2                    | 0                   | 2                   |
|  |   | DESIGNATED-CHILD CARE CENTER         | 14                  | 0                  | 0                    | 0                   | 14                  |
|  |   | DESIGNATED-JURY **                   | 0                   | 61                 | 0                    | 0                   | 61                  |
|  | (2 CDF/8 BOARDS & COMMISSIONS)                  | DESIGNATED-OTHER COUNTY              | 10                  | 0                  | 0                    | 0                   | 10                  |
|  |   | DESIGNATED-EMPLOYEE †                | 0                   | 0                  | 62                   | 0                   | 62                  |
|  |   | <b>TOTAL:</b>                        | 24                  | 61                 | 64                   | 0                   | 149                 |
| <b>555 COUNTY CENTER BASEMENT</b>          |   | ASSIGNED-JUDGES <sup>Δ</sup>         | 0                   | 15                 | 0                    | 0                   | 15                  |
|  |   | <b>TOTAL:</b>                        | 0                   | 15                 | 0                    | 0                   | 15                  |
| <b>PARKING STRUCTURE</b>                   | 1st floor/public metered area                   | ADA                                  | 0                   | 0                  | 0                    | 7                   | 7                   |
|  |   | PUBLIC METERS                        | 0                   | 0                  | 0                    | 114                 | 114                 |
|  | Basement  | ASSIGNED-OTHER COUNTY                | 45                  | 0                  | 0                    | 0                   | 45                  |
|  | ADA spaces on 2, 3, 4, & 5 floors               | ADA                                  | 0                   | 0                  | 8                    | 0                   | 8                   |
|  | Basement, 2, 3, 4, & 5 floors ‡                 | DESIGNATED-EMPLOYEE Full-size spaces | 0                   | 0                  | 693                  | 0                   | 693                 |
|  |   | DESIGNATED-EMPLOYEE Compact spaces   | 0                   | 0                  | 37                   | 0                   | 37                  |
|  |   | <b>TOTAL:</b>                        | 45                  | 0                  | 738                  | 121                 | 904                 |
| <b>COUNTY CENTER STREET</b>                |   | ADA                                  | 0                   | 0                  | 0                    | 4                   | 4                   |
|  |   | ASSIGNED - COUNTY                    | 169                 | 0                  | 0                    | 0                   | 169                 |
|  |   | <b>TOTAL:</b>                        | 169                 | 0                  | 0                    | 4                   | 173                 |
| <b>LATHROP LOT</b>                         |   | LATHROP                              | 11                  | 0                  | 0                    | 0                   | 11                  |
|  |   | <b>TOTAL:</b>                        | 11                  | 0                  | 0                    | 0                   | 11                  |
| <b>LAW LIBRARY LOT/ OLD COURTHOUSE LOT</b> |   | COUNTY CARPOOL <sup>§</sup>          | 0                   | 0                  | 43                   | 0                   | 43                  |
|  |   | ASSIGNED-COUNTY                      | 22                  | 0                  | 0                    | 0                   | 22                  |
|  |   | ASSIGNED HISTORY MUSEUM              | 3                   | 0                  | 0                    | 0                   | 3                   |
|  |   | <b>TOTAL</b>                         | 25                  | 0                  | 43                   | 0                   | 68                  |
| <b>VIP LOT</b>                             | (2 HAMILTON/ 1 LATHROP/ 7 ALONG WALL) (BOS/CMO) | ASSIGNED - COURT <sup>Δ</sup>        | 0                   | 10                 | 0                    | 0                   | 10                  |
|  |   | ASSIGNED - COUNTY                    | 14                  | 0                  | 0                    | 0                   | 14                  |
|  |   | <b>TOTAL:</b>                        | 14                  | 10                 | 0                    | 0                   | 24                  |
| <b>TOTAL GOVERNMENT CENTER CAMPUS</b>      |   | <b>GRAND TOTAL:</b>                  | 288                 | 237                | 845                  | 125                 | 1495                |
|  |   | <b>Total ADA spaces</b>              |                     | 27                 |                      |                     |                     |

\* These figures denote shared spaces used by both county and court staff on a first-come, first-served basis

<sup>Δ</sup> full-sized, premium, assigned spaces located under 555 County Center in a shared secured underground lot within 901 feet of the HOJ at no charge to the court (514 feet of the Annex)

† 738 employee parking first come first served, cardkey access, shared with county employees in multi-story parking garage. Said spaces are to be located within 407 feet of the HOJ (365 feet of the annex). 693 are full-sized, 37 are compact spaces, and 8 are accessible spaces. All to be provided at no cost to the Court.

Total avail. for court use (total Court-exclusive and shared spaces) **1082**

<sup>Δ</sup> full-sized, premium, assigned spaces in a shared secured lot on the N/E corner of County Center and Marshall street within 195-282 feet of Western entrance of the HOJ at no charge to the court

\*\* full-sized spaces located within 547-974 feet of the HOJ on two surface-level lots at no charge to the court (no compact spaces and 6 accessible spaces) (juror permit is required)

Note: Per agreement between City of Redwood City and County of San Mateo, Court also has 35 metered spaces on City property for jurors (juror overflow parking)

‡ full-sized employee spaces shared with county employees first come first served located on surface-level lot within 647-914 feet of the HOJ (609-807 feet of Annex) at no charge to the court (parking placard is required)

§ full sized, premium, assigned spaces available for court or county employees who participate in the county's carpool program in shared lots. Lots are within 194-260 feet of the HOJ (391-492 feet of Annex) at no charge to the court (parking permit is required)

## Definitions:

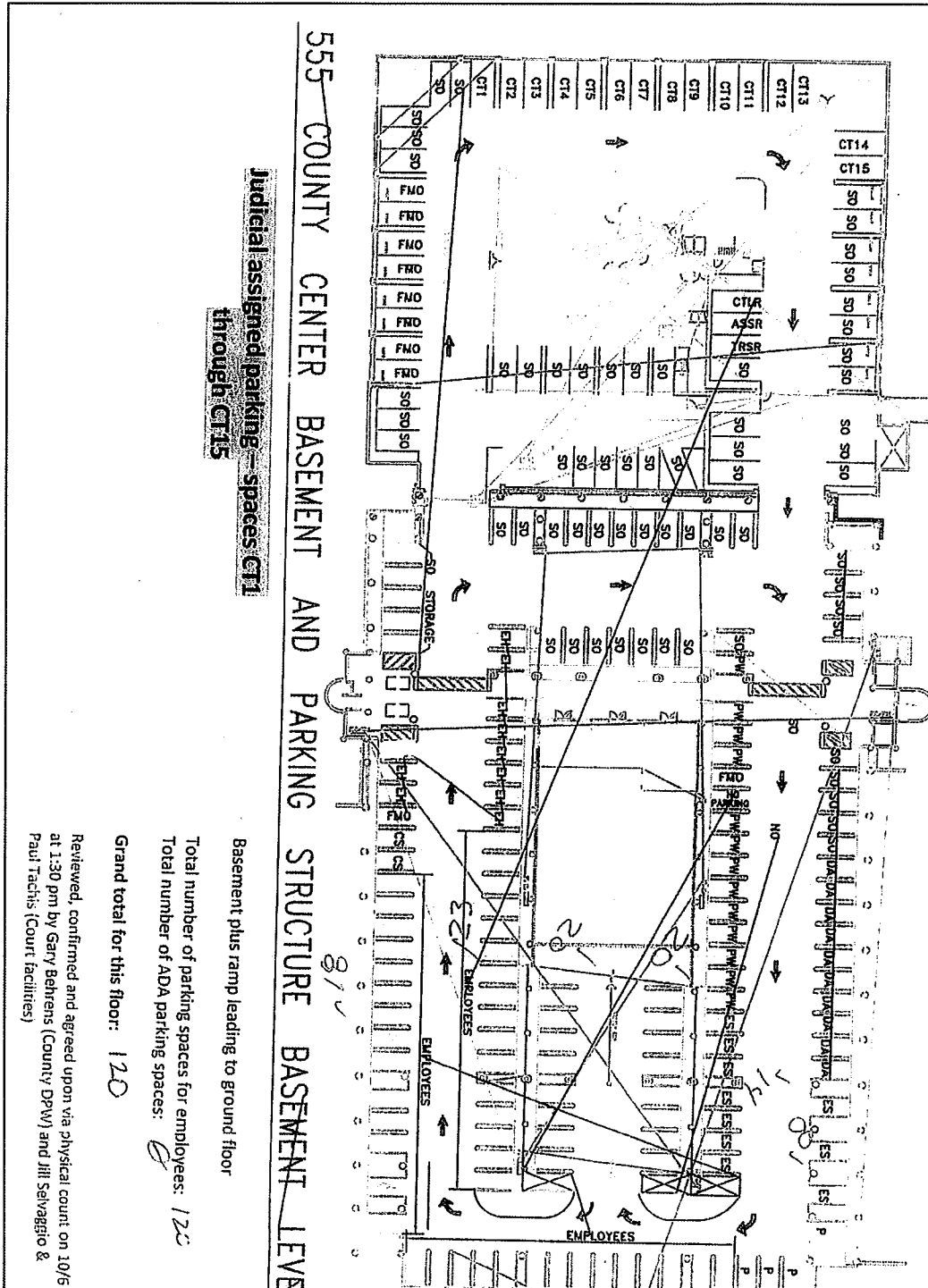
- Full-size space: Measures 7 feet by 16 feet
- Compact space: Measures 7 feet by 16 feet (NB, these are the same size as full size spaces. They are marked as compact to increase visibility around the corners of the parking structure)
- Secured: controlled entrance through gate-controlled access
- Premium Space: Measures 7 feet by 16 feet and is assigned to an individual, some in a secured lot, and some within close proximity to the court building

**Parking Structure**  
(basement and  
2<sup>nd</sup> – 5<sup>th</sup> floors)  
Total of 738 spaces  
(incl. 8 ADA)

**Parking Structure**  
(basement and  
2<sup>nd</sup> – 5<sup>th</sup> floors)  
Total of 738 spaces  
(incl. 8 ADA)

**Judicial assigned parking**  
**space numbers 7-14 and 20-21**

- Judicial Parking** – 10 spaces in VIP lot & 15 spaces in basement of 555 County Center for a total of 25 spaces
- Jury parking** – 212 (incl. 6 ADA spaces)
- Surface-level lot for employees** – 64 (incl. 2 ADA spaces)
- Parking structure for employees** – 738 (incl. 8 ADA spaces)



**EXHIBIT "H"**

**INTENTIONALLY OMITTED**

**H-1**

Court Facility # 41-A-01  
Owned/Shared, TOR Only w/BI  
December 11, 2008

San Mateo - Hall of Justice - Exhibits.DOC

## EXHIBIT "I"

### CATEGORIES OF PROPERTY DISCLOSURE DOCUMENTS

- Structural and Physical Condition. Copies of all Material Agreements depicting, evidencing, discussing, or otherwise related to the structural and/or physical condition of the Real Property, including but not limited to the plans and specifications for the original planning, design, and construction of all or any part of the Real Property, and for any later additions to or structural modifications of the Real Property, structural or engineering assessments, reports, or notices related to any part of the Real Property, inspection reports, valuation reports, documents evidencing repairs or maintenance made to or required for any part of the Real Property, whether planned, started, completed, or deferred, and all other documents and information discussing, disclosing, or revealing any structural or physical condition of the Real Property;
- Environmental. Copies of all environmental assessments and reports containing information concerning the environmental condition of the Real Property, including but not limited to any Phase I or Phase II environmental site assessments, asbestos reports, radon, mold, methane gas, or other indoor air quality studies, environmental impact reports, endangered species investigations, biological assessments, negative declarations, mitigated negative declarations, remedial action plans, notices received from or correspondence with any federal, state, or local governmental bodies concerning any actual, potential, or threatened violations of any Environmental Laws in, on, under, emanating from, adjacent to, or actually or potentially affecting the Real Property, no further action letters, environmental covenants and restrictions, closure reports, contracts between the County and any consultant for any ongoing work to investigate, assess, remediate, or monitor any actual or potential environmental hazard on or emanating from the Real Property, permits, documents, and inspection reports related to underground storage tanks, written disclosures given by the County to, or received by the County from, any third party describing or discussing any environmental condition in, on, under, emanating from, or adjacent to the Real Property, and any other reports, studies, assessments, investigations, permits, licenses, correspondence, or documents evidencing, depicting, or describing the environmental condition of the Real Property;



- Compliance with Laws. Copies of all instruments, permits, certificates, and licenses evidencing the extent to which the Real Property is in compliance with Law, including but not limited to certificates of occupancy for the Building, inspection certificates for any base Building systems for which the County is responsible, if any, including elevators, fire/life safety equipment, boilers, and emergency generators, and other base Building systems for which periodic inspection, permitting, or certification is required, a current license and certificate of registration for any motorized vehicles included in the Tangible Personal Property, any assessments, reports or analyses reflecting the status of compliance of the Real Property with the ADA, permits and approvals (to the extent required) for any ongoing capital improvements, and repair or maintenance projects (whether or not Pending Projects) being performed by or for the County, current and sufficient licenses for all software and other proprietary materials included within the Tangible Personal Property or Intangible Personal Property, notices from and correspondence with any third party concerning any actual or claimed violations of any Law related to the Real Property, and other documents, instruments, agreements, permits, licenses, and certificates in any way related to the status of the County's compliance with Law in respect of the Real Property;
- Occupancy Agreements. Copies of all existing, written Occupancy Agreements for the Real Property, a written description of the terms of any unwritten agreement or understanding with any Occupant for occupancy or use of the Real Property, and copies of all notices to or from, and material correspondence with, any Occupant (other than the Court) or any other third party who has or claims any right to occupy or use, the Real Property;
- Intangible Personal Property. Copies of all documents creating, evidencing, or describing the Intangible Personal Property, a written description of the terms of any unwritten agreement or understanding with any third party under which the County has or claims a right in any Intangible Personal Property, including unwritten agreements or understandings concerning the provision of services, materials, supplies, warranties, guaranties, indemnification rights, or other rights of the County in respect of the Real Property; and copies of any notices to or from, and any correspondence with, any person or entity that is obligated to provide to the County, or from whom the County believes it is entitled to receive, an Intangible Personal Property right related to the Real Property;

- Damage, Destruction and Loss. Copies of all documents, correspondence, pictures, claims tendered under insurance policies, damage assessments, police reports, fire department reports, estimates, bids, or proposals for repair or replacement, agreements, and other materials describing, evidencing, depicting, or related to any casualty, event, or occurrence that resulted in damage to, or destruction, theft, or loss of, the Property where such damage, destruction or loss:
  - will not have been fully repaired or replaced by, and at the sole expense of, the County and/or the County's insurer, as of the Closing Date; or
  - is not fully insured, and the County's good faith estimate of the funds required to repair or replace the damage to, or destruction, theft, or loss of, the affected Property (net of the deductible amount on any applicable County insurance policy) is greater than Five Hundred Dollars (\$500.00);
- Condemnation. Copies of notices received by the County, and any correspondence between the County and any third party concerning, any actual or proposed condemnation or eminent domain proceedings, or any pending or proposed widening, modification, or realignment of any street or highway contiguous to the Real Property, that would or might, in either case, result in a taking of the Real Property, and copies of any claims, demands for mediation, arbitration, or other dispute resolution procedure, and causes of action or complaints received by the County in connection with any actual or proposed condemnation or eminent domain proceeding affecting the Real Property;
- Legal Proceedings. A reasonably-detailed written description of each Dispute, together with a description of the current status of each such Dispute, contact information for the attorney primarily representing the County in each Dispute (whether or not a County employee) and, to the extent specifically requested by the AOC, such other pleadings, correspondence, demands, briefs, settlement proposals, and other documents related to any Dispute;
- Miscellaneous Disclosures. Copies of any other documents, agreements, instruments, notices, correspondence, or other written materials that describe, depict, or relate to any other right, benefit, entitlement, liability, risk, condition, or circumstance affecting the Property, and reasonably-detailed written descriptions of any and all undocumented liabilities, risks,

conditions, or circumstances affecting the Property, not otherwise specifically contemplated in this Exhibit; and

- Summary of Excluded Documents. A written list setting forth the title and general subject matter of the Excluded Documents that the County did not provide or otherwise make available to the AOC because they are subject to the attorney-client or attorney work product privileges or because the County is bound by a written confidentiality obligation that precludes the AOC's review and inspection.

# **EXHIBIT J**

Facility # 41-A-01

Building Name: Hall of Justice

Building Address: 400 County Center, Redwood City, CA 94063

## **JOINT OCCUPANCY AGREEMENT**

### **BETWEEN**

**THE JUDICIAL COUNCIL OF CALIFORNIA,  
ADMINISTRATIVE OFFICE OF THE COURTS,**

### **AND**

**THE COUNTY OF SAN MATEO**

## JOINT OCCUPANCY AGREEMENT

### 1. PURPOSE

The Judicial Council of California ("**Council**"), Administrative Office of the Courts (together, the "**AOC**"), and the County of San Mateo ("**County**") set forth the terms and conditions for the Parties' shared possession, occupancy, and use of the Real Property.

### 2. DEFINITIONS

"**Act**" means The Trial Court Facilities Act of 2002 (Government Code sections 70301-70404) as of the Effective Date.

"**Agreement**" means the Transfer Agreement for the Transfer of Responsibility for Court Facility, by and between the AOC and the County, under which the County transferred to the AOC responsibility for certain portions of the Real Property under the Act.

"**AOC Claim**" means any demand, complaint, cause of action, or claim related to the period on and after the Effective Date, alleging or arising from acts, errors, omissions, or negligence of the Court in the administration and performance of judicial operations in the Court Facility (e.g., allegations of civil rights violations made by a third party against a Court employee).

"**AOC Share**" means 52.70 percent, which is the percentage of the Total Exclusive-Use Area occupied by the Court.

"**Appraiser**" means an MAI appraiser with at least five years experience in appraising commercial real properties in San Mateo County.

"**BI Documents**" means the agreements evidencing and securing the Bonded Indebtedness.

"**Bonded Indebtedness**" means "bonded indebtedness" as defined in section 70301(a) of the Act, to which the Real Property is subject.

"**Broker**" means a real estate broker licensed by the California Department of Real Estate with adequate knowledge and experience in assessing and providing opinions of value for real properties similar to the Real Property in San Mateo County.

**“Building”** means the building on the Land occupied by the Court and the County, all connected or related structures and improvements, and all Building Equipment.

**“Building Equipment”** means all installed equipment and systems that serve the Building.

**“Building Software”** means any software program that is licensed to the County for the operation of the Building Equipment.

**“Campus”** means the entirety of the property owned and operated by the County as of the Effective Date in Redwood City bounded by Marshall Street, Winslow Street, Brewster Avenue, Veteran’s Boulevard and Middlefield Road.

**“Common Area”** means the areas of the Real Property that are used non-exclusively and in common by, or for the common benefit of, the AOC, the County, the Court, and any Occupants, and includes (1) those portions of the Building depicted as Common Area on the floor plan on **Attachment “2”** to this JOA including the Tunnel, sally port, hallways, stairwells, elevators, escalators, and restrooms that are not located in either Party’s Exclusive-Use Area, (2) foundations, exterior walls, load-bearing walls, support beams, exterior windows, the roof, and other structural parts of the Building, (3) the Mechanical Rooms, together with any Building Equipment and Utilities that do not exclusively serve only one Party’s Exclusive-Use Area, (4) driveways, walkways, and other means of access over the Land and through the Building to the Court Exclusive-Use Area; and (5) the Grounds Area. The Common Area does not include any part of the Exclusive-Use Area of either Party except for any Building Equipment that is located in a Party’s Exclusive-Use Area or in an adjoining building or area.

**“Contractors”** means all third-party contractors, vendors, service providers, and all levels of subcontractors, and their respective employees, consultants, and representatives, that provide goods, services, or supplies to the Real Property with respect to the Operation of the Building.

**“Contributing Party”** means the AOC.

**“County Exclusive-Use Area”** means the 126,759 square feet of the floor space in the Building, which is exclusively occupied and used by the County as depicted on **Attachment “2”** to this JOA.

**“County Parties”** means the County, its political subdivisions, and their respective officers, agents, and employees.

**“County Share”** means 47.30 percent, which is the percentage of the Total Exclusive-Use Area that is exclusively occupied and used by the County.

**“Court”** means the Superior Court of California, County of San Mateo.

**“Court Exclusive-Use Area”** means the 141,227 square feet of the floor space of the Building that are exclusively occupied and used by the Court, as depicted on Attachment “2” to this JOA.

**“Court Operations MOA”** means the February 15, 2000, Memorandum of Agreement between the Superior Court of San Mateo County and the County of San Mateo, as amended from time to time.

**“Court Parking”** has the meaning given to it in the Agreement and is depicted on Attachment “2” to this JOA.

**“Deficiency”** means any condition of, damage to, or defect in the Common Area that: (1) threatens the life, health, or safety of persons occupying or visiting the Building, (2) unreasonably interferes with, disrupts, or prevents either Party’s occupancy or use of the Real Property, or its ability to conduct its business operations in its Exclusive-Use Area, in an orderly, neat, clean, safe, and functional environment, (3) threatens the security of the employees, guests, invitees, or patrons of either Party, (4) threatens to diminish the value of the Contributing Party’s Exclusive-Use Area or the Common Area, or threatens to damage or destroy the business personal property of the Contributing Party or the Court located in the Building, (5) threatens the preservation of the Contributing Party’s files, records, and documents located in the Building, or (6) causes or exacerbates an unsafe, unsanitary, unlawful, or non-functional condition affecting the Contributing Party’s Exclusive-Use Area or the Common Area.

**“Effective Date”** means the date on which the Transfer of Responsibility is completed under the terms of the Agreement.

**“Emergency”** means a sudden, unexpected event or circumstance, on or affecting the Common Area or the Real Property, that results in a Deficiency.

**“Equipment Permits”** means all permits, certificates, and approvals required for lawful Operation of any of the Building Equipment.

**“Equity”** means the term “equity” as used and referred to in the Act.

**“Estimated Shared Costs”** means the Managing Party’s reasonable, itemized estimate of the Shared Costs for a fiscal year; provided that, the Managing Party’s first estimate of the Shared Costs will cover the period from the Effective Date to the last day of the fiscal year in which the Effective Date occurs.

**“Exclusive-Use Area”** means the Court Exclusive-Use Area or the County Exclusive-Use Area, as determined by the context in which the term is used.

**“Grounds Area”** means the portion of the Land surrounding the Building as depicted in **Attachment “2”**.

**“Hazardous Substance”** means any material or substance regulated under any federal, state, or local laws, ordinances, regulations, rules, statutes, and administrative actions or orders respecting hazardous or toxic substances, waste, or materials, or industrial hygiene.

**“Hours of Operation”** means 6:00 a.m. to 6:00 p.m. Monday through Friday, excluding Holidays.

**“Indemnified Loss”** means all liability, damages, attorney fees, costs, expenses, or losses with respect to which either Party is obligated to indemnify the other Party under this JOA.

**“JOA”** means this Joint Occupancy Agreement.

**“Land”** means the real property described on **Attachment “1”** to this JOA.

**“Law”** means State and federal codes, ordinances, laws, regulations, the California Rules of Court, and judicial and administrative orders and directives, to the extent binding on the County and issued by a court or governmental entity with jurisdiction over the County.

**“Liability Claim”** means any demand, complaint, cause of action, or claim alleging (1) bodily injury to or death of third parties (excluding any employees of State Parties or County Parties acting within the scope of their employment as such) in, on, or about the Real Property, and (2) damage to or destruction of personal property of a third party (other than personal property of a County Party or a State Party) in, on, or about the Real Property, but excludes all AOC Claims.

**“Major Deficiency”** means any Deficiency: (i) that cannot, with reasonable diligence, be corrected within 10 days, or (ii) as to which the estimated cost to correct



will result in Excess Costs in an amount greater than 10 percent of the Estimated Shared Costs for the month in which the Parties anticipate the correction will be performed, under section 4.1 of this JOA.

**"Managing Party"** means the County, which is the Party responsible for the Operation of the Common Area under this JOA.

**"Mechanical Rooms"** means those portions of the Common Area which house the Building Equipment that services all areas of the Building (i.e. air handling units, boilers, etc.) The Contributing Party will not have access to these areas without the consent of the Managing Party. These areas are depicted on the floor plans attached hereto as **Attachment "2"**.

**"Memorandum"** means the document titled Memorandum of Joint Occupancy Agreement that has been recorded in the official records of the County as an encumbrance on the Land pursuant to the Agreement.

**"Non-Ownning Party"** means the AOC, which is the Party that does not own fee title to the Real Property.

**"Occupancy Agreement"** means any agreement between a Party and a third party that entitles any party other than the County or the AOC to occupy or use any part of the Real Property.

**"Occupant"** means any party that occupies or uses the Real Property under an Occupancy Agreement.

**"Operation"** means the administration, management, maintenance, and repair of designated areas of the Real Property, but does not include custodial services for the Common Area or either Party's Exclusive-Use Area, which are not governed by this Agreement or the JOA.

**"Owner"** means the County, which is the Party that owns fee title to the Real Property.

**"Party"** means either the AOC or the County, and **"Parties"** means the AOC and the County.

**"Property Damage Claim"** means any claim or demand arising from or related to direct, physical loss or damage to the Real Property that is required to be covered by the Property Insurance Policies.

**“Property Insurance Costs”** means all costs of providing the Property Insurance Policies, including premiums, deductibles, and self-insurance retention amounts under Owner’s self-insurance program.

**“Property Insurance Policies”** means one or more policies of property insurance maintained by the Owner that insure the Real Property against those risks covered under a form of coverage with terms and conditions as comprehensive as those in an All-Risk/Special Form property insurance policy and, when applicable, the comprehensive form of equipment breakdown insurance, with coverage amounts equal to at least the 100 percent Replacement Cost of improvements on the Real Property. Owner’s obligation to provide the Property Insurance Policies may be satisfied, in whole or in part, by any self-insurance or deductible maintained by the Owner for the Real Property, or by Owner’s participation in a joint powers authority established for the purpose of pooling self-insured claims. While any part of the Real Property is subject to the Bonded Indebtedness, the Property Insurance Policies will include all property insurance coverage the County is required to maintain for the Real Property under the BI Documents.

**“Property Loss”** means any loss or damage to, or destruction of, the Real Property that arises from a cause that is required to be covered under the terms of the Property Insurance Policies.

**“Real Property”** means the Land and the Building, together.

**“Restricted Area”** means all areas (i) within the Court Exclusive-Use Area that are not generally accessible to the public, including judges’ chambers, all non-public restrooms, elevators, break rooms, and corridors, and other non-public spaces that are dedicated for use only by judges or Court staff and employees, and (ii) public areas of the Common Area and the Court Exclusive-Use Area during non-business hours that are subject to security screening during normal business hours.

**“Security-Related Areas”** means the parts of the Real Property that are used for secure holding and transport of prisoners, including the Skyway, holding cells, the sally port, secured elevators, staircases, and corridors.

**“Security Services MOU”** means the written Service Level Agreement between the Superior Court of California, County of San Mateo and the County of San Mateo, Sheriff’s Office last dated November 1, 2004, as amended from time to time; excluding Exhibit C thereto.

**“Share”** means the AOC Share or the County Share, as determined by the context in which the term is used.

**“Shared Costs”** means: (i) the cost of owned or rented capital replacement items, improvements, equipment, and repairs in or benefiting the Common Area; (ii) the cost of normal, day-to-day Operation of the Common Area including the cost of Utilities provided to the Common Area, and the cost of maintaining Equipment Permits (but excluding any late fees, interest, penalties, or other charges arising from the Managing Party’s failure to timely pay those costs or keep the Equipment Permits in effect); (iii) the cost of Utilities provided to the Exclusive-Use Areas, if Utilities are not separately metered for the Exclusive-Use Areas; and (iv) any Property Insurance Costs, subject to section 4.6 below. Shared Costs do not include: (a) any cost that is primarily for the purpose of benefiting a Party’s Exclusive-Use Area; (b) overtime charges or late fees related to any item that would otherwise be a Shared Cost, unless those overtime expenses or late fees are necessary to remedy the imminent threat arising from an Emergency, or unless such overtime expenses are pre-approved by both Parties (which pre-approval shall not be unreasonably withheld or delayed); or (c) any fees, fines, penalties, interest, or other charges arising from the Managing Party’s Operation of the Real Property in a grossly negligent manner or a manner that knowingly does not comply with Law. Notwithstanding anything to the contrary, Shared Costs do not include any costs relating to the Operations of the Court Parking or the Grounds Area, including without limitation the cost of any Utilities provided to the Court Parking or the Grounds Area.

**“Skyway”** means that certain bridge structure connecting the Building to the adjacent County jail facility, which is used for travel and transporting prisoners to and from Court sessions.

**“State Parties”** means the Council, the Administrative Office of the Courts, and the Court, their political subdivisions, and their respective officers, agents, and employees.

**“Telecommunications MOU”** means the Information Services Department Service Level Agreement for Fiscal Year 2005-06 between the County’s Information Services Department (ISD) and customer departments of the County of San Mateo dated July 1, 2005, as amended from time to time.

**“Term”** means the term of this JOA, which commences on the Effective Date and continues indefinitely until the Parties enter into a written agreement terminating this

JOA and causing the Memorandum to be terminated and removed as an encumbrance on the Land.

**“Termination Agreement”** means the document titled Termination of Joint Occupancy Agreement in the form and content attached as **Attachment “4”** to this JOA.

**“Total Exclusive-Use Area”** means the Court Exclusive-Use Area and the County Exclusive-Use Area, together.

**“Tunnel”** means that certain underground passageway, which is used by County employees and Court employees, that connects the Building to the adjacent County Administration Building, and that further connects the County Administration Building to the parking structure located on the Campus.

**“Utilities”** means the utilities services provided to the Real Property, except for telephone, cable, internet, and other data services, which are governed by section 3.7 of this JOA.

### **3. RIGHTS AND RESPONSIBILITIES**

3.1 Rights to Exclusive-Use Area and Common Area. Under the Act, the Agreement, and this JOA, the AOC has the right to exclusively occupy and use the Court Exclusive-Use Area and the non-exclusive right to occupy and use the Common Area, and the County has the right to exclusively occupy and use the County Exclusive-Use Area and the non-exclusive right to occupy and use the Common Area. Each Party’s non-exclusive right to use the Common Area must: (i) not interfere with the other Party’s use of its Exclusive-Use Area or the Common Area; (ii) not materially increase the other Party’s obligations under this JOA; and (iii) comply with Law. The Parties may from time to time agree on reasonable rules and regulations for their shared use of the Common Area. The Managing Party may establish reasonable rules and regulations regarding the Common Area and its use and the State Parties shall abide by such rules and regulations.

#### **3.2 Responsibility for Exclusive-Use Areas and Common Area.**

3.2.1 Exclusive-Use Areas. During the Term, each Party is responsible for the Operation of its Exclusive-Use Area at its sole cost and expense. Each Party may make alterations and additions to its Exclusive-Use Area, as long as those alterations and additions do not unreasonably interfere with the other Party’s use of its Exclusive-Use Area or the Common Area, and do not increase the other Party’s operation or maintenance costs.

3.2.2 Common Area. The Managing Party is responsible for the Operation of the Common Area and will provide and pay for Utilities to the Real Property under this JOA, subject to the Contributing Party's obligations under section 4 of this JOA. The Managing Party may make reasonable additions and alterations to the Common Area, the cost of which will be a Shared Cost, but the Managing Party must first obtain the written consent of the Contributing Party to those additions or alterations, which consent will not be unreasonably withheld, conditioned, or delayed. If the Contributing Party neither consents, nor provides to the Managing Party a reasonably-detailed description of its reasons for withholding its consent, within 30 days after the Contributing Party's receipt of the Managing Party's request for consent to the Common Area additions or alterations, the Contributing Party will be deemed to have consented, and will be responsible to pay its Share of the costs and expenses incurred by the Managing Party in making the Common Area alterations or additions described in the Managing Party's request for consent. Notwithstanding that the Grounds Area is included within the definition of Common Area, the County is responsible for the Operation of the Grounds Area, at its sole cost and expense, and the costs and expenses incurred by the County for Operation of the Grounds Area will not be included as a Shared Cost. The Contributing Party may not make additions or alterations to the Common Area without the prior written consent of the Managing Party, which consent will not be unreasonably withheld, conditioned or delayed.

3.2.2.1 Common Area Responsibility. Unless otherwise provided in this JOA or agreed to by the Parties, if a Party operates or installs any exclusive use equipment or Personal Property in the Common Area, then that Party shall be responsible for the Operation of that equipment or Personal Property, and shall be solely liable for and responsible for any liabilities, losses or damage caused by said equipment or Personal Property.

3.2.3 Responsibility for Tunnel and Skyway. Notwithstanding the fact that the Tunnel is included within the definition of Common Area herein, the County will remain responsible for the Operation of the Tunnel at its sole cost and expense. The County shall also remain responsible for the Operation of the Skyway at its sole cost and expense.

3.2.4 Correction of Deficiencies.

3.2.4.1 Deficiency. Upon the Managing Party's discovery of a Deficiency, the Managing Party must either (i) correct the Deficiency within 10 days, or (ii) if the Deficiency is a Major Deficiency, send a written notice to the Contributing Party, within five business days, describing the Major Deficiency and providing an

estimate of the cost and time needed to correct the Major Deficiency (“**Major Deficiency Notice**”).

3.2.4.2 Contributing Party Deficiency Notice. The Contributing Party may at any time, but is not obligated to, send a written notice to the Managing Party describing the Deficiency (the “**Contributing Party Deficiency Notice**”). Upon receipt of any Contributing Party Deficiency Notice, the Managing Party must either: (i) correct the Deficiency by no later than 10 days or within a reasonable amount of time consistent with available resources after the Managing Party’s receipt of the Contributing Party Deficiency Notice; or (ii) within three business days after the Managing Party’s receipt of the Contributing Party Deficiency Notice, send a Major Deficiency Notice to the Contributing Party.

3.2.4.3 Contributing Party’s Right to Correct. If the Managing Party neither corrects the Deficiency nor sends a Major Deficiency Notice within the time periods provided in section 3.2.4.1, then the Contributing Party may, but is not obligated to, after giving 10 days notice to the Managing Party, correct the Deficiency in any reasonable manner under the circumstances. If the Contributing Party corrects the Deficiency, the Contributing Party will be entitled to reimbursement from the Managing Party, under section 3.2.4.4, below, of the Managing Party’s Share of the actual costs incurred by the Contributing Party to correct the Deficiency, whether or not the Deficiency is a Major Deficiency.

3.2.4.4 Correcting Party; Reimbursement. The Party that actually performs the correction of a Deficiency or a Major Deficiency is the “**Correcting Party.**” The Correcting Party is entitled to be reimbursed by the non-correcting Party for the non-correcting Party’s Share of the actual costs that the Correcting Party incurs in correcting each Deficiency, as follows:

(a) If the Correcting Party is the Managing Party, the Correcting Party will be reimbursed for the non-correcting Party’s Share of the actual costs to correct the Deficiency under section 4 of this JOA; provided, however, that in the event of a Major Deficiency, the Managing Party will not be entitled to reimbursement from the Contributing Party of any amount greater than the Contributing Party’s Share of the estimated costs to correct the Major Deficiency that are set forth in the Correction Plan; or

(b) If the Correcting Party is the Contributing Party, the Managing Party will reimburse the Contributing Party for the Managing Party’s Share of the costs to correct the Deficiency within 30 days after the Contributing Party has

delivered to the Managing Party an invoice and reasonable supporting documents evidencing the actual costs to correct the Deficiency.

(c) If the non-correcting Party does not timely reimburse the Correcting Party for the non-correcting Party's Share of the costs of correction, the Correcting Party may offset the non-correcting Party's Share of the costs to correct the Deficiency against any amounts that the Correcting Party owes to the non-correcting Party under this JOA or any other agreement.

3.2.4.5 Major Deficiency Correction Plan. If the Managing Party at any time sends the Contributing Party a Major Deficiency Notice, whether under section 3.2.4.1 or section 3.2.4.2 of this JOA, then within 10 days after the Contributing Party's receipt of the Major Deficiency Notice, the Parties will meet and confer, in good faith, in person or by telephone, to determine a plan ("**Correction Plan**") for the correction of the Major Deficiency, including the method, estimated cost, and time period for the correction. If the Managing Party does not thereafter complete the correction of the Major Deficiency in accordance with the Correction Plan, the Contributing Party may, but will not be obligated to, after giving 10 days notice, correct the Major Deficiency in a manner consistent with the Correction Plan, and will thereafter be the Correcting Party for purposes of reimbursement of the Managing Party's Share of the actual costs of correcting the Deficiency under section 3.2.4.4(b) of this JOA.

3.2.4.6 Not Applicable to Emergencies. This section 3.2.4 will not apply to any Deficiency that: (i) arises from an Emergency, and (ii) constitutes an imminent threat (a) to life, safety, health, or security, (b) of reduction in the value of the Contributing Party's Exclusive-Use Area or the Common Area, or (c) to the preservation of the Contributing Party's files, records, and documents located in the Building. Rather, those Deficiencies will be governed by section 3.2.5 of this JOA. Any Deficiency that arises from an Emergency, but that does not constitute an imminent threat to the matters described in (ii) (a), (b), or (c) above, will be governed by section 3.2.4.

3.2.4.7 Overtime Charges. The Contributing Party shall be responsible for all overtime charges incurred for work performed by the Managing Party outside established Hours of Operation where such work was performed outside established Hours of Operation at the request of the Contributing Party, and where such work could have been performed during established Hours of Operation, and yet at the request of the Contributing Party, such work was performed outside of the established Hours of Operation. The Contributing Party shall reimburse, the Managing Party, within 30 days after receipt of the related invoice, for all such costs incurred by the Managing Party that are for the sole benefit of the Contributing Party. These costs may include

work requests of the Contributing Party for repairs/modifications performed by the Managing Party pursuant to this section, as well as costs of the Managing Party to operate the Building outside normal Hours of Operation at the request of the Contributing Party, pursuant to this section.

3.2.5 Emergencies. If any Emergency occurs, the Parties must immediately notify one another of the Emergency by telephone or any other means reasonable under the circumstances. The Managing Party must promptly take steps to correct any Deficiency that arises from the Emergency and that constitutes an imminent threat (a) to life, safety, health, or security, (b) of reduction in the value of the Contributing Party's Exclusive-Use Area or the Common Area, or (c) to the preservation of the Contributing Party's files, records, and documents located in the Building. If the Managing Party does not immediately take steps to correct any such Deficiency arising from an Emergency, the Contributing Party may, but will not be obligated to, after giving notice, correct that Deficiency without making any further demand on the Managing Party, and will notify the Managing Party of the steps taken to correct the Deficiency as soon as reasonably possible. The Party that corrects a Deficiency arising from an Emergency under this section 3.2.5 is entitled to reimbursement from the other Party of the non-correcting Party's Share of the actual cost of correcting the Emergency pursuant to section 4 of this JOA. Notwithstanding the foregoing, if a Deficiency arises from an Emergency, but the Deficiency does not constitute an imminent threat to the matters described in (ii) (a), (b), or (c) above, the correction of that Deficiency will be governed by section 3.2.4 of this JOA.

3.2.6 Deficiency and Emergency Notification. All communications and notices between the Parties made under sections 3.2.4 and 3.2.5 of this JOA must be made in accordance with section 4.6 of this JOA.

3.3 Parking. The County is responsible for the Operation of the Court Parking as set forth in the Agreement. If the Court vacates the Building, the County will increase the County Facilities Payment by an amount equal to the County's costs and expenses associated with the operation and maintenance of the Court Parking as of the Effective Date. The County reserves the right to control the use of Court Parking outside of the Hours of Operation, provided that the County ensures there are sufficient spaces for Court employees to use when working in the Building outside of the Hours of Operation. The County will coordinate any such after-hour use with the Court.

3.4 Cooperation. The Parties will cooperate with one another, reasonably and in good faith, to ensure that each Party can peacefully enjoy, possess, use, and occupy its Exclusive-Use Area and the Common Area. The Owner will cooperate in good faith



with, and ensure that, the Non-Ownning Party can exercise its rights and responsibilities under this JOA. Subject to any reasonable rules and restrictions, each Party will allow the other Party to enter its Exclusive-Use Area for any reasonable purpose related to the terms of this JOA or any other written agreement between the Parties. Either Party may delegate its responsibilities under this JOA to the other Party or to a third party, but that delegation will not relieve the delegating Party from its obligations under this JOA.

3.5 Security-Related Areas. The County's Sheriff's Office will remain liable and responsible for the secure entry, exit, transport, and holding of prisoners attending Court sessions in and through the security-related areas of the Real Property, including the Skyway, holding cells, sally port, secured elevator/staircase, and secured corridors under the Security Services MOU. The County will remain solely liable and responsible for all non-grandfathered, non-conforming code conditions of any security-related areas of the Real Property, so long as such conditions are not caused by the State Parties; provided however, once a non-conforming code condition in the Court Exclusive-Use Area is corrected to the satisfaction of the agency with jurisdiction over such code conditions, the County shall no longer have such liability or responsibility. This JOA does not supersede, replace, or modify the Security Services MOU or any other agreement between the County and the Court with respect to security staffing for the Real Property.

3.6 Occupancy Agreements. Each Party is responsible for all Occupancy Agreements affecting its Exclusive-Use Area, and Owner is responsible for all Occupancy Agreements affecting the Common Area, in each case without contribution from the other Party. The Party that is responsible for each Occupancy Agreement is entitled to all income arising from it.

3.7 Obtaining Equipment Permits. The Managing Party is responsible for maintaining and renewing the Equipment Permits.

3.8 Information Technology and Telephone Equipment. The County will be responsible for the Operation of the telecommunications equipment ("**Telecom Equipment**") serving the Building consistent with existing arrangements. In particular, the existing arrangements include: i) County is not responsible for the Operation of non-telephone Network Appliances in the Court Exclusive-Use Area; ii) County is responsible for the Operation of telephone network in the Court Facility; iii) County is responsible for the physical wiring in the Court Facility, except for the two 50 micron fiber optic cable wiring runs that are the property of the Court; iv) County owns and Operates all telephone sets; and v) all software used by the Court is owned and Operated by the Court except GroupWise Email, Novell NDS, McAfee Anti-Virus and BigFix

Enterprise Suite.. The County will have the right to enter the Court Exclusive-Use Area, at times reasonably-convenient to the Court and the other Occupants of the Court Exclusive-Use Area, for purposes of inspecting and Operation of the Telecom Equipment, as and when necessary. During the Term, each Party shall be responsible for the Operation of its own information technology cabling and equipment (“**IT Equipment**”). Certain components of the County’s IT Equipment in the Building may be located in the Court Exclusive-Use Area and the Common Areas, and certain components of the Court’s IT Equipment in the Building may be located in the County Exclusive-Use Area and the Common Areas. From and after the Transfer, each Party shall have the rights of ingress, egress, and access to the portions of the Building occupied by the other Party, as each Party may reasonably require in connection with its continued Operation of its IT Equipment located in the other Party’s portion of the Building.

### 3.9 Criminal Background Screening.

3.9.1 Access to Restricted Areas. Unless a person is responding to and correcting a Deficiency arising from an Emergency under section 3.2.4 of this JOA, only County employees and County Contractor employees who are screened and approved pursuant to section 3.9.2 of this JOA (“**Approved Persons**”) may have unescorted access to Restricted Areas. Unscreened County employees and unscreened County Contractor employees may access Restricted Areas if they are escorted and monitored by any of the following: (1) an Approved Person, or (2) an employee of the Court if the Court’s Executive Officer, or their designee, consents to a Court employee escorting and monitoring the unscreened person. The Managing Party must take all reasonable steps to ensure that Operation in and of all Restricted Areas is at all times consistent with this section 3.9.

3.9.2 Screening and Approval Process. When conducting screenings of County employees and County Contractor employees, Managing Party must utilize a Live Scan background check or, if the Live Scan system becomes unavailable during the Term of this JOA, by other similar or successor system. **Attachment “5”** to this JOA sets forth the criteria for approval of a County employee or County Contractor employee based on the results of the screening. In lieu of the Managing Party conducting the screening and approval process set forth herein, the Contributing Party may, but is not obligated to, conduct the screening and approval of County employees or County Contractor employees that have access to the Restricted Areas, and, in such event, County agrees to cooperate with the AOC with respect to the screening of County employees or County Contractor employees that access the Restricted Areas.

3.9.3 Identification of Approved Persons. The County must issue and provide an identification badge to each Approved Person bearing the Approved Person's name and picture, which badge will indicate that the Approved Person is permitted to access the Restricted Areas. If the County issues identification badges to its employees, the County need not issue a separate badge to Approved Persons, but may affix a sticker or other marking on the existing badges of Approved Persons to indicate their right to access Restricted Areas. If the AOC has chosen to conduct the screening and approval of County employees or County Contractor employees, the AOC will either (1) notify the County if an employee is approved, whereupon the County will provide and issue an identification badge for that Approved Person, or (2) provide an identification badge for the Approved Person to the County, and the County will be responsible for issuing the identification badge to that Approved Person. All Approved Persons must wear their identification badges in a readily-visible manner whenever they are in a Restricted Area.

3.9.4 DOJ and DMV Requirements. Notwithstanding anything in this JOA to the contrary, County must comply with background check and clearance requirements of the California Department of Justice ("DOJ") and the California Department of Motor Vehicles ("DMV") relating to any County employee or County Contractor employee who has physical access to any area which is either connected to, or contains records from, the DOJ criminal computer database, including, without limitation, the California Law Enforcement Telecommunications System (CLETS) and the Criminal Offender Record Information (CORI), or the DMV computer database (collectively the "Databases"). If requested by either the Court or the AOC, County must provide to either the Court or the AOC suitable documentation evidencing the County's compliance with the policies, practices, and procedures of the DOJ and the DMV regarding background check and clearance requirements relating to access to the Databases.

3.10 County Facilities Payment. Nothing in this JOA diminishes or modifies the County's obligations under the Act and the Agreement for payment of the County Facilities Payment.

3.11 Court Operations MOA. Unless specifically superseded by the terms and conditions of this JOA or the Agreement, the terms and conditions of the Court Operations MOA shall remain in full force and effect. In the event of a conflict between the terms of the Court Operations MOA and the terms of this JOA or the Agreement, the terms of this JOA or the Agreement shall control.

#### 4. SHARED COSTS

4.1 Payment of Estimated Shared Costs. The Managing Party will make timely, direct payment of all Shared Costs owed to third parties, and the Contributing Party is responsible to reimburse the Managing Party for its Share of all Shared Costs under this section 4. Within 90 days after the Effective Date, and within 30 days after the first day of each fiscal year thereafter, the Managing Party will deliver to the Contributing Party a statement (the "**Estimate Statement**") itemizing the Estimated Shared Costs, which the Contributing Party will either comment on or approve within 30 days. If the Contributing Party disapproves any of the Estimated Shared Costs in the Estimate Statement, the Parties will promptly meet and discuss the reason for the disapproval. If the Parties reach agreement with respect to all Estimated Shared Costs, the Managing Party will, if necessary, revise the Estimate Statement, which both Parties will approve. The Contributing Party is not obligated to make any payments of its Share of the Shared Costs until it has approved the Estimate Statement in writing. However, until the Contributing Party approves the Estimate Statement, it will pay its Share of the Shared Costs based on the approved Estimate Statement for the prior fiscal year, or, during the initial fiscal year of the Term, based on the County Facilities Payment. Upon approving the Estimate Statement, the Contributing Party will pay its Share of the Estimated Shared Costs based on the approved Estimate Statement, plus all additional amounts owed by the Contributing Party for the period during which the Parties were in the process of reaching agreement as to the Estimate Statement. Payment of Estimated Shared Costs will be made in equal monthly installments on the first day of each month, subject to this JOA.

4.2 Payment of Actual Shared Costs. Within 30 days after the end of each month, the Managing Party will deliver to the Contributing Party a statement (the "**Monthly Invoice**") itemizing the actual Shared Costs incurred during the previous month ("**Actual Shared Costs**"). Within 30 days after a written request by the Contributing Party, the Managing Party will also deliver to the Contributing Party copies of supporting documents for any of the Actual Shared Costs shown on the Monthly Invoice. If the Actual Shared Costs are less than the Estimated Shared Cost for the applicable month, the Managing Party will refund the amount overpaid to the Contributing Party within 30 days after the Managing Party's delivery of the Monthly Invoice, except that if the Contributing Party consents, the Managing Party may retain the overpayment and offset it against future amounts owed by the Contributing Party under this JOA. If the Actual Shared Costs are greater than the Estimated Shared Costs for the applicable month ("**Excess Costs**"), the Contributing Party will pay such Excess Costs to the Managing Party within 30 days after its receipt of the Monthly Invoice, except that (a)

if the Excess Costs are more than 10 percent of the Estimated Shared Costs for any month, or (b) if the Contributing Party has requested, but not received, supporting documents for any Excess Costs by 10 days prior to the date that payment is due, the Contributing Party will continue to make payment of its Share of the Shared Costs based on the Estimate Statement, or as otherwise agreed under section 4.2 of this JOA, but may defer payment of the Excess Costs (or, in the case of (b) above, the Excess Costs to which the supporting documents relate) for that month, until the Parties have met and reached an agreement regarding the amount of the Excess Costs, under section 3.2.4.5 or section 4.2 of this JOA, whichever is applicable.

4.3 Notice of Anticipated Excess Costs. Prior to incurring any Shared Cost that the Managing Party reasonably believes will result in an Excess Cost in an amount greater than 10 percent of the Estimated Shared Costs shown on the Estimate Statement, the Managing Party must give written notice to the Contributing Party describing the amount and reason for that Excess Costs; except that (a) no notice must be given to the Contributing Party if the Excess Costs will be incurred to correct a Deficiency arising from an Emergency under section 3.2.4 of this JOA, and (b) if the Excess Costs will be incurred in connection with the correction of a Deficiency under section 3.2.4 of this JOA, notice of the Excess Costs, and resolution of any issues related to the Excess Costs, will be handled under section 3.2.4, and this section 4.2 will not apply. If the Contributing Party objects in writing to the Excess Costs within 30 days after receiving the Managing Party's notice, the Parties must meet and confer, in person or by telephone, within 10 calendar days to resolve their dispute concerning the Excess Costs. If the Parties do not reach agreement concerning the Excess Costs during that meet and confer process, the Parties will promptly seek to resolve their dispute concerning the Excess Costs under the terms of section 11 of this JOA. If the Contributing Party does not respond to the Managing Party's notice within 30 days of receiving the notice, the Managing Party may proceed with expenditure of the Excess Cost in the amount and for the purpose described in the notice, and the Contributing Party must pay its Share of those Excess Costs.

4.4 Audit Rights. The Contributing Party may, at its sole cost and upon reasonable notice to the Managing Party, inspect the Managing Party's books, records, and supporting documents concerning all Actual Shared Costs incurred for up to 12 calendar months prior to the date of the Contributing Party's inspection. The Parties will cooperate reasonably with each other to ensure that the inspection is performed promptly and without undue interference to either Party. If, after its inspection, the Contributing Party disputes any Actual Shared Costs for any of the immediately-preceding 12 calendar months, the Contributing Party may engage an independent certified public accountant,

acceptable to both Parties, to audit the Managing Party's books and records to determine the amount of the Actual Shared Costs in dispute. The results of the audit will be binding on both Parties. If the audit reveals that the Contributing Party overpaid or underpaid Actual Shared Costs for a month, the Parties will make the payments necessary to resolve that overpayment or underpayment within 30 days following the completion of the audit. The Contributing Party must pay the entire cost of the audit. The Contributing Party's payment of Shared Costs will not prevent it from disputing the accuracy of any Actual Shared Costs under this section 4.4.

4.5 Parking Area and Grounds Area Costs.

4.5.1 Parking Area Costs. The County is responsible, at its sole cost and expense, for all costs incurred with respect to the Operation of the Court Parking, and those costs and expenses will not be included as a Shared Cost.

4.5.2 Grounds Area Costs. Notwithstanding the fact that the Grounds Area is part of the Common Area, the County is responsible, at its sole cost and expense, for all costs incurred with respect to the Operation of the Grounds Area, and those costs and expenses will not be included as a Shared Cost.

4.6 Property Insurance Costs. The County will promptly notify the AOC of any change to the Property Insurance Policies or the Property Insurance Costs that the County is required to make in connection with the Bonded Indebtedness or under the BI Documents, and the County will not make any changes to the Property Insurance Policies that are not so required without the prior written consent of the AOC.

4.7 Shared Cost Notifications. Notwithstanding section 12 of this JOA, all communications and notices between the Parties relating to Shared Costs including, without limitation, Estimate Statements, Monthly Invoices, or any other communication or notice required by this section 4, will be made between the following County and AOC representatives:

If to the AOC:

Administrative Office of the Courts  
Office of Court Construction and Management  
455 Golden Gate Avenue  
San Francisco, CA 94102  
Attention: Nick Cimino  
Regional Manager of the Bay Area and North Coast

Region of the Facilities Management Unit  
Phone: (415) 865-8070  
Fax: (415) 865-7524

If to the County:

County of San Mateo  
County Executive Office  
Attention: County Manager  
Hall of Justice and Records  
400 County Center, First Floor  
Redwood City, California 94063  
Voice: 650-363-4121  
Fax: 650-363-1916

## **5. RIGHT OF FIRST REFUSAL, COMPATIBLE USES, AND VACATE RIGHTS**

### **5.1 Right of First Refusal and Increase of Space In Building**

5.1.1 Right of First Refusal for Excess Area. At least 30 days before a Party rents or otherwise transfers to a third party all or any portion of its Exclusive-Use Area ("**Excess Area**"), that Party must, by written notice, offer the Excess Area to the other Party on the same terms and conditions set forth in any offer to or from a third party for the Excess Area ("**Third Party Terms**"). The Third Party Terms must separate the rent for the Excess Area from any amounts to be paid by the third party for Operation, Utilities, and other costs in respect of the Excess Area. If the other Party elects not to occupy the Excess Area on the Third Party Terms, or fails to respond to the notice within a 30 day period, the Party with the Excess Area may, subject to section 5, permit a third party to occupy and use the Excess Area on the Third Party Terms. Before a third party can occupy the Excess Area on terms that are more favorable to the third party than the Third Party Terms, the Party with the Excess Area must again first offer the Excess Area to the other Party on those more favorable terms under this section 5.1.1. If the other Party elects to accept the Excess Area on the Third Party Terms, the Parties will enter into a separate written agreement setting forth the terms for the other Party's occupancy and use of the Excess Area, consistent with the Third Party Terms.

5.1.2 Request for Increase of Exclusive-Use Area. If a Party wishes to increase the size of its Exclusive-Use Area (“**Additional Area**”), and the Parties reach agreement on mutually-acceptable terms for the Additional Area, the Parties will enter into a separate written agreement setting forth the terms for the occupancy and use of the Additional Area, which terms may include a reasonable rent, subject to section 5.1.4 of this JOA.

5.1.3 No Adjustment to Shares. If a Party rents any Excess Area or Additional Area under section 5.1.1 or 5.1.2, above, the rental transaction will not result in a change to the Parties’ Shares. Rather, the rent paid by the Party renting the Excess Area or the Additional Area will include the Shared Costs applicable to the Excess Area or the Additional Area, as applicable. The Parties’ Shares will only be adjusted if one Party at any time buys all or a portion of the other Party’s rights to occupancy and use the Real Property for fair market value under section 5.3 of this JOA, or otherwise by agreement of the Parties, one Party extends its Exclusive-Use Area into Common Area.

5.1.4 Terms of this JOA Not Affected. Any transfer of the Excess Area or the Additional Area to a Party or to a third party will not relieve the Parties of their rights and responsibilities under this JOA with respect to the Excess Area or the Additional Area. Rather, any re-allocation of the Parties’ rights and responsibilities under this JOA will be set forth in any separate agreement entered into by the Parties for rental of the Excess Area or the Additional Area.

## 5.2 Compatible Use; Hazardous Substances.

5.2.1 Compatible Use. Each Party must use, and must require that any Occupant use, its Exclusive-Use Area in a manner that is compatible with the Parties’ use of the Building on the Effective Date and that does not deteriorate or diminish the other Party’s ability to use its Exclusive-Use Area or the Common Area effectively. The Managing Party must ensure that any Occupant that occupies any of the Common Area uses its space in a manner compatible with the Parties’ use of the Building. Nothing herein shall prevent either Party from making use of the Building for programs or events that have historically been conducted in or around it.

5.2.2 Hazardous Substances. Neither Party will store, use, treat, manufacture, or sell, or allow any other person to store, use, treat, manufacture, or sell, any Hazardous Substance on the Real Property except in compliance with Law.

5.3 Vacate Right Pursuant to Section 70344(b) of the Act. After the Effective Date, if either Party is entitled to and does exercise its rights under section 70344(b) of



the Act, the Party that is required to vacate the Building (“**Vacating Party**”) must remove all of its property from, and surrender to the other Party full possession of, the space vacated (“**Vacated Space**”) within 90 days after the Parties agree on the amount of compensation to be paid to the Vacating Party for (i) its Equity in the Vacated Space, and (ii) its relocation costs. The Vacating Party must repair, at its sole cost, any damage it causes to any part of the Real Property in removing its property from the Vacated Space. If the Parties cannot agree on the value of the Vacating Party’s Equity in the Vacated Space, the Parties will select a mutually-acceptable Appraiser or a Broker to determine the fair market value of the Vacating Party’s Equity in the Vacated Space. If the Parties cannot agree on the fair market value of the Vacating Party’s relocation costs, the Parties will select a mutually-acceptable relocation expert with at least five years of experience in determining relocation costs in California (“**Expert**”), to determine the fair market value of the Vacating Party’s relocation costs. Any Appraiser, Broker, or Expert will deliver to both Parties its determination of value, and each Party will be responsible for one-half of the costs of the Appraiser, Broker, or Expert. Any disputes under this section 5.3 will be resolved under section 11 of this JOA. The Parties will enter into an Equity Rights Purchase Agreement, substantially similar to **Attachment “3”** attached to this JOA, to memorialize the terms of the purchase of the Vacating Party’s Equity in the Vacated Space, and the Parties must enter into a Termination Agreement, substantially similar to **Attachment “4”** attached to this JOA, when the Vacating Party has vacated the Vacated Space.

5.4 Amendment to JOA; Equity Rights. If the Parties’ Equity rights will be modified, whether under section 7 of this JOA, or as a result of any other purchase of Equity rights to which the Parties may agree under this JOA or the Act, the Parties will amend this JOA to: (i) adjust their Exclusive-Use Areas; and (ii) adjust each Party’s Share and their Equity rights in the Real Property. The Parties acknowledge and agree that i) as of the date of execution of this JOA neither party occupies 80 percent or more of the Building and that accordingly the terms of Section 70344(b) of the Act do not apply and that nothing in section 5.3 above prevents the parties from reaching an agreement or agreements regarding Vacated Space or termination of this JOA that differ from those identified in said section 5.3

## 6. **INSURANCE**

### 6.1 Property Insurance.

Until the Bonded Indebtedness no longer encumbers any part of the Real Property: (i) the terms of the BI Documents govern the County’s obligation to obtain and maintain in full force and effect the Property Insurance Policies; and (ii) any

inconsistency between the terms of this JOA and the terms of the BI Documents regarding the County's obligation to insure the Real Property will be resolved in favor of the terms of the BI Documents. Subject to the foregoing, the terms of this section 6 will apply and govern the rights and responsibilities of the Parties.

6.1.1 Property Insurance Policies to be Maintained. Owner will provide the Property Insurance Policies and maintain them in full force and effect, and will make direct payment of all Property Insurance Costs, subject to the Non-Owning Party's obligation to pay its portion of those costs under section 4.6 of this JOA. Owner will include by specific endorsement to each of the Property Insurance Policies the Judicial Council of California, the Administrative Office of the Courts, and the Court as insureds or covered parties, as appropriate, and joint loss payees for any Property Damage Claim payable under the terms and conditions of the Property Insurance Policies, with the same coverages and limits as the named insured under the Property Insurance Policies.

6.1.2 Allocation of Risk for Property Damage Claims. While Owner is providing and maintaining the Property Insurance Policies, and the Non-Owning Party is paying its portion of the Property Insurance Costs under section 4.6, above, Owner will bear all of the risk arising from Property Damage Claims, and Owner hereby waives, and will cause the providers of its Property Insurance Policies to waive, all rights of recovery against the other Party and its applicable insurer(s) for any Property Damage Claims payable under, the terms and conditions of the Property Insurance Policies. Owner will be solely and exclusively responsible to tender to the providers of its Property Insurance Policies, and to process and pursue to final resolution, any and all Property Damage Claims, including (if covered by the Property Insurance Policies) claims for costs associated with obtaining, and relocating Court operations to, alternate space while any portion of the Real Property is being repaired or replaced. The Parties acknowledge that property insurance is "no fault" insurance; therefore, if any Property Loss occurs, there are no exclusions or conditions to payment, irrespective of the acts or omissions of either Party, other than those exclusions specifically set forth in the Property Insurance Policies. The Parties acknowledge that property insurance policies carried by the County have a deductible amount of at least \$100,000.

6.1.3 Compliance with Property Insurance Policies. While Owner is providing and maintaining the Property Insurance Policies under this JOA, Owner will provide the Non-Owning Party with verification that the Property Insurance Policies are in full force and effect and, at the request of the Non-Owning Party, with copies of the Property Insurance Policies, as the Property Insurance Policies may be issued or modified from time to time. The State Parties and the County Parties will comply in all material

respects with all requirements for the use of the Real Property that are set forth in the Property Insurance Policies and that Owner has provided to the Non-Owning Party.

6.1.4 Application of this Section. While the Real Property is subject to the Bonded Indebtedness, this section 6.1.4 will apply, and section 7 of this JOA will be of no force or effect. When the Real Property is no longer subject to the Bonded Indebtedness, this section 6.1.4 will be of no further force or effect whatsoever, and section 7 of this JOA will govern and control.

6.1.4.1 Property Insurance Proceeds. Upon the occurrence of any Property Loss, the Parties will promptly meet and confer, in good faith, to determine how the proceeds of the Property Insurance Policies arising from the Property Damage Claim will be allocated and used, and what notice will be given by the County under the BI Documents concerning those insurance proceeds. The AOC will have the right to meaningful participation with the County in deciding whether to restore or replace the damaged parts of the Real Property ("**Damaged Property**"). The meeting will be held, in person or by telephone, by no later than 30 days before the date that the County must give notice in accordance with the terms of the BI Documents. In no event will the insurance proceeds arising from a Property Damage Claim be allocated or used in a manner that results in a breach or default by the County under the BI Documents. The County must continue to make all payments and perform all of its obligations under the BI Documents until the Bonded Indebtedness has been fully repaid and satisfied, notwithstanding the Property Loss.

6.1.4.2 Decision Not to Restore or Replace. If, as a result of the meeting described in section 6.1.4.1 above, the Parties decide that the insurance proceeds arising from the Property Damage Claim will not be used to restore or replace the Damaged Property, and if any of the Non-Owning Party's Exclusive-Use Area is uninhabitable as a result of the Property Loss, then the Owner will compensate the Non-Owning Party for its Equity rights in the uninhabitable part of the Non-Owning Party's Exclusive-Use Area. The compensation to be paid to the Non-Owning Party will be determined in the manner described in section 5.3 of this JOA as applicable. To the extent covered by the Property Insurance Policies, the Non-Owning Party will be entitled to that portion of the proceeds from the Property Damage Claim that are directly related to compensation for the Non-Owning Party's relocation costs arising from Property Loss. If the Non-Owning Party will no longer occupy the Building due to Property Loss that the Parties decide not to restore or replace, then when the Non-Owning Party has been compensated for its Equity rights under this section 6.1.4, the Parties will terminate this JOA by signing a Termination Agreement and recording it in the County Recorder's Office.

6.1.5 No Waiver of Equity Rights. The provisions of section 6.1.4 of this JOA will not be deemed or construed to waive, diminish, release, or otherwise affect the Equity rights of either Party in respect of the Real Property.

6.2 Reporting and Processing Claims.

6.2.1 Incident Reports. The Managing Party will maintain copies of any Incident reports that it prepares for a period of five years, and at the request of the Contributing Party, the Managing Party will provide the Contributing Party with a complete copy of, or reasonable access to, those Incident reports.

6.2.2 Party Responsible for Claims. If either Party receives any demand, complaint, notice, document, or information alleging the existence or occurrence of any incident, event, circumstance, or occurrence in, on, or about the Real Property (“**Incident**”) that is or could result in any Property Damage Claim or Liability Claim (each, a “**Claim**”, and together, “**Claims**”) or an AOC Claim, or if a Party otherwise becomes aware that an Incident has occurred, that Party will make best efforts to promptly notify the other Party of that Incident. Following that notice, the Parties will work together, diligently and in good faith, to determine which of them bears responsibility for the loss or injury alleged, and whether either Party is entitled to indemnification by the other in respect of the Incident under sections 8.1 or 8.2 of this Agreement. If the Parties are not able to so agree, then they will resolve those matters under section 11 of this JOA.

6.3 Third-Party Contractor Insurance. Each Party must require each of its Contractors to (i) obtain and maintain insurance of the type and with coverage amounts that are usual and customary to the type of business or exposures related to the work being performed on the Real Property, (ii) name both Parties as additional insureds by specific endorsement to their general liability policies, (iii) provide a waiver of subrogation in favor of both Parties with respect to all property insurance policies, and (iv) provide to the Parties a 30-day notice of cancellation or material change in any insurance coverage required hereunder. Unless the Parties otherwise agree, all Contractors must indemnify, defend, and hold harmless the County Parties and the State Parties from and against all claims, demands, liabilities, damages, attorney fees, costs, expenses, and losses arising from the performance by the Contractors under their contracts, and neither Party waives any right of recovery or subrogation against the other in respect of their contractual arrangements with the Contractors.

6.4 Workers’ Compensation Coverage. Each Party will each maintain its own workers’ compensation insurance covering its own employees, and neither Party will

have any liability or responsibility for workers' compensation insurance coverage for employees of the other Party.

## **7. DAMAGE OR DESTRUCTION**

**7.1 Property Loss After Bonded Indebtedness Satisfied.** While the Real Property is subject to the Bonded Indebtedness, the terms of section 6.1.4 of this JOA govern in respect of any Property Loss, and this section 7 is of no force or effect. When the Real Property is no longer subject to the Bonded Indebtedness, this section 7 will govern and apply in respect of any Property Loss or Property Damage Claim, and section 6.1.4 of this JOA will be of no further force or effect whatsoever, except only as to any Property Loss or Property Damage Claim that occurred or commenced while the Real Property was subject to the Bonded Indebtedness.

**7.1.1 Allocation of Property Insurance Proceeds.** In the event of a Property Loss, each Party will be entitled to the proceeds payable under the Property Insurance Policies to the extent the Property Loss is attributable to its Exclusive-Use Area or its Share of the Common Area. If one or more Property Damage Claims is fully and finally resolved in an amount that exceeds the applicable amount payable under all of the Property Insurance Policies, or if any Property Loss is not covered by the Property Insurance Policies through no fault of the Owner, then if both Parties elect to restore or replace the Damaged Property, each Party will pay the amounts that exceed the coverage of the Property Insurance Policies to the extent the Property Loss is attributable to its Exclusive-Use Area or its Share of the Common Area. By way of example only, if the total amount of the Property Damage Claim is \$1,250,000, and if 40 percent is attributed to damage in the Court Exclusive-Use Area, 35 percent is attributed to damage in the County Exclusive-Use Area, and 25 percent is attributed to damage in the Common Area, and the total amount payable under the Property Insurance Policies is \$1,000,000, then the AOC would be entitled to insurance proceeds in the amount of \$400,000 (for the damage to the Court Exclusive-Use Area), the County would be entitled to insurance proceeds of \$350,000 (for damage to the County Exclusive-Use Area), and the Parties would share the remaining \$250,000 of insurance proceeds in accordance with their respective Shares. With respect to the uninsured \$250,000 portion of the Property Damage Claim, the AOC would be responsible to pay \$100,000 (40 percent of \$250,000) in respect of its Exclusive-Use Area, plus an amount equal to the AOC Share of the \$62,500 (25 percent of \$250,000) in respect of the Common Area, and the County would be responsible to pay (if both Parties elect to restore or replace the Damaged Property) the balance of the uninsured loss. The Owner will assign and deliver to the Non-Owning Party all insurance proceeds owed to the Non-Owning Party effective upon its receipt of those proceeds.

7.2 Damage or Destruction Event. If, due to Property Loss, the Real Property cannot be occupied by one or both Parties, each Party will be solely responsible to arrange for its own relocation to and occupancy of alternate space. Promptly after a Property Loss, the Parties will comply with the provisions of section 6, and as promptly as possible, but in no event later than 180 days after a Property Loss, each Party will notify the other in writing ("**Restoration Election Notice**") whether it wishes to restore or replace the Damaged Property.

7.3 Both Parties Elect to Restore or Replace. If both Parties elect to restore or replace the Damaged Property, the Parties will cooperate in good faith to restore or replace the Damaged Property, with each Party contributing the proceeds it receives as indemnity for direct physical loss or damage under the Property Insurance Policies and otherwise paying its portion of the cost to restore or replace the Damaged Property, as set forth in section 7.2, above. If the Parties restore or replace the Damaged Property in a way that results in a change to the Parties' Shares or their Equity rights, the Parties will each pay the costs and expense to restore or replace the Damaged Property according to their newly-determined Shares or Equity rights.

7.4 Only One Party Elects to Restore or Replace. If, based on the Restoration Election Notices, only one Party elects to restore or replace the Damaged Property, then within 30 days after the Parties' Restoration Election Notices are given, the Parties must meet and confer in good faith to determine how to proceed with respect to (i) the Damaged Property; (ii) the proceeds of the Property Insurance Policies, if any, to which each Party is entitled as indemnity for direct physical loss or damage under section 7.2, above, and (iii) compensation for the Equity rights of either Party in the Real Property, if applicable. If the Parties cannot agree on those matters, they will proceed as set forth in section 11 of this JOA. Until the Parties have reached a final agreement concerning how the foregoing issues will be resolved, neither Party will use any applicable insurance proceeds that are in dispute. Those insurance proceeds will only be used in accordance with the Parties' final resolution of those issues.

7.5 Neither Party Elects to Restore or Replace. If neither Party elects to restore or replace the Damaged Property, then both Parties will retain the proceeds of the Property Insurance Policies to which they are entitled under section or 7.1. If any of the Non-Ownning Party's Exclusive-Use Area is uninhabitable as a result of the Property Loss, then the Owner will compensate the Non-Ownning Party for its Equity rights in the uninhabitable part of the Non-Ownning Party's Exclusive-Use Area, determined in the manner described in section 5.3 of this JOA, except that all insurance proceeds the Non-Ownning Party has received, or will receive, as indemnity for direct physical loss or damage from final resolution of any Property Damage Claims made in respect of the

Damaged Property will be deducted from the Equity rights compensation paid by the Owner to the Non-Ownning Party for its Equity rights in the uninhabitable parts of its Exclusive-Use Area. To the extent covered by the terms of the Property Insurance Policies, the Non-Ownning Party will be entitled to that portion of the proceeds from the Property Damage Claim that is directly related to compensation for the Non-Ownning Parties' relocation costs arising from the Property Loss. If the Non-Ownning Party will no longer occupy the Building due to Property Loss that neither Party elects to restore or replace, then when the Non-Ownning Party has been compensated for its Equity rights under this section 7.5, the Parties will terminate this JOA by signing a Termination Agreement and recording it in the County Recorder's Office.

## **8. INDEMNIFICATION**

8.1 Indemnification Obligation of State Parties. The State Parties will and do indemnify, defend, and hold harmless the County Parties, with counsel reasonably acceptable to the County Parties, from and against all Indemnified Loss arising from (1) all AOC Claims, and (2) Liability Claims where and to the extent that the Liability Claims result from the willful misconduct or negligent acts, errors, or omissions of a State Party.

8.2 Indemnification Obligation of County Parties. The County Parties will and do indemnify, defend, and hold harmless the State Parties, with counsel reasonably acceptable to the State Parties, from and against all Indemnified Loss arising from Liability Claims where and to the extent that the Liability Claims result from the willful misconduct or negligent acts, errors, or omissions of a County Party.

8.3 Indemnified Party's Participation. The indemnifying Party must manage and be entirely responsible to handle and resolve all Liability Claims for which it is responsible under sections 8.1 or 8.2, as applicable. The indemnified Party may elect, but is not required, to retain its own attorney, at the indemnified Party's sole expense, to participate in the litigation, settlement negotiations, or other dispute resolution procedures for any Liability Claim as to which it is the indemnified Party. If the indemnified Party elects to retain its own attorney to participate in the litigation, settlement negotiations, or other dispute resolution procedures for a Liability Claim, the indemnifying Party will cooperate with the indemnified Party, and the attorney retained by the indemnified Party.

8.4 Effect of Indemnification Rights. The rights of a Party to be indemnified under sections 8.1 or 8.2 of this JOA cannot be deemed or construed to limit or diminish the obligation of the indemnified Party to perform its duties at Law or under any agreement between the County Parties and the State Parties. The indemnifying Party will

have no right of set off in respect of payment of any Indemnified Loss to the indemnified Party under this JOA.

## **9. CONDEMNATION**

If either Party receives written notice advising of an actual or intended condemnation of the Real Property ("**Condemnation Notice**"), that Party will immediately deliver a copy of the Condemnation Notice to the other Party. In the event of an actual condemnation, the Parties will cooperate with each other in good faith to obtain the maximum award that may be obtained from the condemning authority and to obtain separate awards. Each Party will be entitled to its Share of the condemnation proceeds.

## **10. DEFAULT NOTICE AND CURE**

Upon a Party's breach or default of any other provision of this JOA, the Parties will comply with the terms for notice of default and cure period set forth in section 10 of the Agreement, which terms are incorporated into this JOA as though fully set forth herein. Notwithstanding anything in this JOA or the Agreement to the contrary, no default or breach will be deemed to have occurred if the AOC is unable to pay any amounts due and owing under this JOA as a result of the State of California's failure to timely approve and adopt a State budget. Should the AOC fail to pay any amounts due and owing under this JOA as a result of the State of California's failure to timely approve and adopt a State budget, the AOC will promptly pay any previously due and unpaid amounts due and owing under this JOA upon approval and adoption of the State budget.

## **11. DISPUTE RESOLUTION**

In the event of a dispute between the Parties relating to performance of the Parties' obligations under this JOA, the Parties will comply with the terms for dispute resolution set forth in section 11 of the Agreement, which terms are incorporated into this JOA as though fully set forth herein.

## **12. NOTICES**

Subject to section 4.7 of this JOA, any notice or communication required to be sent to a Party under this JOA must be sent in accordance with the terms for giving of notices in section 12 of the Agreement, which terms are incorporated into this JOA as though fully set forth herein.



### 13. MISCELLANEOUS

13.1 Waivers. No waiver of any provision of this JOA will be valid unless it is in writing and signed by both Parties. Waiver by either Party at any time of a breach of this JOA cannot be deemed a waiver of or consent to a breach of the same or any other provision of this JOA. If a Party's action requires the consent or approval of the other Party, that consent or approval on one occasion cannot be deemed a consent to or approval of that action on any later occasion or a consent or approval of any other action.

13.2 Force Majeure. Neither Party is responsible for performance under this JOA to the extent performance is prevented, hindered, or delayed by fire, flood, earthquake, elements of nature, acts of God, acts of war (declared and undeclared), riots, rebellions, revolutions, or terrorism, whether foreseeable or unforeseeable.

13.3 Assignment. Neither Party may assign this JOA in whole or in part, whether by operation of law or otherwise, to any other entity, agency, or person without the prior written consent of the other Party. Even if that consent is given, any assignment made in contravention of any Law will be void and of no effect.

13.4 Binding Effect. This JOA binds the Parties and their permitted successors and assigns.

13.5 Third Parties Benefited. The Court is an intended beneficiary of all provisions of this JOA for the benefit of the AOC.

13.6 Construction. The headings used in this JOA are for convenience only and will not affect the meaning or interpretation of this JOA. The words "hereof," "herein," and "hereunder," and other words of similar import, refer to this JOA as a whole and not to any subdivision of this JOA. Both Parties have reviewed and negotiated this JOA, and this JOA will not be construed against a Party as the principal draftsman. The words "include" and "including" when used are not exclusive and mean "include, but are not limited to" and "including but not limited to," respectively.

13.7 Integration; Amendments. This JOA and the Agreement contain the entire agreement of the Parties with respect to the subject matter of this JOA, and supersede all previous communications, representations, understandings, and agreements, whether verbal, written, express, or implied, between the Parties. This JOA may be amended only by written agreement signed by both of the Parties.

13.8 Incorporation By Reference. The Attachments to this JOA are incorporated into and made a part of this JOA for all purposes, and all references to this JOA in any of the Attachments mean and include the entirety of this JOA.

13.9 Severability. If any term of this JOA is inconsistent with applicable Law, then on the request of either Party, the Parties will promptly meet and confer to determine how to amend the inconsistent term in a manner consistent with Law, but all parts of this JOA not affected by the inconsistency will remain in full force and effect.

13.10 Further Assurances. The Parties agree to cooperate reasonably and in good faith with one another to (i) implement the terms and provisions set forth in this JOA and the Act, and (ii) consummate the transactions contemplated herein, and will execute any further agreements and perform any additional acts that may be reasonably necessary to carry out the purposes and intent of this JOA and the Act.

13.11 Conflicts Between JOA and Agreement; Capitalized Terms. The Agreement supersedes and controls to the extent of any conflicts between the terms of the Agreement and this JOA. Capitalized terms used in this JOA and not otherwise defined herein will have the meanings given to them in the Agreement.

13.12 Signature Authority. The individuals signing this JOA on behalf of the AOC and the County certify that they are authorized to do so.

13.13 Acknowledgment of Future Plans. AOC acknowledges that the County intends to construct a new County office building that would require the use of the area currently occupied by the Redwood City Small Claims/Traffic Annex. AOC agrees to reasonably cooperate with the County in its efforts to develop the new County office building. Nothing herein changes either party's rights, duties or obligations pursuant to the Trial Court Facilities Act (Government Code section 70301 et. seq.) or other applicable law.

I agree to the terms of this JOA.

APPROVED AS TO FORM:

ADMINISTRATIVE OFFICE OF THE  
COURTS, OFFICE OF THE GENERAL  
COUNSEL

By: \_\_\_\_\_

**JUDICIAL COUNCIL OF CALIFORNIA,  
ADMINISTRATIVE OFFICE OF THE  
COURTS**

By: \_\_\_\_\_  
Name: Grant Walker

Name: Kenneth Levy

Title: Attorney

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_, Clerk of the Board

By: \_\_\_\_\_

Deputy

Title: Senior Manager, Business Services

Date: \_\_\_\_\_

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

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: County Manager

Date: \_\_\_\_\_

## LIST OF ATTACHMENTS

|                |   |
|----------------|---|
| Attachment "1" | Legal Description of Land   |
| Attachment "2" | Floor Plan, Site Plan of Real Property and Parking Plan   |
| Attachment "3" | Form of Equity Rights Purchase Agreement  |
| Attachment "4" | Form of Termination of Joint Occupancy Agreement  |
| Attachment "5" | Criteria for Approving County Employees and County Contractors<br>with Respect to Background Checks |

**EXHIBIT "K"**

**FORM OF MEMORANDUM OF JOINT OCCUPANCY AGREEMENT**

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

STATE OF CALIFORNIA  
c/o Judicial Council of California  
Administrative Office of the Courts  
Office of Court Construction and Management  
455 Golden Gate Avenue  
San Francisco, CA 94102  
Attn: Assistant Director, Office of Court  
Construction and Management

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**MEMORANDUM OF JOINT OCCUPANCY AGREEMENT**

THIS MEMORANDUM OF JOINT OCCUPANCY AGREEMENT  
("Memorandum") is made and entered into the \_\_\_\_ day of \_\_\_\_\_, 2008 by  
and between the County of San Mateo, whose present address is  
\_\_\_\_\_, ("County"), and the Judicial Council of  
California, Administrative Office of the Courts ("AOC"), whose present address is  
455 Golden Gate Avenue, San Francisco, CA 94102, Attention: Assistant  
Director, Office of Court Construction and Management, with respect to the  
following facts:

**RECITALS**

A. County is the fee owner of that certain real property located in the  
City of Redwood City, County of San Mateo, State of California, and having a  
street address of 400 County Center, as more particularly described on  
**Attachment 1** to this Memorandum ("**Land**"), together with the improvements  
located thereon containing the court facility commonly known as the Hall of  
Justice, and all other buildings, structures, and improvements located on and/or  
affixed to the Land (together with the Land, the "**Real Property**");

B. Under that certain Transfer Agreement For The Transfer of  
Responsibility For Court Facility between AOC and County dated as of \_\_\_\_\_,  
2008, AOC and County have entered into that certain Joint Occupancy

L-1

Court Facility #41-A-01  
Owned/Shared, TOR Only w/BI  
December 11, 2008

San Mateo - Hall of Justice - Exhibits.DOC

Agreement, dated as of \_\_\_\_\_, 2008 ("JOA"), setting forth the terms governing the Parties' respective rights and responsibilities regarding their shared possession, occupancy and use of the Real Property, as more particularly described in the JOA;

C. The JOA provides, among other things, for rights of first refusal and rights of first offer in favor of County and AOC to expand into and occupy, on a paid basis, any portion of the Real Property that County or AOC desire to vacate in accordance with Government Code § 70342(e);

D. Under the terms of the JOA, this Memorandum is to be recorded in the Official Records of County with respect to the Property for the purpose of memorializing the existence of the JOA, the terms of which inure to the benefit of, and bind, AOC, County and their respective successors and assigns. Any third-party interested in obtaining information about the Agreement may contact the parties at their above-referenced addresses.

IN WITNESS WHEREOF, this Memorandum has been executed as of the day and year first above written.

APPROVED AS TO FORM:

**JUDICIAL COUNCIL OF CALIFORNIA,  
ADMINISTRATIVE OFFICE OF THE COURTS**

ADMINISTRATIVE OFFICE OF THE  
COURTS, OFFICE OF THE  
GENERAL COUNSEL

By: \_\_\_\_\_  
Name: Kenneth Levy

By: \_\_\_\_\_  
Name: Grant Walker  
Title: Senior Manager, Business Services

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:  
\_\_\_\_\_, Clerk of the Board

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

By: \_\_\_\_\_  
Deputy

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Chair, Board of Supervisors

Date: \_\_\_\_\_

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Court Facility #41-A-01  
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December 11, 2008

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## AOC ACKNOWLEDGEMENT

[illegible]

On this \_\_\_\_\_ day of \_\_\_\_\_ in the year 200\_\_, before me, \_\_\_\_\_, a notary public in and for the State of California, personally appeared \_\_\_\_\_ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument he/she, or the entity on behalf of which he/she acted, executed the instrument.

WITNESS my hand and official seal.

NOTARY PUBLIC  
State of California

## COUNTY ACKNOWLEDGEMENT

STATE OF CALIFORNIA                   )  
  )                   SS.  
COUNTY OF                             )

On this \_\_\_\_\_ day of \_\_\_\_\_ in the year 200\_\_, before me, \_\_\_\_\_, Deputy Clerk of the Board of Supervisors, \_\_\_\_\_ County, State of California, and for said County and state, personally appeared \_\_\_\_\_ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity on behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

By: \_\_\_\_\_  
Deputy Clerk

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**ATTACHMENT 1 TO EXHIBIT "K"**  
**LEGAL DESCRIPTION OF THE PROPERTY**

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Court Facility #41-A-01  
Owned/Shared, TOR Only w/BI  
December 11, 2008

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