Scripps

LESSOR: SCRIPPS HEALTH
a California nonprofit corporation

LESSEE: CITY OF SAN DIEGO,
a California municipal corporation

Dated: April 19, 2016

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SUMMARY OF BASIC LEASE INFORMATION

The undersigned hereby agree to the following terms of this Summary of Basic Lease Information (the "Summary"). This Summary is hereby incorporated into and made a part of the attached Professional Lease ("Professional Lease") (this Summary and the Professional Lease to be known collectively as the "Lease") which pertains to the "Project" (as that term is defined in the Professional Lease) located at 4311 Third Avenue, San Diego, CA 92103. Each reference in the Professional Lease to any term of this Summary shall have the meaning as set forth in this Summary for such term. In the event of a conflict between the terms of this Summary and the Professional Lease, the terms of the Professional Lease shall prevail. Any capitalized terms used herein and not otherwise defined herein shall have the meaning as set forth in the Professional Lease.

	TERMS OF LEASE (References are to the Professional Lease)	**DESCRIPTION**
1.	Lease Date:	April 19, 2016
2.	Lessor:	SCRIPPS HEALTH, a California nonprofit corporation
3.	Address of Lessor:	c/o Scripps Health Real Estate Department 10140 Campus Point Drive, AX210 San Diego, California 92121-1513 Attention: Susan St. John
4.	Lessee:	City of San Diego, a California municipal corporation
5.	Address of Lessee:	San Diego Fire - Rescue 1010 Second Avenue, Suite 400 San Diego, California 92101 Attention: Assistant Chief of Support Services
6.	Building; Premises (Article 1):	
	6.1 Project:	41,973 rentable square feet of building space.
	6.2 Premises:	West Wing of Building consisting of 8,526 rentable square feet of space located on the First floor of the Project as set forth in Exhibit A attached hereto.
7.	Term (Article 2):	
	7.1 Lease Term:	Thirty (30) months.

7.2 Lease Commencement Date: The lease Term shall commence the later of June 1, 2016 or substantial completion of Tenant improvements as confirmed in a Commencement Letter signed by both Lessee and Lessor.

7.3 Lease Expiration Date: 30 Months following Lease Commencement

8. Base Rent (Article 3):

Lease Term:	Annualized Base Rent:	Monthly Installment of Base Rent:	Rental Rate per Rentable Square Foot:
MOS 1-12	$153,468	$12,789.00	$1.50
MOS 13-24	$ 159,606.72	$13,300.56	$1.56
MOS 25-30	$ 165,990.99	$13,832.58	$1.62

9. Additional Rent: Operating Expenses of $1,705.20 per month commencing at Lease commencement, with annual Four (4%) percent increases.

10. Security Deposit (Article 3.6): $ None Required

11. Use (Article 4): Fire Station Five Living Quarters Twenty four hours a day, Seven days per week.

12. Parking (Article 24 & Exhibit "D"): Lessee is entitled to the exclusive use and access of the parking area adjacent to the Premises noted in the attached Exhibit D.

13. Tenant Improvements (Exhibit "C"): Attached.

13. Option to Extend (Exhibit "E"): One, 6 Month Option to Extend.

DocuSign Envelope ID: 026E086D-3781-47D2-9DEB-3FCDE459C0BA

Professional Office Lease Index

Section	Description
15	Abandonment
6	Alteration & Additions
14	Assignment & Subletting
20	Assignment by Lessor
17	Attorney's Fees
10	Care of Office
19	Condemnation
5	Condition & Improvement
27	Death and Disability
16	Default
1	Description of Office
18	Destruction
29	Entire Agreement
33	Examination
Exh A	Floor Plan
35	Governing Law
38	Guarantee
23	Hazardous Substances
25	Holding Over
8	Indemnification
9	Insurance
31	Light/Air
21	Mortgage Protection
37	Notices
Exh C	Office Improvement Contract
11	Operating Costs & Property Taxes
Exh D	Option to Extend
24	Parking
14	Recapture of Sublease Profits
34	Recording
39	Release of Information
26	Relocation Right
3	Rent
13	Rights Reserved by Lessor
Exh B	Rules & Regulations
20	Sale of Premises
3	Security Deposit
36	Separability
12	Signage
22	Statement of Status
28	Successors
2	Term
30	Terms and Headings
32	Time of the Essence
4	Use
7	Utilities & Services

DocuSign Envelope ID: 026E086D-3781-47D2-9DEB-3FCDE459C0BA

EXHIBITS

A. PHOTO MAP OF BUILDING OCCUPIED

B. RULES AND REGULATIONS

C. WORK LETTER – EXHIBIT C

D. SITE MAP for PARKING – EXHIBIT D

E. OPTION TO EXTEND

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PROFESSIONAL LEASE

This Professional Lease ("Lease") is made and entered into as of this day, April 19, 2016 between **SCRIPPS HEALTH a California nonprofit corporation,** ("Lessor") and **City of San Diego, a California municipal corporation,** ("Lessee") and is effective upon execution by Authorized representatives of both parties and approval of the San Diego City Attorney.

1. DESCRIPTION OF OFFICE

1.1 Description. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor, pursuant to the terms, covenants, conditions and uses herein set forth, approximately 8,526 square feet of net rentable floor area known as the West Wing of Hospice Center (Premises) of the Building located at 4311 Third Avenue, San Diego, California 92103. The Premises is more particularly described in the floor plan set forth in Exhibit "A" attached hereto. Lessor reserves, however, the use of the exterior walls and the right to install, maintain, use, repair and replace pipes, ducts, conduits, and wires throughout the Premises in locations which will not materially interfere with Lessee's use and enjoyment thereof.

2. TERM

2.1 Commencement and Expiration. The term of this lease shall be for Thirty (30) months. Subject to the provisions of Section 2.3, Term shall commence the later of June 1, 2016 or upon substantial completion of Tenant improvements ("Commencement Date"). Subject to earlier termination as provided elsewhere in this Lease, the date on which the Term shall expire is November 30, 2018 ("Expiration Date") unless noted otherwise in the Lease Commencement Letter.

2.2 Occupancy Date. Lessee shall take occupancy of the Premises no earlier than the Commencement Date, but if Lessor permits use of the Premises (other than the limited use permitted under Section 5.2) before the Commencement Date, then all of the terms and conditions of this Lease shall apply from said date of earlier use, including payment of Monthly Base Rent appropriately prorated.

2.3 Delayed Commencement. In the event the Premises is not available for use by Lessee on the Commencement Date regardless of the reason therefor, including, but not limited to, failure of a prior Lessee, if any, to vacate the Premises at the expiration or termination of its lease, failure of Lessor to complete Lessor's Improvement Work, if any, described in Exhibit "C" attached to this Lease, or for any other reason or circumstance whatsoever, then, and in such event:

(a) Lessor shall have no liability whatsoever for damages caused by, or other claims or losses related to, such unavailability of the Premises, and the validity and enforceability of this Lease shall be unaffected thereby

except as expressly provided below in this Section 2.3;

(b) The Commencement Date, and thus the beginning of the Term, shall be delayed until such date as the Premises becomes available for use by Lessee; provided that, if such delay exceeds ninety (90) days, then Lessee and Lessor shall each have the right, exercised by written notice, provided to the other party, not more than thirty (30) days after expiration of said ninety (90) days, to terminate this lease, and upon such termination, Lessor shall refund to Tenant the Security Deposit and any advance payment of Monthly Base Rent previously paid by Lessee, and Lessor and Lessee shall have no further obligation to each other; or by mutual consent, extend the commencement date to a new and mutually agreeable date certain.

(c) The Expiration Date shall not be extended by reason of any such delay in availability of the Premises for use by Lessee unless expressly agreed to in writing and signed by the parties hereto.

3. **RENT**

3.1 Monthly Base Rent. Lessee agrees to pay to Lessor, without deduction, offset, prior written notice or written demand, in advance, on the first (1st) day of each and every calendar month during the Term, and Lessor shall accept, subject to adjustments as provided in Section 3.3, and subject to proration as provided in Section 3.4, for the use and occupancy of the Premises, the initial sum **of Twelve Thousand Seven Hundred and Eighty Nine and no/100 Dollars ($12,789.00)** per month ("Monthly Base Rent"). All monthly rent and other charges shall be remitted to:

Scripps Real Estate Department
P.O. Box 60047
Los Angeles, CA 90060-0047

3.2 Advance Payment of First Monthly Base Rent. Notwithstanding the provisions of Section 3.1, Lessee agrees to pay to Lessor, concurrently with the commencement of this Lease, an amount equal to the first Monthly Base Rent to become due under Section 3.1, which amount Lessor shall credit to Lessee's obligation to pay said first Monthly Base Rent when the Term commences, if on the first day of the month, otherwise Lessee shall initially pay the prorated amount identified in Section 3.4 hereof.

3.3 Adjustment to Monthly Base Rent. The Monthly Base Rent shall be adjusted annually on every first (1st) day of the anniversary of the lease commencement (hereafter "Adjustment Date"). On each Adjustment Date, the Monthly Base Rent shall increase by an amount equal to **four percent (4%) of the Monthly Base Rent** that is in effect during the month prior to the Adjustment Date. Each time the Monthly Base Rent is so adjusted; the adjusted monthly base rent shall become the new Monthly Base Rent for the purposes of calculations.

3.4 Proration of Monthly Base Rent. If the Commencement Date is not on the first (1st) day of a calendar month, Lessee agrees to pay Lessor, on the Commencement Date, the prorated amount at a rate of 1/30 of the monthly base rent and operating expenses per day from the Commencement Date to the last day of the calendar month in which the Commencement Date occurs. If the Expiration Date is not the last day of a calendar month, then the last payment

of Monthly Base Rent shall be reduced to the amount at a rate of 1/30 of the monthly base rent and operating expenses per day for the number of days within the Term that are within the calendar month in which the Expiration date occurs.

3.5 Charge on Arrearages – Late Fees. Lessor may require Lessee to pay late fees on any Monthly Base Rent and Operating Expense not paid within five (5) calendar days following the date when due and on all other amounts becoming due to Lessor under this Lease, whether or not such amounts constitute Rent, which late fee shall accrue from the date the Monthly Base Rent or other amount becomes due and continue accruing until the Monthly Base Rent or other amounts are paid in full. Accordingly, if any Monthly Rent or Operating Expense due from Lessee is not received by Lessor or Lessor's designee within five (5) days after the due date, then Lessee shall pay to Lessor a late charge for each delinquent payment equal to the greater of two and one half percent (2 ½%) of that delinquent payment or One Hundred Dollars ($100.00). The payment of any late charge shall not cure any default by Tenant under this Lease. Lessor may apply all payments received under this Lease first to any late fees accrued and second to delinquent Monthly Base Rent and other monetary obligations.

3.6 Security Deposit. $0.00.

4. **USE**

4.1 Staff Membership. Intentionally Deleted.

4.2 Permitted Use. Fire Station use and living quarters for Fire Station personnel 24/7 (twenty four hours a day, seven days per week) and any incidental uses, thereto.

4.3 Insurance Use Requirements. Lessee will not allow the Premises to be used in any way which would affect the fire or other insurance upon the Building in excess of the agreed upon use, or which conflicts with any law or regulation affecting the Building, or which obstructs or interferes with the right of other tenants of the Building. In the event that Lessee's use increases the existing rate of insurance upon the Building or causes the cancellation of a policy of insurance, Lessor may in its sole discretion charge Lessee, as additional rent, the additional cost of insurance.

4.5 Regulations. Lessee shall comply with all nondiscriminatory rules and regulations that may from time to time be adopted by Lessor with respect to the Building. Rules and Regulations adopted as of the date of this Lease are attached hereto and designated as Exhibit "B". Lessor may, in its sole discretion, reasonably amend such Rules and Regulations by written notice, which shall be delivered to Lessee. Lessor shall not be liable to Lessee for the failure of any person to comply with the Rules and Regulations attached hereto or hereafter imposed by Lessor.

5. **CONDITION AND IMPROVEMENT OF OFFICE**

5.1 Condition of Premises. Except, as otherwise provided in this Lease and except for completion of Lessor's Improvement Work, if any, Lessee accepts the Premises in its present condition "as is". Lessee acknowledges that Lessee has visibly inspected the Premises and the Building. Lessor has not agreed to make any alterations or improvements to the Premises except to Lessor's Improvement Work, if any, described in Exhibit "C" attached to this Lease. Lessor represents that to the best of its knowledge all building systems and components, at the time of occupancy,

are or will be in good working order including air balancing, Lessor shall further ensure that all systems, electrical, plumbing, lighting, HVAC, doors and door hardware are in good working order throughout the Lease Term and extension and repair or replace as needed unless caused by the gross negligence of Lessee.

5.2 Lessor's Improvement Work. Lessor agrees to construct and install in the Premises, certain improvements, if any, described in Exhibit "C" attached to this Lease ("Lessor's Improvement Work"). Lessor agrees to use its commercially reasonable efforts to complete Lessor's Improvement Work before the Commencement Date, utilizing for that purpose whatever employees, agents, contractors, and equipment and material suppliers as Lessor may deem appropriate. Lessor shall have no liability whatsoever by reason of any failure to complete Lessor's Improvement Work before the Commencement Date. Lessor's Improvement Work shall be deemed completed, for all purposes of this Lease, when it is substantially completed, subject to any checklist or pickup list prepared by Lessor or Lessee or both respecting miscellaneous or minor defects or deficiencies that do not unreasonably interfere with Lessee's intended use and/or occupation of the premises.

5.3 Lessee's Improvement Work. Lessee shall be solely responsible for construction and installation, at Lessee's sole cost and expense, of all improvements that are necessary or appropriate to make the Premises suitable for occupancy and use by Lessee that are not a part of Lessor's Improvement Work, as described in Exhibit "C" attached to this Lease ("Lessee's Improvement Work"). Lessor agrees that Lessee and Lessee's employees, agents, and contractors may enter upon the Premises before the Commencement Date for the sole purpose of doing Lessee's Improvement Work; provided that such entry shall be as licensee of Lessor, with Lessor reserving the right and power to terminate such right of entry at any time if Lessor, in its sole discretion, determines that Lessee or any of its employees, agents, or contractors have caused or are causing any interference with, or delay in the completion of the construction and installation of Lessor's Improvement Work. If Lessee elects to enter upon the Premises before the Commencement Date, as provided in this Section 5.3 such entry shall be subject to all of the terms and conditions of this Lease, including but not limited to, insurance requirements and indemnity provisions, the same as if the Term had commenced, except that the Lessee shall have no obligation to pay monthly Base Rent or Lessee's Proportionate Share of Property Taxes or Operating Costs until the Commencement Date. Any improvement work undertaken by Lessee shall be subject to the provisions of Section 6 below.

6. ALTERATION AND ADDITIONS

6.1 Consent Required. Lessee shall not make any alterations, improvements or additions to the Premises without obtaining the prior written consent of the Lessor, such consent not to be unreasonably withheld. Without limitation as to what constitutes the reasonable withholding of consent, the withholding of Lessor's consent shall not be deemed unreasonable where Lessee's proposed alterations, improvements or additions would result in the need for Lessor to further improve or update the Premises, Premises, Building, or surrounding area. For example, if the scope of such alterations required a building permit which in turn triggered an obligation under the Americans with Disabilities Act requiring Lessor to update the Building or any part thereof. Lessor's consent may be conditioned upon any conditions Lessor deems appropriate including but not limited to Lessee's removing any such additions, alterations, or improvements upon the expiration or termination of this Lease and restoring the Premises to the same condition as on the date Lessee took possession Lessor acknowledges and consents to the following alterations and addition required by Tenant. A) Lessee to add a temporary structure and electrical station in parking lot to house its fire apparatus, ie: fire

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trucks, B) Lessee to add concrete pad or equivalent parking pad for fire apparatus, C) Lessee may remove existing trellis structure at parking lot entrance D) Lessee may create/path from existing facility/premises to parking lot where fire apparatus housed which may require a grade change. All work with respect to any addition, alteration, or improvement shall be done in a good and workmanlike manner by properly qualified and licensed personnel approved by Lessor. Lessor may, at Lessor's option, require that any such work be performed by contractor acceptable to Lessor. Lessee's work under Section 6.1 shall not require a Bond.

6.2 Payment of Costs. Lessee shall pay the costs of any work done on the Premises pursuant to Section 6.1 and shall keep the Premises and the Building free and clear of lien of any kind that could arise therefrom. Lessee shall indemnify and defend Lessor against, and keep Lessor free and harmless from, any and all liability, loss, damage, cost, expense, claim, and attorney's fees incurred on account of any claim by any person performing work or furnishing materials or supplies for Lessee or any person claiming under Lessee. Before the actual commencement of any work for which any such claim or lien could be asserted, Lessee shall give Lessor written notice of the intended commencement date sufficiently before that date to enable Lessor to post notices of non-responsibility or any other notices which Lessor deems necessary for the proper protection of Lessor's interest in the Premises and the Building. Lessor shall have the right to enter the Premises and post such notices at any reasonable time.

6.3 Bonds. Lessor may require, at Lessor's sole option, that Lessee provide to Lessor, at Lessee's expense, a lien and completion bond in an amount equal to at least one and one-half (1-1/2) times the total estimated cost of any additions, alterations, or improvements to be made in or to the Premises, to protect the Lessor against any liability for mechanics' and materialmens' liens, and to insure timely completion of the work. Nothing contained in this Section 6.3 shall relieve Lessee of its obligation under Section 6.2 to keep the Premises and the Building free of all liens.

6.4 Removal of Improvements. Unless their removal is required by Lessor as provided in Section 6.1, all additions, alterations, and improvements made to the Premises shall become the property of Lessor and be surrendered with the Premises upon the expiration or termination of this Lease, provided that Lessee's personal property and trade fixtures that can be removed without damage to the Premises shall remain the property of Lessee and may be removed. Lessee shall promptly repair any damage to the Premises or to the Building resulting from such removal.

6.5 Lessor's Right to Remodel Building. Lessor shall have the right, at any time, to remodel, expand, change or refurbish all or any part of the Building, Common Areas or the surrounding property, including the right (but not the obligation) to enclose or otherwise cover all or part of the Common Areas, to landscape or re-landscape portions of the Building or Common Areas, to reconstruct or remodel or refurbish any portion of the exterior of the Building, and/or to change, modify or alter parking, access or other traffic matters. In connection with the exercise of Lessor's rights as set forth in this Section 6.5, Lessor, its agents and employees, shall have the right of reasonable entry and to conduct work within the Premises. Lessee hereby releases Lessor from any and all liability arising from (i) any interference or diminution in access to the Premises; (ii) noise or dust resulting from Lessor's work; and (iii) reduction or limitation of available parking spaces for Lessees' employee's and invitees, so long as such activity does not unreasonably interfere with the operation of Lessee's business. This Lease is not intended to nor shall it confer upon Lessee any view corridors. The obstruction of Lessee's view, air or light by any structure erected in the vicinity of the Building, whether by Lessor or third parties, shall not in any way affect this Lease or impose any liability upon Lessor, nor shall Lessor be liable for interference with any other incorporeal hereditament so long as it does not interfere with

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Tenants use.

7. UTILITIES AND SERVICES

7.1 Provided Utilities. Lessor shall furnish 24/7 (twenty four hours a day seven days a week), and subject to interruption for repairs and maintenance, or causes not within control of Lessor, electricity, water, trash service and all utilities and, if applicable, natural gas suitable for the intended use of the Premises, heating and air conditioning

7.2 Additional Services. Lessee shall pay for any other utilities and services requested by Lessee to be rendered to the Premises.

8. INDEMNIFICATION

8.1 Indemnity and Defense. Lessee agrees to indemnify Lessor and to hold Lessor free and harmless from and against any and all liabilities, costs, expenses, damages, claims, and losses of every kind and nature whatsoever arising out of or related to: (a) Lessee's use and occupancy of the Premises, or any work, activity, or other thing allowed or suffered by Lessee to be done in, on, or about the Premises; or (b) any breach or default by Lessee under this Lease or of any obligations of Lessee imposed by law; or (c) any negligent or otherwise tortious act or omission of Lessee, its agents, employees, invitees, or contractors. The foregoing indemnity includes, but is not limited to, injuries, death, and property damage suffered by Lessee's employees. Lessee shall, at Lessee's sole cost and expense, and by legal counsel satisfactory to Lessor, defend Lessor in any action or proceeding arising from any such matter and shall indemnify Lessor and hold Lessor free and harmless from and against all costs, attorney's fees, expert witness fees, and any other expenses incurred in such action or proceeding. As a material part of this consideration for Lessor's execution of this Lease, Lessee hereby assumes all risk of damage or injury to any such person or property in, on, or about the Premises from any cause.

8.2 Exculpation. Lessor shall not be liable for injury or damage that may be sustained by the person or property of the Lessee, its employees, invitees, or customers, or any other person in or about the Premises, caused by or resulting from fire, steam, electricity, gas, water, or rain or from the breakage, leakage, obstruction, or other defects of pipes, sprinklers, wire, appliances, plumbing, air conditioning, or lighting fixtures, whether such damage or injury results from conditions arising upon the Premises or upon other portions of the Building or from other sources. Lessor shall not be liable for any damages arising from any act or omission of any other tenant of the Building.

8.3 The indemnity defense and exculpation obligations of sections 8.1 and 8.2 shall not apply to liabilities arising out of the willful misconduct (or other conduct not generally insurable) of Lessor or its employees or agents.

9. INSURANCE

9.1 Liability Insurance – Lessee. Lessee shall, at Lessee's expense, obtain and keep in force during the term of this Lease a policy of Commercial General Liability Insurance and automobile insurance protecting Lessee, and Lessor as an additional insured, against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant

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thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than $1,000,000.00 per occurrence with an annual aggregate of not less than $3,000,000.00, an "Additional Insured-Managers or Lessors of Premises Endorsement" and contain the "Amendment of the Pollution Exclusion Endorsement" for damage caused by heat, smoke or fumes from a fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "Insured contract" for the performance of Lessee's indemnity obligations under this Lease. Compliance with the above requirement shall not, however, limit the liability of Lessee hereunder. Notwithstanding the foregoing Lessee shall not be required to obtain Insurance Certificates under this Lease as Lessee is Self-Insured.

9.2 Landlord Has Right to Place Coverage: Lessee agrees that if Lessee does not procure and maintain such insurance continuously, Lessor may (but shall not be required to) procure such insurance on Lessee's behalf and Lessee shall pay to Lessor the cost thereof, as Additional Rent, within fifteen (15) days of Lessee's receipt of a bill therefor.

9.3 Liability Insurance – Lessor. Lessor shall obtain and keep in force during the term of this Lease a policy of Combined Single Limit Bodily Injury and Broad Form Property Damage Insurance, or have equivalent self-insurance, plus coverage against such other risks Lessor deems advisable from time to time, insuring Lessor, but not Lessee, against liability arising out of the ownership, use, occupancy or maintenance of the Premises, in an amount not less than $1,000,000.00 per occurrence.

9.4 Property Insurance – Lessor. Lessor shall obtain and keep in force during the term of this Lease a policy or policies of insurance, or equivalent self-insurance, covering loss or damage to the Premises, but not to Lessee's personal property, fixtures, equipment, utility installations, Lessor's Improvement Work or Lessee's Improvement Work, in the amount of the full replacement cost thereof, as the same may exist from time to time, utilizing Insurance Services Premises standard form, or equivalent, providing protection against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, plate glass, and such other perils as Lessor deems advisable or may be required by a lender having a lien on the Premises. In addition, Lessor shall obtain and keep in force during the term of this Lease a policy of rental value insurance covering a period of one year, with loss payable to Lessor, which insurance shall also cover all Operating Expenses for said period. Lessee will not be named in any such policies carried by Lessor and shall have no right to any proceeds therefrom. The policies required by these Paragraphs 9.2 and 9.4 shall contain such deductibles as Lessor or the aforesaid lender may determine. In the event that the Premises shall suffer damage or destruction which was caused by an event required to be covered by the insurance described in this Paragraph 9 (an "Insured Loss"), the deductible amounts under the applicable insurance policies shall be deemed an Operating Expense. Lessee shall not do or permit to be done anything which shall invalidate the insurance policies carried by Lessor. Lessee shall pay the entirety of any increase in the property insurance premium for the Premises over what it was immediately prior to the commencement of the term of this Lease if the increase is specified by Lessor's insurance carrier as being caused by the nature of Lessee's occupancy or any act or omission of Lessee.

9.5 Insurance Policies. Insurance required herein shall be by companies duly licensed or admitted to transact business in the state where the Premises is located, and maintaining during the policy term a General Policyholders Rating of at least "A-", as set forth in the most current issue of "Best's Insurance Guide", or such

other rating as may be required by a Lender. Lessee shall deliver to Lessor copies of liability and property insurance policies required under Paragraphs 9.1 and 9.3, or certificates evidencing the existence and amounts of such insurance, within seven (7) days after the Commencement Date of this Lease. No such policy shall be cancelable or subject to reduction of coverage or other modification except after thirty (30) days prior written notice to Lessor. Lessee shall, at least thirty (30) days prior to the expiration of such policies, furnish Lessor with renewals thereof.

9.6 Waiver of Subrogation. Lessee and Lessor each hereby release and relieve the other, and waive their entire right of recovery against the other, for direct or consequential loss or damage arising out of or incident to the perils covered by property insurance carried by such party, whether due to the negligence of Lessor or Lessee or their agents, employees, contractors and/or invitees. If necessary all property insurance policies required under this Lease will be endorsed to so provide.

9.7 No Representation of Adequate Coverage. Lessor makes no representation that the limits or forms of coverage of insurance specified in this paragraph 9 are adequate to cover Lessee's property or obligations under this Lease.

10. CARE OF PREMISES

10.1 Lessee's Obligation. Except for the obligations of Lessor under Section 10.2, and except for the provisions of Article 18, Lessee shall keep the Premises in good condition and repair; including replacements as needed, and shall not commit or permit any waste upon the Premises. If Lessee fails to keep the Premises in reasonable repair, Lessor may at Lessor's option, enter the Premises in order to keep the Premises in good condition and repair, and Lessee shall immediately pay to Lessor the cost thereof.

10.2 Lessor's Obligation. Subject to the provisions of Articles 11 and 18, Lessor shall maintain the roof, exterior walls, elevators, structural components (which includes the HVAC system) electrical systems, plumbing, lighting, doors, door hardware, and common areas of the Building in good condition and repair, and shall replace building standard light bulbs in building standard fixtures installed by Lessor. Unless caused by Lessee's gross negligence, Lessor shall be responsible at its sole cost for any repairs and costs regarding the Premises, common areas, etc.

10.3 Nuisance. Lessee shall not commit or permit any nuisance or other act, which may disturb the quiet enjoyment of other occupants of the Building. Lessor acknowledges that Lessee will test equipment from time to time and such testing will emit noises. Lessor agrees that noises caused by equipment testing is permitted. If a testing of equipment could make an abnormal sound, then Lessee agrees to notify other occupants of the building prior to said testing.

10.4 Lessee's Cable and Telecom Lines. Lessee hereby agrees to keep all of Lessee's cable and telecommunication lines in good working order, repair and condition during the term of the Lease. Lessee shall at all times comply with all federal, state and municipal laws, orders, rules and regulations pertaining to the installation and operation of cable and telecommunication lines.

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11. OPERATING COSTS AND PROPERTY TAXES

11.1 Increased Costs and Taxes. Intentionally Deleted.

11.2 Lessor shall charge a ten (10%) administration fee in addition to the hourly rate of maintenance personnel, for any and all maintenance requests by Lessee that are not part of the Operating Costs noted above but are requested by Lessee as a part of Lessee's Premises. This may include hanging pictures, moving furniture, or other minor suite repairs that are not part of Operating Costs for the Building. Notwithstanding, Lessee shall be notified in advance of any maintenance personnel items which may be subject to the fee.

12. SIGNS

12.1 Uniformity. Lessee recognizes that Lessor will maintain uniform signage, which includes suite signage and a directory system for the Building. Accordingly, Lessee will not remove the Building standard signage or replace it with advertisements, signs or notices without the written consent of Lessor. No markings may be placed in the Premises, which may be seen from outside the Building.

12.2 Consent. Lessee shall not, without Lessor's written consent, install any lighting, amplifiers or similar devices in or around the Premises, which may be heard or seen outside the Premises at any time.

12.3 Restrictions. Lessee shall not; without Lessor's written consent, distribute any handbills or other advertising matter in the Building or about the facility.

13. RIGHTS RESERVED BY LESSOR

13.1 Reserved Rights. Lessor reserves the following rights, exercisable without liability to Lessee for damage or injury to property, person, or business, for actual or constructive eviction of Lessee from the Premises, or for disturbing Lessee's use or possession of the Premises: (a) to name the Building and to change the name or street address of the Building; (b) to install and maintain all signs on the exterior and interior of the Building (s); (c) to have pass keys to the Premises and all doors within the Premises, excluding Lessee's vaults and safes; (d) at any time during the Term, and on reasonable prior notice to Lessee, to inspect the Premises, and to show the Premises to any prospective purchaser or encumbrancer of the Building or to others having or expecting to acquire an interest in the Building or any part thereof or in Lessor, and (e) during the last six (6) months of the Term, to show the Premises to prospective Lessees thereof and for the purpose of making inspections, repairs, alterations, additions, or improvements to the Premises or the Building (including without limitation, checking, calibrating, adjusting, or balancing controls and other parts of the HVAC system), and to take all steps as may be necessary or desirable for the safety, protection, or preservation of the Premises or the Building or Lessor's interest therein, or as may be necessary to or desirable for the operation or improvement of the Building or to comply with laws, orders, or requirements of governmental or other authority. Lessor agrees to use its best efforts (except in an emergency) to minimize interference with Lessee's business in the Premises in the course of any such entry and provide 24 hours' notice.

13.2 Name Usage. Lessor hereby expressly reserves its name and/or likeness from unauthorized use by Lessee. Lessee agrees to not use a representation (photographic or otherwise) of the Building, Campus or Hospital, or Lessor's business or facility name, in any manner, whether in conjunction with Lessee's occupancy, permitted use as provided in Section 4.3 hereof, or include Lessor's name or likeness in any advertising of Lessee, without Lessor's prior written consent. Lessor reserves the right to withhold consent to usage of its name without an expressed reason therefor.

14. ASSIGNMENT AND SUBLETTING

14.1 Restrictions. Lessee may not assign this Lease or any interest therein and may not sublet the Premises except as provided in this Article 14.

14.2 Consent. Lessee may assign this Lease or any interest therein, or may sublet the Premises, to an assignee or sub-lessee that meets the same standards and same use as required of Lessee as a tenant, including but not limited to those set forth in Section 4 of this Lease, if Lessor has given its written consent to that assignment or sub-lease. Lessor's consent will not be unreasonably withheld.

14.3 Approval Process. If, at any time, or from time to time, during the Initial Term or Term of the Option, Lessee desires to assign this Lease or sublet all or any part of the Premises, Lessee shall give written notice to Lessor setting forth the terms and conditions of the proposed assignment or sub-lease and the identity and medical specialty or specialties of the proposed assignee or sub-lessee. Lessee shall promptly supply Lessor with such information concerning the business background and financial condition of such proposed assignee or sub-lessee as Lessor may reasonably request. Lessee may assign this Lease or sublet such space to such proposed assignee or sub-lessee on the following further conditions: (a) Lessor shall have the right to approve such proposed assignee or sub-lessee, which approval shall not be unreasonably withheld; (b) the proposed assignee or sub-lessee practices the same medical specialty or specialties as Lessee, or, in the event that the proposed assignee or sub-lessee does not practice the same medical specialty or specialties, Lessor determines within its discretion reasonably exercised, that the proposed medical specialty or specialties of the assignee or sub-lessee is or may be compatible with the Lessor's goals of maintaining a reasonable mix of medical specialties in the Building; provided that Lessor may delegate such determination to a Tenants' Advisory Committee consisting of representatives of Lessor's Administration, Medical Staff and Lessees in the Building; (c) the proposed assignment of sublease will not violate the use restrictions contained in paragraph 4.3 of this Lease; (d) the assignment or sub-lease shall be on the same terms and conditions set forth in the notice given to the Lessor; (e) no assignment or sub-lease shall be valid, and no assignee or sub-lessee shall take possession of the Premises, unless or until the Lessor gives written notice of approval which LESSOR's approval shall be no longer than 30 days following LESSEE'S submittal to LESSOR; (f) no assignee or sub-lessee shall have further right to assign or sublet except on the terms herein contained; and (g) the assignee or sub-lessee must be on the staff of a Scripps facility.

14.4 Rent Acceptance. The acceptance of rent from any other person shall not be deemed a waiver by Lessor of any provision of this Lease or in any way be construed as consent to any assignment or subletting.

14.5 Fees. *Lessor shall charge an administrative fee of $750.00 for each Assignment and $250.00 for each Sublease, with such fees paid to Lessor upon Lessor's acceptance of Assignment and or Sub-lessee.* In the event that professional legal services are required to accomplish the subletting or assignment of this Lease, the Lessee shall pay

for the reasonable costs of legal services incurred by the Lessor with respect to any such subletting or assignment.

14.6 Recapture of Sublease Profits. If Lessor consents to any assignment or sublease of the Premises, as a condition of Lessor's consent, Lessee shall pay to Lessor fifty percent (50%) of all Sublease Profits (as defined below) derived by Lessee from such assignment or sublease. "Sublease Profits" shall mean the entire excess (after deducting all reasonable costs of subletting) of revenues generated by the assignment of this Lease or the subleasing of the Premises over the Rent applicable thereto. All such revenues shall be applied first to reimbursement of such costs of subletting or assigning until they are paid in full. Lessee shall furnish Lessor with a statement certified by an officer of Lessee setting forth in detail the computation of Sublease Profits, and Lessor shall be given access to the books, records and papers of Lessee in relation thereto, and to make copies thereof. Sublease Profits shall be paid to Lessor promptly by Lessee upon Lessee's receipt from time to time of periodic payments from such assignee or subtenant or at such other time as Lessee shall realize Sublease Profits from such assignment or sublease. If such sublease or assignment is part of a larger transaction in which other assets of Lessee are being transferred, the consideration for the assignment or sublease shall be a reasonable allocation of the total value received minus a reasonable allocation of the total expenses incurred in connection with such transaction. Lessor shall have the right, but not the obligation, to audit Lessee's books and records to ensure compliance with this section.

15. ABANDONMENT; DISPOSAL OF PERSONAL PROPERTY

15.1 Abandonment. Lessee shall not vacate or abandon the Premises for a period greater than sixty (60) days at any time during the term of this Lease. If Lessee does abandon, vacate or surrender the Premises, or is dispossessed by process of law, or otherwise, or at the termination of this Lease, any personal property belonging to Lessee and left on the Premises shall be deemed abandoned, at the option of Lessor.

15.2 Disposal of Personal Property. If Lessor deems personal property abandoned in accordance with Section 15.1 above, Lessor may dispose of said personal property in any manner and is hereby relieved of all liability for doing so. At Lessor's option, Lessor may have the personal property removed and stored, and Lessee hereby agrees to pay any reasonable costs associated therewith. After a period of twenty-one (21) calendar days, Lessor has the option to purchase all personal property left in the Premises or common areas of the Building for a total sum of Two Hundred and Fifty Dollars ($250.00), which sum shall be applied against any outstanding rent or other sums due from Lessee to Lessor. Lessor shall then own the property outright and Lessee shall have no further interest or rights with respect to the property. No notice shall be required in connection with the provisions of this paragraph, and no bill of sale need be executed by Lessee or Lessor.

15.3 Medical Records. Intentionally Deleted.

16. DEFAULT

16.1 Lessee's Default. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Lessee: (a) if Lessee abandons or vacates the Premises as described in Section 15.1 above; or (b) if Lessee fails to timely pay any Rent or any other charges required to be paid by Lessee under this Lease; or (c) if Lessee fails to perform promptly and fully any other covenant, condition, or agreements contained in this Lease and

such failure continues for thirty (30) days after written notice thereof from Lessor to Lessee; or (d) if Lessee makes a general assignment for the benefit of creditors or provides for an arrangement, composition, extension, or adjustment with its creditors; or (e) if Lessee files a voluntary petition for relief, or if a petition against Lessee in a proceeding under the federal bankruptcy laws or other insolvency laws is filed and not withdrawn or dismissed within sixty (60) days thereafter, or if under the provisions of any law providing for reorganization or winding up of corporations any court of competent jurisdiction assumes jurisdiction, custody, or control of Lessee or any substantial part of its property and such jurisdiction, custody, or control remains in force unrelinquished, unstayed, or unterminated for a period of sixty (60) days; or (f) if, in any proceeding or action in which Lessee is a party, a trustee, receiver, agent, or custodian is appointed to take charge of the Premises or any of Lessee's property (or has the authority to do so) for the purpose of enforcing a lien against the Premises or Lessee's property.

16.2 Remedies. In the event of Lessee's default hereunder, then in addition to all other rights or remedies available to Lessor, Lessor shall have the right, at Lessor's option, to do the following: (a) terminate this lease and Lessee's right to possession of the Premises and reenter the Premises and take possession thereof, and Lessee shall have no further claim to the Premises under this Lease; or (b) continue this Lease in effect and collect Rent or other charges that have or thereafter become due and payable; or (c) elect the remedy set forth in subpart (b) of this section 16.2, and thereafter elect to terminate this Lease and Lessee's right to possession of the Premises under subpart (a) of this Section 16.2.

16.3 Damages. Should Lessor elect to terminate this Lease under the provisions of section 16.2, Lessor may recover as damages from Lessee the following: (a) the worth at the time of the award of any unpaid Rent which has been earned at the time of termination; plus (b) the worth at the time of the award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Lessee proves could have been reasonably avoided; plus (c) the worth at the time of the award of the amount by which the unpaid Rent for the balance of the Term after the time of the award exceeds the amount of the rental loss that Lessee proves could have been reasonably avoided; plus (d) any other amount necessary to compensate Lessor for all detriment proximately caused by Lessee's failure to perform its obligations under this Lease or that in the ordinary course of things would be likely to result therefrom, including, but not limited to, any costs or expenses (including attorney's fees) incurred by Lessor in (i) retaking possession of the Premises, (ii) maintaining the Premises after Lessee's default, (iii) preparing the Premises for reletting to a new Lessee, including any repairs or alterations, and (iv) reletting the Premises, including brokers' commissions. The term "Rent", as used in this Lease, includes the Monthly Base Rent plus all additional rent under this Lease and all other sums becoming due that are the equivalent of rent.

16.4 Worth at Time of Award. "The worth at the time of the award", as defined in Civil Code Section 1951.2 and used in Section 16.3 (a) and (b) herein, shall be computed by combining an award with attorney's fees, costs and interest, at the rate specified in Section 3.5 hereof. "The worth at the time of the award" as that phrase is used in Section 16.3 (c), shall be computed by discounting the total award by the discount rate of the Federal Reserve Bank at the time of the award plus one percent (1%). If the award remains unpaid upon judgment for a lease default, Lessor shall be entitled to collect interest thereafter at the highest legal rate then allowed by Code of Civil Procedure Section 685.010 or any relevant statute whether successor or otherwise.

16.5 Waiver. Waiver by Lessor of any breach of any term, covenant, or condition of this Lease shall not be

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deemed a waiver of any subsequent breach of such term, covenant, or condition. Acceptance of Rent by Lessor subsequent to any breach hereof shall not be deemed a waiver of any preceding breach other than the failure to pay the particular Rent so accepted, regardless of Lessor's knowledge of any breach at the time of such acceptance of Rent. Lessor shall not be deemed to have waived any term, covenant, or condition unless Lessor gives Lessee written notice of such waiver.

16.6 Lessor's Default. If Lessor fails to perform any covenant, condition, or agreement contained in this Lease within thirty (30) days after receipt of written notice from Lessee specifying such default, or if such default cannot reasonably be cured within thirty (30) days, if Lessor fails to commence to cure within that thirty (30) day period, then Lessor shall be liable to Lessee for any damages sustained by Lessee as a result of Lessor's breach; provided that, if Lessee obtains a money judgment against Lessor resulting from any default or other claim arising under this Lease, that judgment shall be satisfied only from the rents, issues, profits, and other income actually received on account of Lessor's right, title, and interest in the Premises or the Building, and no other real, personal, or mixed property of Lessor, wherever situated, shall be subject to levy to satisfy such judgment. If, after notice to Lessor of default, Lessor (or any first mortgagee or first deed of trust beneficiary of Lessor) fails to cure the default as provided herein, then Lessee shall have the right to cure that default at Lessor's expense. Lessee shall not have the right to terminate this lease or to withhold, reduce, or offset any amount against any payments of Rent or other charges due and payable under this Lease except as otherwise specifically provided herein.

16.7 Curing Lessee's Default. If Lessee defaults in the performance of any of its obligations under this Lease, Lessor may, but shall not be obligated to, and without waiving such default, perform the same for the account and at the expense of Lessee. Lessee shall pay Lessor all costs of such performance promptly upon receipt of a bill therefor.

17. ATTORNEY'S FEES

17.1 Fees. In the event that either party to this Lease commences any action or proceeding against the other by reason of any default or alleged default of any term or condition of this Lease, or for interpretation of this Lease, the prevailing party in such action or proceeding will be entitled to recover such amount as the court may judge to be reasonable attorney's fees. The court shall determine the prevailing party.

18. DESTRUCTION

18.1 Damage. If the Premises or the Building is damaged by fire or other causes to the extent that it is untenantable and cannot be rendered tenantable within ninety (90) days from the date of such destruction or damage, this Lease may be terminated by Lessor or Lessee by written notice to the other party (ies) of such an intention. If such damage is to the Premises only, then Lessee may elect to continue this Lease, and to pay for all costs of repair that are not otherwise covered by insurance maintained by Lessor. During the period such repairs are being made, the rent will be reduced in the same manner provided in the next sentence. If the damage or destruction to the Building or Premises is not so extensive as to permit a termination of this Lease, then Lessor will repair the Premises or the Building within a reasonable time, and a proportionate reduction will be made in the rent owed by Lessee, corresponding to the time during which, and to the portion of the Premises of which, Lessee has been deprived of possession. If such damage

occurs within the last six (6) months of the Term, Lessor may notify Lessee that such repairs will not be made during the term, and Lessee may thereupon elect to terminate this Lease or to make such repairs at its own expense.

19. CONDEMNATION

19.1 Major Damage. If the Premises is condemned and taken by any authority, this Lease will terminate and all condemnation awards will be payable to Lessor, except for any award to Lessee, for the interruption of, or damage to Lessee's business, or for Lessee's unamortized cost of leasehold improvements. The principles and procedures set forth in the preceding sentence shall also apply where such portions of the Building have been taken that the Premises can no longer be reasonably used as a medical Premises. Lessor shall have the right, however, throughout the Term to relocate parking structures or nonexclusive parking spaces, spaces servicing the Building for any reason, including, without limitation, the condemnation or taking of existing parking structures or spaces. Relocated parking structures or spaces, however, will not be relocated at an unreasonable walking distance from the Building.

20. SALE OF PREMISES OR ASSIGNMENT BY LESSOR

20.1 Sale. Lessor may assign, in whole or in part, Lessor's interest in this Lease and may sell all or part of the real estate of which the Premises is a part. In the event of any sale or exchange of the Premises by Lessor and assignment by Lessor of this Lease, Lessor shall be, and is hereby entirely free and relieved of, all liability under any and all covenants and obligations contained in or derived from this Lease or arising out of any act, occurrence or omission relating to the Premises which occurs after the consummation of such sale, exchange, or assignment.

21. MORTGAGE PROTECTION

21.1 Subordination. Upon written request of Lessor, or any mortgagee or deed of trust beneficiary of Lessor, now or hereafter existing, Lessee shall, in writing, subordinate its rights under this Lease to the lien of any mortgage or deed of trust, and to all advances made or hereafter to be made thereunder. Before signing any subordination agreement (SNDA), however, Lessee shall have the right to obtain from any lender of Lessor requesting such subordination, an agreement in writing providing that, so long as Lessee is not in default hereunder, Lessee's possession of the Premises pursuant to this Lease shall not be disturbed, subject to the usual terms and conditions of such non-disturbance agreements. The holder of any security interest in the Building or any part thereof may, upon written notice to Lessee, elect to have this Lease prior to its security interest, regardless of the time of the granting or recording of such security interest.

21.2 Attornment. In the event of any foreclosure sale or transfer in lieu of foreclosure, Lessee shall attorn to the purchaser, transferee, or Lessor, as the case may be, and recognize that party as Lessor under this Lease, provided such party acquires and accepts the building subject to Lessee's right to possession of the Premises under this Lease.

22. STATEMENT OF STATUS

22.1 Certificates. Within thirty (30) days after written request from Lessor, Lessee shall execute and deliver to Lessor or Lessor's designee a written statement certifying that (a) this Lease is unmodified and in full force and effect

or is in full force and effect as modified and stating the modifications; (b) the amount of the Monthly Base Rent and the date to which Monthly Base Rent and additional rent have been paid in advance; (c) the amount of any security deposited with Lessor; and (d) that Lessor is not in default hereunder or if Lessor is claimed to be in default, setting forth in writing the specific nature of each/any claimed default.

22.2 Estoppel. Any such statement described in Section 22.1 may be relied upon by a purchaser, assignee, or lender. Lessee's failure to execute and deliver any such statement described in Section 22.1 within the time required shall at Lessor's election be a default under this Lease and shall also be conclusive upon Lessee that: (1) this Lease is in full force and effect and has not been modified except as represented by Lessor; (2) there are no uncured defaults in Lessor's performance and that Lessee has no right of offset, counterclaim, or deduction against Rent; and (3) no Rent has been paid earlier than the date it became due under this Lease.

23. HAZARDOUS SUBSTANCES

23.1 Reportable Uses Require Consent. The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, asbestos, medical waste, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, by-products or fractions thereof. Lessee shall not engage in any activity in or on the Premises that constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Governmental Requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substances that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filled with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirement requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Permitted Use for the Premises, as defined above, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage, or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

23.2 Duty to Inform Lessor. If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

23.3 Lessee Remediation. Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee or any third party.

23.4 Lessee Indemnification. Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from adjacent properties). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. **No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.**

23.5 Lessor Indemnification. Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders harmless from and against any and all environmental damages, including the cost of remediation, which existed as a result of Hazardous Substances on the Premises prior to the Commencement Date or which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

23.6 Investigations and Remediations. Lessor shall retain the responsibility and pay for any investigations or remediation measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to the Commencement Date, unless such remediation measure is required as a result of Lessee's use of the Premises, including Lessee's Improvement Work, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

23.7 Lessor Termination Option. If a Hazardous Substance Condition occurs during the Term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Section 5.4 and Article 16 of this Lease), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at

Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds twelve (12) times the then monthly Base Rent or $100,000.00, whichever is greater, give written notice to Lessee, within thirty (30) days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance condition, of Lessor's desire to terminate this Lease as of the date sixty (60) days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within ten (10) days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to twelve (12) times the then monthly Base Rent or $100,000.00, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within thirty (30) days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

23.8 Inspection; Compliance. Lessor and Lessor's lenders, if any, and consultants shall have the right to enter into Premises at any time in the case of an emergency, and otherwise at reasonable times, with twenty-four (24) hours' notice to Lessee in the case of a non-emergency, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirement's, or a contamination is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority, or the inspection reveals a default under this Lease. In such cases described, Lessee shall upon request reimburse Lessor for the cost of such inspections, so long as such inspection is reasonably related to the violation, contamination or default.

24. PARKING

24.1 Availability. Lessee shall be entitled to any parking space available within a specific designated area as outlined in Exhibit D, and such parking will be made available to Lessee free of charge. Except for Lessee's exclusive parking area adjacent to the Premises, Lessee's parking shall be on a first-come, first serve basis and shall be subject to its pro rata share of handicapped and visitor parking for the Project. Lessee shall comply with all of Lessor's reasonable rules and regulations (see Exhibit "B") concerning the parking and enforcement of Lessee's use thereof. Lessor shall also have the right to tow vehicles improperly parked in the parking area, at the owner's expense.

25. HOLDING OVER

25.1 Month-to-Month Tenancy. If, after the expiration of the Term, Lessee remains in possession of the Premises with Lessor's permission (express or implied), Lessee shall become a tenant from month-to-month only and subject to all the provisions of this Lease (except as to Term and Monthly Base Rent), and the Monthly Base Rent payable by Lessee shall be increased to 125% of Lessee's current Monthly Base Rent. Such Monthly Base Rent as so increased shall be due and payable in advance on the first day of each month. The 125% increase in Monthly Base Rent shall take effect as of the first (1st) day after the expiration of the Term.

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25.2 Extended Holdover. Intentionally Deleted.

25.3 Termination. If either Lessor or Lessee desires to terminate such month-to-month tenancy, it shall give the other not less than thirty (30) days advance written notice of the date of termination.

26. RIGHT TO EXTEND PER EXHIBIT "E"

26.1 Lessee shall have one (1) six (6) month right to extend the Lease with ninety (90) days prior written notice to Lessor. Terms of extension will remain the same. Lessee may terminate option period at any time with ninety (90) days prior written notice to Lessor.

27. RELOCATION RIGHT

27.1 Relocation. Intentionally Deleted.

28 DEATH AND DISABILITY

28.1 Intentionally Deleted.

29. SUCCESSORS

29.1 The terms and conditions herein contained shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators, and assigns of all the parties hereto.

30. ENTIRE AGREEMENT

30.1 This Lease together with the Exhibits and Addenda attached hereto contain the entire agreement between the parties hereto and shall not be modified in any manner except by an instrument in writing executed by the parties or their respective successors in interest. All such Exhibits and Addenda are incorporated into and made a part of this Lease. All prior negotiations which were intended by either party to survive this lease document are either expressly contained herein or shall otherwise be deemed abandoned or waived. As such, the party(ies) hereto acknowledge this Lease to be a fully integrated writing.

31. TERMS AND HEADINGS

31.1 The word "Lessor" and "Lessee" as used herein shall include the plural as well as the singular. Words used in any gender include other genders. If there be more than one Lessee the obligations hereunder imposed upon Lessee shall be joint and several. Introductory headings at the beginning of each numbered Article and Section of this Lease are solely for the convenience of the parties and should not be deemed to be a limitation upon or descriptive of the contents of any such paragraph.

32. LIGHT/AIR

32.1 No rights to light or air over any property whether belonging to Lessor or to any other person, are granted to Lessee by this Lease.

33. TIME OF THE ESSENCE

33.1 Time is of the essence of this Lease with the exception of Lessor's delivery of possession hereunder.

34. EXAMINATION

34.1 Submission of this instrument for examination or signature by Lessee does not constitute a reservation of or option for lease and it is not effective as a lease or otherwise until delivery to and execution by both Lessor and Lessee.

35. RECORDING

35.1 Lessee shall not record this Lease without prior consent of Lessor, except as Required by Law. Lessee, upon the request of Lessor, shall execute and acknowledge a "short-form" memorandum of this Lease for recording purposes.

36. GOVERNING LAW

36.1 This Lease shall be governed by and construed in accordance with the laws of the State of California.

37. SEPARABILITY

37.1 Should a court of competent jurisdiction determine any provision of this Lease to be illegal or unenforceable, the offending language shall be severed from this Lease, such that the balance may remain in full force and effect. If a provision is capable of two constructions, one of which would render the provision void and the other valid, then the provision shall be interpreted in the manner which renders it valid.

38. NOTICES

38.1 All notices given between the parties will be given in writing and mailed or delivered to the following addresses:

To Lessor:	To Lessee:
Scripps Health	City of San Diego Real Estate Assets Department Attn: Asset Manager
Real Estate Department	1200 Third Avenue, Suite 1700
10140 Campus Point Drive, AX 210	MS 51A
San Diego, CA 92121-1513	San Diego, CA 92101

With a copy to:

San Diego Fire-Rescue Department
1010 Second Avenue, Suite 400
San Diego, CA 92101
Attn: Assistant Chief of Support Services

39. **RELEASE OF INFORMATION** – Intentionally Deleted

40. **COUNTERPARTS; ELECTRONIC DELIVERY.**

40.1 This Lease may be executed in any number of counterparts, which may be delivered electronically or by other means. Each Party may rely upon signatures delivered electronically as if such signatures were originals. Each counterpart of this Lease shall be deemed to be an original, and all such counterparts (including those delivered electronically), when taken together, shall be deemed to constitute one and the same instrument.

41. **EQUAL OPPORTUNITY AND CONTRACTING**

41.1 Both parties shall comply with Title VII of the Civil Rights Act of 1964, as amended; Executive Orders 11246, 11375, and 12086; the California Fair Employment Practices Act; and all other laws, rules and regulations of competent governmental authority; and both parties shall not discriminate against any employee or applicant for employment based on race, religion, color, ancestry, age, gender, sexual orientation, disability, medical condition or place of birth; and both parties shall cause the foregoing provisions to be inserted in all commercial subleases and all contracts for any work covered by this Lease so that such provisions will be binding upon each commercial Sublessee and contractor. Both parties shall fully cooperate with any investigation conducted by the City of San Diego, in its governmental capacity, pursuant to its Nondiscrimination in Contracting Ordinance [San Diego Municipal Code sections 22.3501-22.3517, as amended from time to time], and upon Lessee's request, Lessor shall submit a current Workforce Report. Lessor acknowledges that failure to comply with the requirements of this section and/or submitting false information in response to these requirements may result in termination of this Lease and debarment from participating in Lessee contracts for a period of not less than one (1) year.

42. **NON DISCRIMINATION**

42.1 This Lease is made and accepted upon and subject to the covenant and condition, which shall run with the land, that Lessor and Lessee, or any person claiming under or through Lessor or Lessee, shall not establish or allow any discrimination against or segregation of any person or group of persons on account of race, color, religion, gender, disability, sexual orientation, sexual identity, sexual expression, marital status, national origin, ancestry, familial status, or source of income in the possession, use and occupancy of the Premises or in the selection, location, number, use or occupancy of tenants, subtenants or vendees in the Premises.

IN WITNESS WHEREOF, the parties have signed this Lease.

LESSOR:

Approved: RC DS 4/27/2016
BR 4/27/2016

SCRIPPS HEALTH
a California nonprofit corporation

By: DocuSigned by: Richard Rothberger 9D898B10C7A3427... Date: 4/27/2016
Richard Rothberger
Executive V.P./Chief Financial Officer

LESSEE:

CITY OF SAN DIEGO, a California municipal corporation

By: _____ Date: 4/26/16
Cybele Thompson
Director, Real Estate Assets Department

Approved As To Form This 26th Day of April, 2016

JAN I. GOLDSMITH, City Attorney

Date: 4/26/16

By: _____
Deputy City Attorney
Maroo A. Verdugo

22C:\Users\152767\Desktop\City of SD - FireStation\Lease -City San Diego 4311 Third Ave V-4 4-19-16.docx

EXHIBIT "A"

PHOTO OF BUILDING OCCUPIED

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EXHIBIT "B"

RULES & REGULATIONS

1. Lessee shall not install any curtains, blinds, shades or screens to any window or door of the Office without the prior consent of the Lessor.

2. The halls, passages, exits and entrances to said Premises shall not be obstructed by any Lessees or used by them for any purposes other than for ingress to and egress from their respective offices. The halls, passages, exits and entrances are not for the use of the general public and Lessor shall in all cases retain the right to control and prevent access by all persons whose presence, in the judgment of the Lessor, shall be prejudicial to the safety, character, reputation and interests of the Building and its Lessees, provided that nothing herein contained shall be construed to prevent such access to persons with whom Lessee normally deals in the ordinary course of Lessee's business unless such persons are engaged in illegal activities.

In addition, Lessee, Lessee's agents and/or employees shall not loiter in the parking and/or other common areas which Lessee has the right to use, or any portion thereof, nor shall they in any way obstruct the sidewalks, any passages, pedestrian passageways and any passage to and from all work areas. Lessor reserves the right to designate Lessee and Lessee's employees parking areas in order to assure proper access to the Building. Further, Lessee, its agents and/or employees shall not make or permit any improper noises in the Building nor interfere in any way with other Lessees or those having business with them, nor bring into, nor keep within the Building and/or common areas any animal, bird, or bicycle, in accordance with these Rules and Regulations. THIS IS A NON-SMOKING BUILDING; NO SMOKING OF ANY KIND PERMITTED IN OR AROUND THE BUILDING.

3. The toilet rooms, toilets, urinals, wash bowls and other apparatus available to Lessee shall not be used for any purpose other than that for which they were constructed. No foreign substance of any kind whatsoever shall be thrown therein and the expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by Lessee, who, or whose employees or invitees shall have caused it.

4. Lessor will direct electricians as to where and how telephone, computer and electrical wires are to be introduced. No boring or cutting for wires will be allowed without the consent of Lessor. The location of the telephones, call boxes and other office equipment affixed to the Office shall be subject to the approval of the Lessor. No equipment shall be operated or connected other than normal office equipment and no electrical apparatus shall be connected or operated which has a current demand of over 110 volts without the written approval of Lessor.

5. Each Lessee, upon termination of the tenancy, shall deliver to Lessor the keys to the Office, private rooms, toilet rooms and mailboxes which shall have been furnished the Lessee or which the Lessee shall have made, and in the event of loss of any keys so furnished, shall pay Lessor for replacements.

6. No Lessee shall lay linoleum, tile, carpet or other floor covering so that the same shall be affixed to the floor of the Office in any manner whatsoever except as approved by Lessor.

7. Lessee shall have no right to install any satellite dish, antenna or communication equipment on any part of Lessor's Building during the term of this Lease unless approved in writing by Lessor.

8. Lessor shall not be responsible to Lessee herein or to any other person for the non-observance or violation of these Rules and Regulations by any other tenant or person. Lessee shall be deemed to have read these Rules and Regulations and have agreed to abide by them as condition to occupancy of the Premises herein leased.

9. Lessees and employees in the Building shall comply with the City of San Diego Non-Smoking Ordinance. The public areas of the Building are designated as non-smoking areas. NO SMOKING AREAS ARE: Public corridors, stairwells, elevators and public restrooms.

10. Lessee shall not use any method of heating or air conditioning, including space heaters, other than that which may be supplied by Lessor, without the prior written consent of Lessor.

Lessor reserves the right to make such other and further Rules and Regulations as in its judgment may be for the safety, care and cleanliness of the Building and for the preservation of good order therein. Lessee agrees to abide by all such Rules and Regulations which are adopted.

Lessee Initials

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EXHIBIT "C"

OFFICE IMPROVEMENT CONTRACT

In consideration of Lessee's promise to pay the rental set forth in the lease dated April 19, 2016 by and between Scripps Health, a California nonprofit corporation, or its assignee ("Lessor") and City of San Diego, a California municipal corporation, ("Lessee"), Lessor will provide services and office improvement allowance as described below.

IMPROVEMENT ALLOWANCE; CONTRACTING

Lessor will provide an office improvement allowance of up to $55,608.22 (**"Lessor Contribution"**) which is inclusive of Lessor's construction management fee of 3%. The allowance of up to $129,688.13 (estimate attached hereto) shall be reimbursed to Lessor over the term of the Lease at a 6% interest rate using the straight –line calculation and payable monthly including principle and interest and is conditioned upon the Lessor's sole discretion to select the space planner and the contractor for all phases of the design and construction of the Office including Lessee's standard and additional improvements, not to exceed $129,688.13. Lessor will have the right to approve the plans or the right to deny approval if items selected would affect the operation, value or appearance of the Building. Lessor will be responsible for supervising the construction of the improvements. Though Lessee will be consulted and shall have the prior right to approve in connection with the improvements, the contract for construction will be between Lessor and the contractor, and Lessee shall be neither a party to the contract nor a third-party beneficiary. Any sums owed by Lessee in connection with this Office Improvement Contract shall be paid by Lessee to Lessor, if overage is agreed upon. Notwithstanding, Lessor shall be responsible at its sole cost for all related direct or indirect cost to repair/restore drywall from water damage and HVAC and for the proper working order of all systems, plumbing, electrical, lighting, doors, door hardware. Any cost identified beyond carpet and paint and adding kitchen and laundry facilities shall be at Lessor's sole cost and expense. All cost and expense shall be mutually approved prior to ordering.

CONTRACT PRICE AND DEPOSITS

Upon approval of the plans and specifications by Lessee and Lessor prepared by the space planner, if applicable, said plans and specifications shall be submitted to the contractor for pricing, including necessary permits, contractor's overhead and profit. Itemized pricing shall be completed within ten (10) working days and an estimated completion date will be established.. *The reasonable cost of any additional space plans, and changes to any space plan, shall be paid by Lessee to Lessor prior to any work commencement.*

Lessor's mutually approved contractors by Tenant shall be utilized for construction of said improvements. Lessor and Lessee will consult as required to ensure that Lessor's contractors minimize any disruption to Lessee's business. All work to be done during normal business hours to the extent practicable. **All Work shall commence no later than Thirty (30) days of this lease execution or at a time mutually agreed to, in writing, by Lessor and Lessee. In no event shall Lessor be obligated to make disbursements under this Exhibit "C" in a total amount which exceeds Lessor's contribution. If Lessor fails to substantially complete Lessor's work and Lessee's work (provided no Lessor delays which would extend the outside date according) by One Hundred Twenty (120) days following**

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execution of this Lease, Lessee may terminate this Lease upon notice without any further obligations except for restoration of Lessee's Alterations/Additions.

TENANT DELAY

A. **Definition of Lessee Delay.** As used herein, "Lessee Delay" shall mean any delay or delays in the Substantial Completion of the Work as a result of any one or more of the following. Notwithstanding the previous sentence, Leesee's failure to act shall not trigger a Lessee Delay unless Lessee fails to act within seven (7) business days:

1) Lessee's failure to furnish, approve, or authorize any Plans in accordance with the Critical Path Schedule or other time limits set forth herein, including without limitation:
2) Lessee's delay or failure in submitting to Landlord any information, authorization or approvals in compliance with this Exhibit C, within the time limits set forth herein, including, without limitation, any information required to prepare plans;
3) Changes or additions to Plans as requested by Lessee (notwithstanding Lessor's approval of such changes);
4) The performance or completion of any work in the Premises by Lessee or any person, firm, or contractor employed by Lessee;
5) Lessee's request for materials, components, finishes or improvements other than Lessor's Building Standards or which are not available in a commercially reasonable time given the anticipated date of Substantial Completion of the Work, as set forth herein;
6) Lessee's failure to pay when due, any amounts required to be paid by Lessee pursuant hereto;
7) Lessee's failure to comply with all federal, state, or local laws or regulations, including, without limitation, all codes and ordinances;
8) Lessee's request for additional bidding or rebidding of the cost of all or a portion of the Work;
9) Changes or postponements requested by Lessee to the Work;
10) Any error in Plans or other documents caused by Lessee, or its employees or agents; and
11) Any other act or omission of Lessee, or its employees or agents.

B. **Landlord's Determination.** Lessor's determination as to the existence and duration of Lessee Delay shall be conclusive and binding absent manifest and negligent error.

C. **Lease starting date in Event of Lessee Delay.** Notwithstanding anything to the contrary set for in the Lease or in this Exhibit C, and regardless of the actual date of Substantial Completion of the Work, the Lease Commencement Date shall be deemed to be the date the Lease Commencement Date would have occurred if no Lessee Delay, as set forth in Paragraph 1 noted above, had occurred.

D. **Lessee Pays Damages.** Lessee shall pay all costs and expenses incurred by Lessor that result from any Lessee Delay, including without limitation, any costs and expenses attributable to increases in the cost of labor or materials.

DELIVERY OF POSSESSION

Lessor will construct the Premises with reasonable diligence, and will attempt to substantially complete all construction within a reasonable time.

Following substantial completion of the Office, Lessor shall make reasonable efforts to cooperate with Lessee in identifying any defects or deficiencies in the construction of the Office, and causing the contractor to remedy them.

CHANGE ORDERS

In the event, after the contract price has been approved, Lessee requests any changes or modifications to the plans and specifications, such matters shall be submitted to the space planner and to the contractor for pricing. Lessee shall be responsible for all costs associated with such changes or modifications which result in a net cost increase which are initiated by Lessee. Upon determination of the cost, additional funds, if required, shall be deposited by Lessee with Lessor before any changes are made. Whether additional costs are incurred or not, a Change Order signed by Lessee, Lessor and contractor will be required before any changes or modifications will be made to the approved plans and specifications. Contractor shall not be obligated to make any modifications without a fully executed Change Order.

RETURN OF DEPOSIT

In the event that Lessee makes reasonable requests for additional leasehold improvements which Lessor is unwilling to approve and the parties are not able to settle their differences, within a period of thirty (30) days, then Lessor will return to Lessee all funds previously deposited by Lessee minus the cost of space planning and other services and materials provided on Lessee's behalf to that date, and this Lease will terminate.

IN CASE OF DEFAULT

Should a default arise with respect to any term(s) or provision(s) contained within this Exhibit to Lease, all enforcement terms and provisions contained in said Lease shall be incorporated herein as if fully set forth, and shall be deemed fully applicable in order to address and/or resolve said dispute.

LESSOR:

SCRIPPS HEALTH

DocuSigned by:
By: Richard Rothberger
9D808B10CZA9427...
Date: 4/27/2016
Richard Rothberger
Executive V.P./Chief Financial Officer

LESSEE:

CITY OF SAN DIEGO, A California municipal corporation

By: Date:
Cybele Thompson
Director, Real Estate Assets Department

Approved As To Form This 26th Day of April, 2016

JAN I. GOLDSMITH, City Attorney

Date: 4/26/16
By:
Deputy City Attorney
Marco A. Verdugo

DocuSign Envelope ID: 026E086D-3781-47D2-9DEB-3FCDE459C0BA

Fire Dept TI Cost (as of 03/15/16)

		Landlord	Tenant	Total
Tenant Improvments base on building standards				
Final clean/clean up			$ 1,800.00	$ 1,800.00
Design			$7,000.00	$ 7,000.00
Permit Allowance			$3,000.00	$ 3,000.00
General Conditions			$ 9,800.00	$ 9,800.00
Concrete Allowance			$2,000.00	$ 2,000.00
Millwork			$9,450.00	$ 9,450.00
Roof Patching			$ 1,874.00	$ 1,874.00
Drywall		$ 11,943.98	$ 3,800.00	$ 15,743.98
Acoustic ceilings			$ 650.00	$ 650.00
Flooring			$ 6,932.00	$ 6,932.00
Painting			$ 11,651.00	$ 11,651.00
FRP			$ 650.00	$ 650.00
Window coverings			$ 9,053.00	$ 9,053.00
Plumbing			$ 10,487.00	$ 10,487.00
HVAC		$ 28,133.52	$ 10,450.00	$ 38,583.52
Electrical		$ 805.79	$ 6,750.00	$ 7,555.79
subtotal		$ 40,883.29	$ 95,347.00	$ 136,230.29
OH&P	5.00%	$ 2,044.16	$ 4,767.35	$ 6,811.51
subtotal		$ 42,927.45	$ 100,114.35	$ 143,041.80
Insurance	2.00%	$ 858.55	$ 2,002.29	$ 2,860.84
subtotal		$ 43,786.00	$ 102,116.64	$ 145,902.64
Plus:				
Contingency	20%	$8,757.20	$20,423.33	$ 29,180.53
Project Management	7%	$3,065.02	$7,148.16	$ 10,213.18
Contingency & Project Management		$11,822.22	$27,571.49	$ 39,393.71
Gross Estimate		**$ 55,608.22**	**$ 129,688.13**	**$ 185,296.35**

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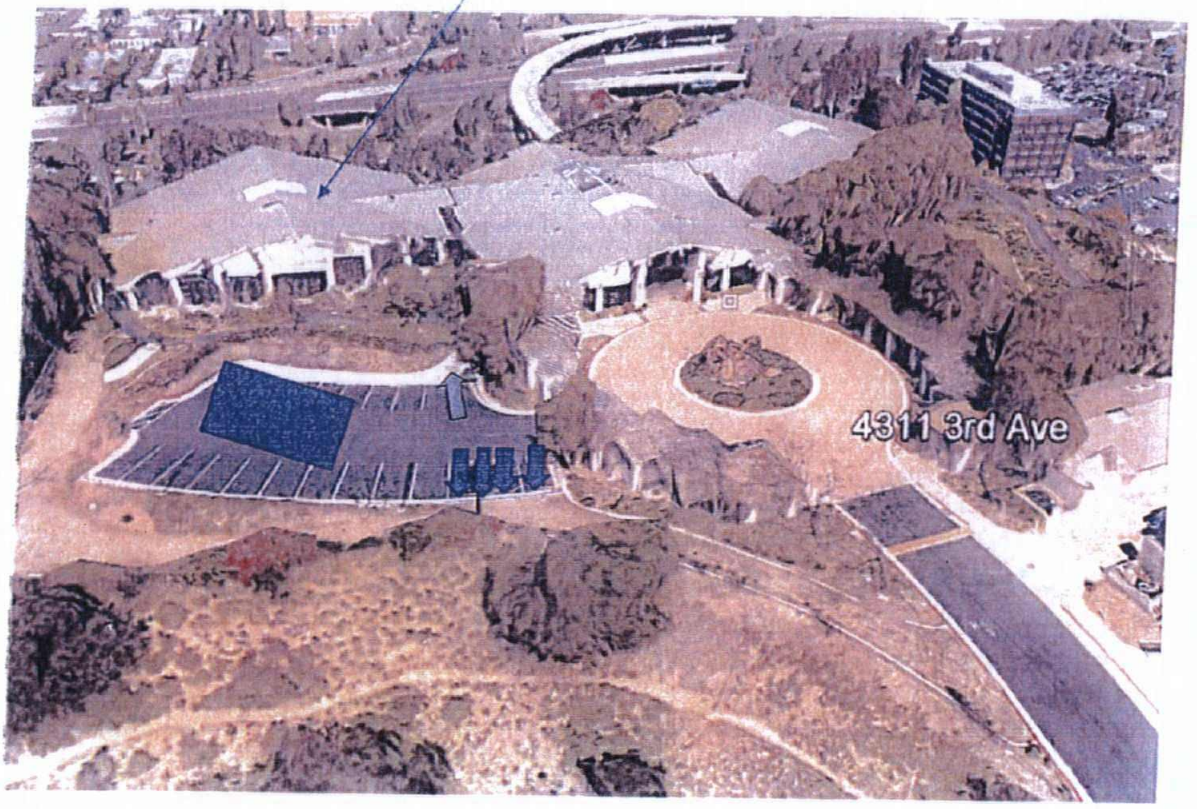
SAMPLE

	8,526 SF	
Monthly Rent Calculation	$/SF	
Base Rent	$1.50	$12,789.00
Add'l Op Ex	$0.20	$1,705.20
Ti Amortization	$0.55	$4,666.04
Total	$2.25	$19,160.24

Term	30	months
Interest Rate	6%	

EXHIBIT D

SITE MAP for PARKING



LARGE BLUE BOX REPRESENTS FIRE & RESCUE SPRUNG STRUCTURE AND 5 BLUE ARROWS PERSONAL PARKING

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EXHIBIT "E"

OPTION TO EXTEND

Notwithstanding anything to the contrary contained in that certain Lease, dated April 19, 2016 between **SCRIPPS HEALTH** as Lessor, and **CITY OF SAN DIEGO**, as Lessee (the "Lease"), in the event of any conflict or inconsistency between the Lease and this Exhibit E, the terms of this Exhibit E shall control and prevail. Capitalized terms used herein and not otherwise defined shall have the meaning given said terms in the Lease.

39. RENEWAL OPTION.

Lessee shall have the right to extend the Term of this Lease, One time, for a Six (6) Month period if Lessee (i) gives Lessor written notice of such election (the "Option Notice") at least ninety (90) days (the "Outside Option Exercise Date") before the expiration of the Term of this Lease, but not more than six (6) months before the expiration of the Term of this Lease; (ii) is not in default under any provision of this Lease on the date of giving the Option Notice; and (iii) is not in default of any provision of this Lease on the date of the expiration of the original Term of this Lease; Lessee may terminate the Lease during the Six (6) Month Extension period by providing a ninety (90) day written notice stating its intent to terminate. Subject to Lessors determination of the satisfaction of the foregoing conditions, Lessee's Option Notice, once given, shall be irrevocable. All of the terms and conditions of this Lease shall apply during the extension term (other than the further right to extend the Term, and any obligation to construction Lessee Improvement provided in this Lease, which shall be inapplicable).

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FIRST AMENDMENT TO LEASE FOR TEMPORARY FIRE STATION

This first amendment to the Lease dated April 19, 2016 concerning a temporary fire station at 4311 Third Avenue, San Diego, California ("First Amendment") is entered into by and between the City of San Diego, a California municipal corporation ("Lessee") and Scripps Health, a California nonprofit corporation ("Lessor") to be effective when signed by the parties and approved by the San Diego City Attorney (First Amendment Effective Date).

RECITALS

A. Lessor and Lessee entered into that certain lease dated April 19, 2016 relating to certain premises located at 4311 Third Avenue, San Diego, California ("Lease").

B. The parties now desire to amend the Lease to authorize Lessee to install, maintain, and operate a generator in the northwest corner of the proposed sprung structure for a secondary power source as depicted in Exhibit A Improvement Plans, attached hereto and incorporated herein.

C. Unless defined herein, all defined terms shall have the same definition and meaning as provided in the Lease.

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

1. AMENDMENT. Lease Section 6.1, Consent Required, is hereby deleted in its entirety and replaced with the following:

> 6.1 Consent Required. Lessee shall not make any alterations, improvements or additions to the Premises without obtaining the prior written consent of the Lessor, such consent not to be unreasonably withheld. Without limitation as to what constitutes the reasonable withholding of consent, the withholding of Lessor's consent shall not be deemed unreasonable where Lessee's proposed alterations, improvements or additions would result in the need for Lessor to further improve or update the Premises, Building, or surrounding area. For example, if the scope of such alterations required a building permit which in turn triggered an obligation under the Americans with Disabilities Act requiring Lessor to update the Building or any part thereof Lessor's consent may be conditioned upon any conditions Lessor deems appropriate including but not limited to Lessee's removing any such additions, alterations, or improvements upon the expiration or termination of this Lease and restoring the Premises to the same condition as on the date Lessee took possession. Lessor acknowledges and consents to the following alterations and additions required by Lessee: A) Lessee to add a temporary structure and electrical station in parking lot to house its fire apparatus, ie: fire trucks, B) Lessee to add concrete pad or equivalent parking pad for fire apparatus, C) Lessee may remove existing trellis structure at parking lot entrance D) Lessee may create/path from existing facility/premises to parking lot where fire apparatus housed which may require a grade change, E) Lessee may install, maintain, and operate a generator near the northwest corner of the temporary structure as depicted in the improvement plans. All work with respect to any addition, alteration, or improvement shall be done in a good and workmanlike manner by properly qualified and licensed personnel approved by Lessor. Lessor may, at Lessor's

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option, require that any such work be performed by contractor acceptable to Lessor. Lessees work under Section 6.1 shall not require a bond.

2. RECITALS. The Recitals and Exhibits are incorporated into this First Amendment as made part hereof.

3. NO OTHER CHANGES. The Lease, as amended by this First Amendment, remains in full force and effect and, except as set forth in this First Amendment, is not modified or amended in any manner whatsoever. The parties hereby reaffirm the Lease, as amended by this First Amendment, and the terms and effectiveness thereof. This First Amendment may be executed in any number of counterparts, all of which together shall constitute a binding agreement, and each such counterpart shall be deemed to be an original instrument.

IN WITNESS WHEREOF, this First Amendment is executed to be effected as of the First Amendment Effective Date.

DS **Recommend for Approval: RC**	Date: 9/28/2016
DS **Recommend for Approval: BR**	Date: 9/28/2016

Lessor:

SCRIPPS HEALTH,
a California nonprofit corporation

Richard Sheridan
471B4F1804684E4...

Richard Sheridan
Corporate V.P./General Counsel
Date: 10/5/2016

Date: _____

Lessee:

THE CITY OF SAN DIEGO,
a California municipal corporation

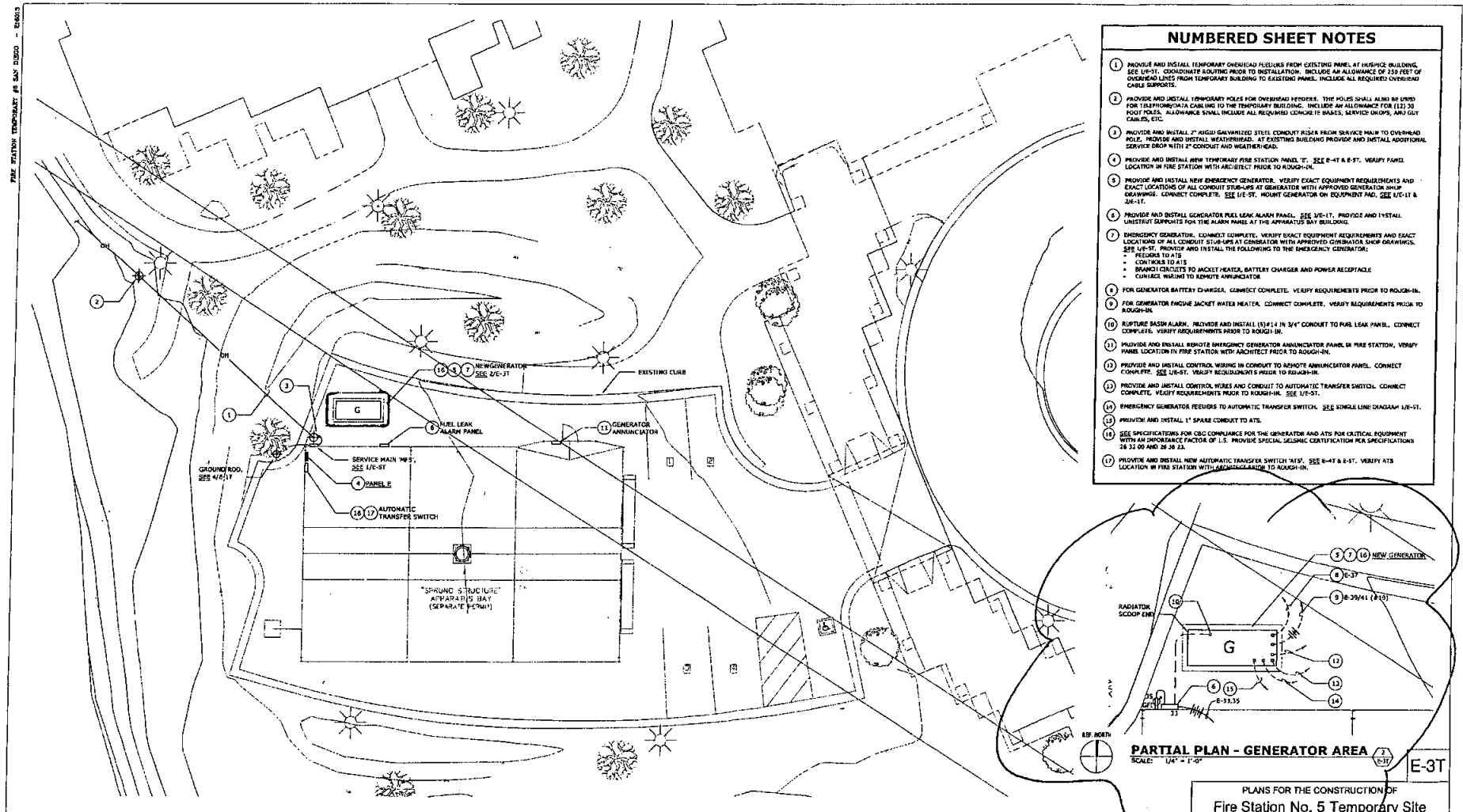
By: _____
Name: **Cybele Thompson**
Title: **Director, Real Estate Assets**
Date: 9/8/16

Approved as to form this 12th day of September, 2016.

JAN I. GOLDSMITH, CITY ATTORNEY

By: _____
Marco A. Verdugo
Deputy City Attorney

EXHIBIT A



NUMBERED SHEET NOTES

1. PROVIDE AND INSTALL TEMPORARY OVERHEAD FEEDERS FROM EXISTING PANEL AT HOSPICE BUILDING, SEE 1/E-ST. COORDINATE ROUTING PRIOR TO INSTALLATION. INCLUDE AN ALLOWANCE OF 250 FEET OF OVERHEAD LINES FROM TEMPORARY BUILDING TO EXISTING PANEL. INCLUDE ALL REQUIRED OVERHEAD CABLE SUPPORTS.
2. PROVIDE AND INSTALL TEMPORARY POLES FOR OVERHEAD FEEDERS. THE POLES SHALL ALSO BE USED FOR TELEPHONE/DATA CABLING TO THE TEMPORARY BUILDING. INCLUDE AN ALLOWANCE FOR (12) 30 FOOT POLES. ALLOWANCE SHALL INCLUDE ALL REQUIRED CONCRETE BASES, SERVICE DROPS, AND GUY CABLES, ETC.
3. PROVIDE AND INSTALL 2" RIGID GALVANIZED STEEL CONDUIT RISER FROM SERVICE MAIN TO OVERHEAD POLE. PROVIDE AND INSTALL WEATHERHEAD. AT EXISTING BUILDING PROVIDE AND INSTALL ADDITIONAL SERVICE DROP WITH 2" CONDUIT AND WEATHERHEAD.
4. PROVIDE AND INSTALL NEW TEMPORARY FIRE STATION PANEL 'F'. SEE E-4T & E-5T. VERIFY PANEL LOCATION IN FIRE STATION WITH ARCHITECT PRIOR TO ROUGH-IN.
5. PROVIDE AND INSTALL NEW EMERGENCY GENERATOR. VERIFY EXACT EQUIPMENT REQUIREMENTS AND EXACT LOCATIONS OF ALL CONDUIT STUB-UPS AT GENERATOR WITH APPROVED GENERATOR SHOP DRAWINGS. CONNECT COMPLETE. SEE 1/E-ST. MOUNT GENERATOR ON EQUIPMENT PAD. SEE 1/E-1T & 2/E-1T.
6. PROVIDE AND INSTALL GENERATOR FUEL LEAK ALARM PANEL. SEE 1/E-1T. PROVIDE AND INSTALL UNISTRUT SUPPORTS FOR THE ALARM PANEL AT THE APPARATUS BAY BUILDING.
7. EMERGENCY GENERATOR. CONNECT COMPLETE. VERIFY EXACT EQUIPMENT REQUIREMENTS AND EXACT LOCATIONS OF ALL CONDUIT STUB-UPS AT GENERATOR WITH APPROVED GENERATOR SHOP DRAWINGS. SEE 1/E-ST. PROVIDE AND INSTALL THE FOLLOWING TO THE EMERGENCY GENERATOR:
   - FEEDERS TO ATS
   - CONTROLS TO ATS
   - BRANCH CIRCUITS TO JACKET HEATER, BATTERY CHARGER AND POWER RECEPTACLE
   - CONTACT WIRING TO REMOTE ANNUNCIATOR
8. FOR GENERATOR BATTERY CHARGER. CONNECT COMPLETE. VERIFY REQUIREMENTS PRIOR TO ROUGH-IN.
9. FOR GENERATOR ENGINE JACKET WATER HEATER. CONNECT COMPLETE. VERIFY REQUIREMENTS PRIOR TO ROUGH-IN.
10. RUPTURE BASIN ALARM. PROVIDE AND INSTALL (5)#14 IN 3/4" CONDUIT TO FUEL LEAK PANEL. CONNECT COMPLETE. VERIFY REQUIREMENTS PRIOR TO ROUGH-IN.
11. PROVIDE AND INSTALL REMOTE EMERGENCY GENERATOR ANNUNCIATOR PANEL IN FIRE STATION. VERIFY PANEL LOCATION IN FIRE STATION WITH ARCHITECT PRIOR TO ROUGH-IN.
12. PROVIDE AND INSTALL CONTROL WIRING IN CONDUIT TO REMOTE ANNUNCIATOR PANEL. CONNECT COMPLETE. SEE 1/E-ST. VERIFY REQUIREMENTS PRIOR TO ROUGH-IN.
13. PROVIDE AND INSTALL CONTROL WIRES AND CONDUIT TO AUTOMATIC TRANSFER SWITCH. CONNECT COMPLETE. VERIFY REQUIREMENTS PRIOR TO ROUGH-IN. SEE 1/E-ST.
14. EMERGENCY GENERATOR FEEDERS TO AUTOMATIC TRANSFER SWITCH. SEE SINGLE LINE DIAGRAM 1/E-ST.
15. PROVIDE AND INSTALL 1" SPARE CONDUIT TO ATS.
16. SEE SPECIFICATIONS FOR CBC COMPLIANCE FOR THE GENERATOR AND ATS FOR CRITICAL EQUIPMENT WITH AN IMPORTANCE FACTOR OF 1.5. PROVIDE SPECIAL SEISMIC CERTIFICATION PER SPECIFICATIONS 26 32 00 AND 26 36 23.
17. PROVIDE AND INSTALL NEW AUTOMATIC TRANSFER SWITCH 'ATS'. SEE E-4T & E-5T. VERIFY ATS LOCATION IN FIRE STATION WITH ARCHITECT PRIOR TO ROUGH-IN.

PARTIAL PLAN - GENERATOR AREA (2/E-3T)
SCALE: 1/4" = 1'-0"

SITE ELECTRICAL PLAN (1/E-3T)
SCALE: 1/8" = 1'-0"

E-3T

PLANS FOR THE CONSTRUCTION OF
Fire Station No. 5 Temporary Site
SITE ELECTRICAL PLAN

CITY OF SAN DIEGO, CALIFORNIA
PUBLIC WORKS DEPARTMENT
SHEET 8 OF 10 SHEETS

DATE: 1-29-16

CITY OF SAN DIEGO
PUBLIC WORKS PROJECT

CONSULTANTS

Rob Wellington Quigley, FAIA
416 13th Street
San Diego, California 92101
T (619) 232-0888
F (619) 232-8998

O'MAHONY & MYER
ELECTRICAL ENGINEERS
660 BRANNAN STREET, SUITE 300
SAN FRANCISCO, CALIFORNIA 94107
(415) 543-2992 FAX (415) 543-0882
www.omahonymyer.com

DESCRIPTION	BY	APPROVED	DATE	PLANS
ORIGINAL	PJC			
AS-BUILTS				

CONTRACTOR _____ DATE STARTED _____
INSPECTOR _____ DATE COMPLETED _____

39207- 8 -D

Fire Station No. 5 Temporary Site

FIRE STATION TEMPORARY #5 SAN DIEGO — E24013