ORIGINAL

CITY OF SAN DIEGO
NON-PROFIT GROUND LEASE

BY AND BETWEEN

THE CITY OF SAN DIEGO,
A CALIFORNIA MUNICIPAL CORPORATION

AND

Family Health Centers of San Diego, Inc.,
A CALIFORNIA 501 (C)(3)PRIVATE, NON-PROFIT CORPORATION

DOCUMENT NO. RR-310024
FILED OCT 20 2015
OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

CITY OF SAN DIEGO NON-PROFIT GROUND LEASE

[Southwest corner of National Avenue and Sampson Street, San Diego, APN 538-550-16]

THIS CITY OF SAN DIEGO NON-PROFIT GROUND LEASE ("Lease") is entered into by and between THE CITY OF SAN DIEGO, a California municipal corporation ("CITY"), as LESSOR, and FAMILY HEALTH CENTERS OF SAN DIEGO, INC., a California private non-profit corporation ("FHCSD"), as LESSEE, to be effective as of December 1, 2015 (the "Effective Date"), when signed by the parties and approved by the San Diego City Attorney.

RECITALS

WHEREAS, the City of San Diego issued Request for Proposals (RFP) dated January 6, 2015 to seek out proposers that will lease a City-owned site located at the southwest corner of National Avenue and Sampson Street in San Diego, California 92113, Assessor's Parcel Number 538-550-16, which is approximately 14,000 square feet (0.321 Acres) (the "Premises"), as more particularly depicted on the attached **Exhibit A**.

WHEREAS one proposal was received and after examination of the proposal it was decided that the FHCSD proposal would provide the highest and best benefit to the surrounding communities and the City; and

WHEREAS, it was determined that the FHCSD should be awarded the right to lease, construct and operate a two story behavioral health center and feature a ground floor parking garage with a shared parking lot; and

WHEREAS, the CITY determined it is necessary for City to reserve the right to use, and to allow third parties to use the parking garage and parking lot after 6:00 p.m. Monday through Friday.

NOW THEREFORE, FOR VALUABLE CONSIDERATION, the sufficiency of which is acknowledged, the parties agree as follows:

1. Premises. Under the terms and conditions of this Lease, CITY leases the Premises to LESSEE and LESSEE leases the Premises from CITY.

2. Allowed Uses. The Premises are leased to LESSEE, and LESSEE covenants and agrees to use the Premises for the purposes of leasing, constructing, operating and maintaining the Premises as a behavioral health center providing counseling, therapy and other treatment services; and additionally providing social services including benefit enrollment assistance, money management/financial literacy programs, legal services and other case management services; and to operate a ground floor parking garage (the "Allowed Uses"). LESSEE shall diligently pursue the use of the Premises solely for the Allowed Uses and for no other purpose whatsoever without CITY's prior written consent throughout the term of this Lease. The use of the Premises for any unauthorized purpose shall subject this Lease to termination at the sole discretion of the CITY.

3. City Council Action Requires. LESSEE acknowledges that this Lease is expressly conditioned on the San Diego City Council's (the "City Council's") prior authorization to enter into and execute this Lease ("Council Authorization"), which may or may not be granted in the City Council's sole discretion. CITY shall not be liable or obligated for any burden or loss, financial or otherwise, incurred by LESSEE as a result of the City Council's modification of the final terms and conditions of this Lease, or the City Council's failure to grant the Council Authorization.

4. Competent Management. LESSEE shall provide competent management of the Allowed Uses to CITY's reasonable satisfaction. "Competent management" shall mean management practices generally considered acceptable for the management and operation of activities substantially similar to the Allowed Uses and in compliance with all applicable local, state and federal laws, rules and regulations, and in a fiscally responsible manner. "Fiscally responsible manner" shall mean in accordance with generally accepted accounting principles consistently applied and absent financial malfeasance.

5. CITY's Consent, Discretion. CITY's consent or approval under this Lease shall mean the written consent or approval of the Mayor of San Diego, or his or her designee ("Mayor"), unless otherwise expressly provided herein. CITY's discretionary acts hereunder shall be made in the Mayor's discretion, unless otherwise expressly provided herein.

6. Quiet Enjoyment. LESSEE, performing the covenants and agreements in this Lease, shall at all times during the term of this Lease peaceably and quietly have, hold, and enjoy the Premises. If CITY for any reason cannot deliver possession of the Premises to LESSEE at commencement of the term, or if LESSEE is temporarily dispossessed through action or claim of a title superior to CITY's, this Lease shall not be voidable nor shall CITY be liable to LESSEE for any loss or resulting damages.

7. Reservation of Rights.

   7.1 Parking Garage Use. CITY hereby reserves the right to use and occupy, and to allow third parties the right to use and occupy the ground floor parking garage Monday through Friday after 6:00 p.m.

      7.1.1 CITY shall notify LESSEE of any agreement with a third party allowing them to use and occupy the ground floor parking garage 48 hours prior to the authorized use, if the use is for a single event, or 48 hours prior to the first authorized use if the agreement allows for regular use of the parking garage over a period of time.

      7.1.2 CITY shall require that LESSEE be named as an additional insured in any agreement with a third party.

   7.2 Mineral Rights. CITY reserves all rights, title, and interest in and to any and all subsurface natural gas, oil, minerals, and water on or within the Premises.

7.3 Easements. CITY reserves the right to grant, establish, and use easements and rights-of-way over, under, along, and across the Premises for utilities, thoroughfares, or access as it deems advisable for the public good at no cost or liability to CITY.

7.4 Repairs. CITY may at all reasonable times enter the Premises for the purpose of making repairs to or developing municipal resources and services.

7.5 Noninterference. CITY shall not substantially or unreasonably interfere with LESSEE's use of the Premises, and shall repair or reimburse LESSEE for reasonable costs incurred by LESSEE to repair any physical damages to Premises or LESSEE's personal property directly caused by CITY's exercising of its rights reserved in this section. CITY shall pay the costs of maintenance and repair of all CITY installations made pursuant to these reserved rights.

8. Political Activities. LESSEE shall not use the Premises to promote, endorse, or campaign for the nomination or election of any individual to any public office, be it partisan or nonpartisan; however, LESSEE may allow the use of the Premises as a forum for open public debate by two or more candidates of different political parties, such as occurs at a candidate forum and similar events.

9. Public Use. The general public shall have access to the Premises for the uses allowed under this Lease during LESSEE's hours of operation.

10. Signs. Signage that has received CITY's prior written approval and is currently installed on the Premises may remain in place. LESSEE shall not erect or display any other banners, pennants, flags, posters, signs, decorations, marquees, awnings, or similar devices or advertising without CITY's prior written consent. If any such unauthorized item is found on the Premises, LESSEE shall remove the item at its expense within twenty-four (24) hours after notice by CITY, or CITY may thereafter summarily remove the item at LESSEE's cost.

11. Changes. CITY may, in CITY'S sole discretion and from time to time, make changes to the common areas of the Premises, including without limitation making changes in the location, size, shape and number of driveways, entrances, parking spaces, parking area, loading and unloading areas, ingress and egress, direction of traffic, landscaped areas, walkways and utility raceways. CITY may temporarily close any common area of the Premises for maintenance purposes, provided reasonable access to the Premises remains available. CITY may make improvements to the common areas of the Premises and use the common areas of the Premises while making improvements, alterations or repairs to any part of the building, and do and perform such other acts and make other changes in, to or with respect to the building as CITY may deem appropriate.

12. Term. The term of this Lease ("Term") shall be twenty five (25) years, commencing on the Effective Date.

13. Holdover. Any holding over by LESSEE after the expiration or earlier termination of this Lease shall not be considered a renewal or extension of this Lease. The occupancy of the Premises after the expiration or earlier termination of this Lease shall constitute a month-to-month tenancy at will, and all other terms and conditions of this Lease shall continue in full force and effect, except that LESSEE shall then pay to CITY the then fair market rent for the Premises as determined by qualified staff of CITY's Real Estate Assets Department.

14. Surrender of Premises. Upon the expiration or earlier termination of this Lease, LESSEE shall vacate the Premises and surrender it to CITY free and clear of all liens and encumbrances, and in a decent, safe, and sanitary condition. At any time after the expiration or earlier termination of this Lease, LESSEE shall execute, acknowledge, and deliver to CITY, but in no event later than thirty (30) days after CITY's demand, a valid and recordable quitclaim deed covering all of the Premises. If LESSEE fails or refuses to deliver the required quitclaim deed, CITY may prepare and record a notice reciting LESSEE's failure to perform this Lease provision, and the notice shall be deemed conclusive evidence of the termination of this Lease and of all of LESSEE's rights in and to the Premises.

15. Rent. LESSEE shall pay to City rent in the amount of Three Thousand Four Hundred Twelve Dollars and Fifty cents ($3,412.50) per year, paid annually in advance. LESSEE shall pay the rent for the first Lease year within thirty (30) days after the Effective Date, and thereafter on each anniversary of the Effective Date. The rent shall be adjusted annually, upward only, based on increases in the Consumer Price Index (CPI) as provided below.

15.1 CPI Adjustments. On each anniversary of the Effective Date, the rent shall be adjusted, upward only, to reflect any increase in the Consumer Price Index for "All Urban Consumers" for Los Angeles/Riverside/Orange County, California (the "CPI") based on the average of the three then-most recently published monthly indices just prior to each adjustment. If the CPI is no longer published, the index for adjustment shall be the U.S. Department of Labor's "Comprehensive Official Index" most comparable to the CPI.

15.1.1 If a rent adjustment is calculated using an index from a different base year than 1982-84, which equaled a base figure of 100 for the CPI, the base figure used shall first be converted under a formula supplied by the Bureau of Labor Statistics or its successor.

15.1.2 If the Department of Labor indices are no longer published, CITY may use another index deemed by CITY to be reasonably comparable to the CPI, which shall then be the "CPI" under this Lease.

15.1.3 CITY's failure to deliver timely notice of any rent adjustment shall not constitute a waiver by CITY of its rights hereunder.

15.2 CPI Adjustment Computation. The rent shall be calculated as follows:

The "adjustment multiplier" shall be calculated by dividing the "current index" by the "base index" as defined below:

The "base index" denominator for the calculation is 178.5. This is a fixed number representing the three (3) month average of the CPI indices for the months of July, August and September 2001.

The "current index" numerator for the calculation is a variable number that shall be the three (3) month average of the CPI indices for the months of July, August and September of the calendar year preceding the adjustment date.

The "base figure" for purposes of calculating the annual adjustment shall be a fixed amount of two thousand five hundred dollars ($2,500).

Example Calculation

Current Index (Third Quarter 2014)	243.635
	÷
Base Index (Third Quarter 2001)	178.5=
Adjustment Multiplier	1.365

The base figure is then multiplies by the adjustment multiplier to determine the new rent. Using the foregoing example, the adjusted rent is calculated as follows:

$2,500.00	(Base Figure)
X 1.365	(Adjustment Multiplier)
$3,412.50	

(CURRENT INDEX ÷ BASE INDEX) X BASE FIGURE = NEW RENT AMOUNT

15.3 Delinquent Payments. If LESSEE fails to pay Rent when due, LESSEE shall pay, in addition to the unpaid Rent, five percent (5%) of the delinquent Rent. If the Rent is still unpaid after fifteen (15) days past due, LESSEE shall pay an additional five percent (5%) (being a total of ten percent (10%)), which is agreed by the parties to be appropriate to compensate CITY for the cost of servicing the delinquent account. In no event shall the charge for late payments of Rent be less than Twenty-Five Dollars ($25). Acceptance of late charges and any portion of the late payment by CITY shall neither constitute a waiver of LESSEE'S default with respect to late payment nor prevent CITY from exercising any other rights and remedies available at law or in equity.

15.4 Time and Place of Payment. All payments to be paid by LESSEE under this Lease shall be made payable to the City Treasurer and be mailed to:

San Diego City Treasurer
P.O. Box 129030

San Diego, California 92112-9030

or hand delivered to:

The Office of the City Treasurer
Civic Center Plaza
1200 Third Avenue, First Floor
San Diego, California 92101

CITY may change the place of payment at any time upon thirty (30) days written notice to LESSEE. Mailed payments shall be deemed paid upon the date the payment is postmarked by the postal authorities. If postmarks are illegible, the payment shall be deemed received only upon actual receipt.

15.5 Invoicing Courtesy. CITY may invoice LESSEE for amounts due under this Lease. However, any such invoicing shall be deemed a courtesy only; LESSEE shall make all payments under this Lease on or before each applicable due date, regardless of being invoiced. No grace period shall apply to any amount due under this lease.

16. Unauthorized Use Charge. LESSEE shall pay CITY one hundred (100%) of the gross receipts from any use of the Premises that is not allowed by this Lease and of which CITY has not given its prior written consent, regardless of any related penalties charged LESSEE by competent governmental authorities. Such unauthorized use charge shall be payable to CITY within thirty (30) days after LESSEE receives such gross receipts. The unauthorized use charge shall be considered "rent" under this Lease. The existence of such unauthorized use charge and CITY's acceptance thereof shall not constitute authorization for the use in question, and shall not waive any of CITY's rights under this Lease.

17. Maintenance. Throughout the Term, LESSEE shall assume full responsibility and cost for the operation and maintenance of the Premises and all improvements located thereon. LESSEE shall, at LESSEE's sole cost, make or cause all repairs and replacements necessary to maintain and preserve the Premises in a decent, safe, healthy, and sanitary condition satisfactory to CITY and in compliance with all laws.

18. Prevailing Wages. By signing this Lease, LESSEE certifies that he or she is aware of the wage provisions described herein and shall comply with such provisions before entering onto the Lease Area, or allowing any contractors or subcontractors to perform work within the Premises. Pursuant to San Diego Municipal Code section 22.3019, construction, alteration, demolition, repair and maintenance work performed under this Lease is subject to State prevailing wage laws. For construction work performed under this Lease cumulatively exceeding $25,000 and for alteration, demolition, repair and maintenance work performed under this Lease cumulatively exceeding $15,000, the LESSEE and its contractors and subcontractors shall comply with State prevailing wage laws including, but not limited to, the requirements listed below.

18.1 Compliance with Prevailing Wage Requirements. Pursuant to sections 1720 through 1861 of the California Labor Code, the LESSEE, its contractors and subcontractors, shall ensure that all workers who perform work under this Lease are paid not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations (DIR). This includes work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work.

18.1.1 Copies of such prevailing rate of per diem wages are on file at the City and are available for inspection to any interested party on request. Copies of the prevailing rate of per diem wages also may be found at http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm. LESSEE shall require its contractors and subcontractors to post a copy of the prevailing rate of per diem wages determination at each job site and shall make them available to any interested party upon request.

18.1.2 The wage rates determined by the DIR refer to expiration dates. If the published wage rate does not refer to a predetermined wage rate to be paid after the expiration date, then the published rate of wage shall be in effect for the life of this Lease. If the published wage rate refers to a predetermined wage rate to become effective upon expiration of the published wage rate and the predetermined wage rate is on file with the DIR, such predetermined wage rate shall become effective on the date following the expiration date and shall apply to this Lease in the same manner as if it had been published in said publication. If the predetermined wage rate refers to one or more additional expiration dates with additional predetermined wage rates, which expiration dates occur during the life of this Lease, each successive predetermined wage rate shall apply to this Lease on the date following the expiration date of the previous wage rate. If the last of such predetermined wage rates expires during the life of this Lease, such wage rate shall apply to the balance of the contract.

18.2 Penalties for Violations. LESSEE and its contractors and its subcontractors shall comply with California Labor Code section 1775 in the event a worker is paid less than the prevailing wage rate for the work or craft in which the worker is employed. This shall be in addition to any other applicable penalties allowed under Labor Code sections 1720-1861.

18.3 Payroll Records. LESSEE and its contractors and subcontractors shall comply with California Labor Code section 1776, which generally requires keeping accurate payroll records, verifying and certifying payroll records, and making them available for inspection. LESSEE shall require its contractors and subcontractors to also comply with section 1776. LESSEE'S contractors and subcontractors shall submit weekly certified payroll records online via the City's

web-based Labor Compliance Program. LESSEE is responsible for ensuring its contractors and subcontractors submit certified payroll records to the City.

18.3.1 In addition to submitting weekly certified payroll role records to the City, LESSEE'S contractors and their subcontractors shall also furnish the records specified in Labor Code section 1776 directly to the Labor Commissioner in the manner required in Labor Code section 1771.4.

18.4 Apprentices. LESSEE and its contractors and subcontractors shall comply with California Labor Code sections 1777.5, 1777.6 and 1777.7 concerning the employment and wages of apprentices. LESSEE shall be held responsible for the compliance of their contractors as well as the compliance of their subcontractors with sections 1777.5, 1777.6 and 1777.7.

18.5 Working Hours. LESSEE and its contractors and subcontractors shall comply with California Labor Code sections 1810 through 1815, including but not limited to: (i) restrict working hours on public works contracts to eight hours a day and forty hours a week, unless all hours worked in excess of 8 hours per day are compensated at not less than 1 ½ time the basic rate of pay; and (ii) specify penalties to be imposed on design professionals and subcontractors of $25 per worker per day for each day the worker works more than 8 hours per day and 40 hours per week in violation of California Labor Code sections 1810 through 1815.

18.6 Required Provisions for Subcontracts. LESSEE, and its contractors, shall include at a minimum a copy of the following provisions in any contract they enter into with a contractor or subcontractor: California Labor Code sections 1771, 1771.4, 1775, 1776, 1777.5, 1810, 1813, 1815, 1860 and 1861.

18.7 Labor Code Section 1861 Certification. LESSEE in accordance with California Labor Code section 3700 is required to secure the payment of compensation of its contractors' and subcontractors' employees and by signing this Lease, LESSEE certifies that "I am aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this Contract."

18.8 Labor Compliance Program. The City has its own Labor Compliance Program authorized in August 2011 by the DIR. The City will notify LESSEE to withhold or cause to be withheld contract payments when payroll records are delinquent or deemed inadequate by the City or other governmental entity, or it has been established after an investigation by the City or other governmental entity that underpayment(s) have occurred. For questions or assistance, please contact the City of San Diego's Equal Opportunity Contracting Department at (619) 236-6000.

18.9 LESSEE'S Contractor and Subcontractors Registration Requirements. This project is subject to compliance monitoring and enforcement by the DIR. A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter of the Labor Code unless currently registered and qualified to perform public work pursuant to Section 1725.5. In accordance with the Labor Code section 1771.1(a), "[i]t is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded."

18.9.1 A Contractor's inadvertent error in listing a subcontractor who is not registered pursuant to Labor Code section 1725.5 in response to a solicitation shall not be grounds for filing a bid protest or grounds for considering the bid non-responsive provided that any of the following apply: (1) the subcontractor is registered prior to bid opening; (2) within twenty-four hours after the bid opening, the subcontractor is registered and has paid the penalty registration fee specified in Labor Code section 1725.5; or (3) the subcontractor is replaced by another registered contractor pursuant to Public Contract Code section 4107.

18.9.2 A contract entered into with any contractor or subcontractor in violation of Labor Code section 1771.1(a) shall be subject to cancellation, provided that a contract for public work shall not be unlawful, void, or voidable solely due to the failure of the awarding body, contractor, or any subcontractor to comply with the requirements of section 1725.5 or this section.

18.9.3 By entering into this Lease, Lessee is certifying that it will verify that all contractors and subcontractors used on this public works project are registered with the DIR in compliance with Labor Code sections 1771.1 and 1725.5 and Contractor shall provide proof of registration to the City upon request.

19. Assignment and Subletting. LESSEE shall not assign or sublease any rights granted by this Lease or any interest in this Lease without CITY's prior written consent in each instance. A consent to assignment, subletting, occupation, or use by any other person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation, or use by another person. Any assignment or subletting without CITY's consent shall be void and shall, at the option of CITY, terminate this Lease. This Lease shall not, nor shall any interest in this Lease be assignable as to the interest of LESSEE by operation of law without the written consent of CITY. LESSEE shall pay all reasonable fees required by CITY for processing requests for consent. As a condition to any consent to an assignment, sublease or

other grant of rights related to the use and occupancy of the Premises, CITY may require that this Lease be revised to comply with then-current standard CITY lease requirements.

19.1 Assignment for the purposes of this section shall include any transfer of any ownership interest in this Lease by LESSEE, and if LESSEE is other than a natural person, the transfer of a controlling interest in LESSEE or any of LESSEE'S general partners, principals, or controlling shareholders.

19.2 Approval of any assignment or sublease shall be conditioned upon the assignee or sublessee agreeing in writing that it will assume the rights and obligations thereby assigned or subleased and that it will keep and perform all covenants, conditions, and provisions of this Lease which are applicable to the rights acquired. Further, each sublessee shall agree that its sublease shall be subject and subordinate to each and every provision of this Lease. Pursuant to City Charter section 225, CITY must review and approve every person or entity which will have an interest in this Lease as a sublessee or assignee.

19.3 Sublease Income. Subject to CITY's prior consent to any sublease of the Premises or part thereof, in addition to any rent and fees set forth above, LESSEE shall pay monthly to CITY a sum of money equal to fifty percent (50%) of the gross revenue from all sublease income earned by LESSEE from such subletting regardless of actual receipt by LESSEE.

20. Encumbrance. LESSEE shall not encumber this Lease, its leasehold estate, or any improvements on the Premises by deed of trust, mortgage, chattel mortgage, or other security instrument without CITY's prior written consent, which consent shall be in CITY'S sole discretion.

21. Default and Remedies.

21.1 Default. LESSEE shall be in default of this Lease if any of the following occurs:

21.1.1 LESSEE fails to make any payment required under this Lease when due and fails to cure the default within five (5) days following written notice thereof from CITY;

21.1.2 LESSEE defaults in the performance of any covenant, term or condition required by this Lease, other than those requiring payment to CITY, to be performed by LESSEE and fails to cure the default within thirty (30) days following written notice thereof from CITY, or if any such default is not curable within thirty (30) days, fails to commence to cure the breach within thirty (30) calendar days and to diligently pursue the cure to completion;

21.1.3 LESSEE voluntarily files or involuntarily has filed against it any petition under any bankruptcy or insolvency act or law;

21.1.4 LESSEE is adjudicated as bankrupt;

21.1.5 LESSEE makes a general assignment for the benefit of creditors; or

21.1.6 LESSEE uses the Premises for any unauthorized purpose.

21.2 Remedies.

21.2.1 General. Upon LESSEE'S default under this Lease, CITY may pursue any one or more of the remedies listed in this section in addition to any other remedies now or later available to City, in law or equity. Such remedies shall be cumulative and not exclusive.

21.2.2 For Monetary Default. Upon LESSEE'S default for nonpayment under Section 21.1 of this Lease, CITY may in its sole discretion, either give LESSEE or any person, claiming rights through LESSEE, a written Five-Day Notice to Pay or Quit, or CITY may terminate this Lease and all rights of LESSEE and of all persons claiming rights through LESSEE to the Premises or to possession of the Premises, and CITY may enter and take possession of the Premises and may recover the amount set forth below.

21.2.3 For Non-Monetary Default. Upon LESSEE'S default based upon Sections 21.1.2 - 21.1.6 of this Lease, CITY may, in its sole discretion, terminate this Lease, and all rights of LESSEE and of all persons claiming rights through LESSEE to the Premises or possession of the Premises, and CITY may enter and take possession of the Premises and may recover from LESSEE the amount set further below. If any default described in Sections 21.1.2 - 21.1.6 of this Lease is not curable within thirty (30) calendar days after notice to LESSEE, CITY will not terminate this Lease pursuant to the default, if LESSEE immediately commences to cure the default and diligently pursues the cure to completion.

21.2.4 CITY'S Recovery Upon Termination. Upon termination, CITY may enter and take possession of the Premises, and may recover from LESSEE the sum of:

21.2.4.1 the worth at the time of award of any unpaid rent that was due at the time of termination; and

21.2.4.2 the worth at the time of award of the amount by which the unpaid rent, that would have been earned after termination until the time of award, exceeds the amount of rental loss,

if any, that LESSEE affirmatively proves could have been reasonably avoided; and

21.2.4.3 the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of rental loss, if any, that LESSEE affirmatively proves could be reasonably avoided; and

21.2.4.4 any other amount necessary to compensate CITY for all the detriment proximately caused by LESSEE's breach and default, or that in the ordinary course of things, would be likely to result; and

21.2.4.5 all other amounts in addition to or in lieu of those previously stated as may be permitted from time to time by California law.

As used in clauses 21.2.4.1 and 21.2.4.2, above, the "worth at the time of award" is computed by allowing interest at the rate of ten percent (10%) per annum. As used in clause 21.2.4.3, above, the "worth at the time of award" is computed by discounting that amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus two percent (2%). As used in this section, the term "rent" shall include rent and any other amounts payable by LESSEE under this Lease.

21.3 Default if Leasehold is Encumbered. If there is a CITY-approved deed of trust or mortgage on the leasehold interest, CITY shall give the mortgagee or beneficiary written notice of LESSEE's default under this Lease, and the same mortgagee or beneficiary shall have thirty (30) days from the notice to cure the default, or, if the default is not curable within thirty (30) days, to commence to cure the default and diligently pursue the cure to completion. CITY may extend the cure period if the mortgagee or beneficiary uses reasonable diligence to pursue a cure. If the mortgagee or beneficiary chooses to cure the default through litigation or foreclosure, then CITY may exercise any of the following options:

21.3.1 CITY may correct the default and charge the costs to the account of LESSEE, which charge shall be due and payable on the date that the rent is next due after CITY's notice of such costs to LESSEE, and mortgagee or beneficiary;

21.3.2 CITY may correct the default and pay the costs from the proceeds of any insurance fund held by CITY, CITY and LESSEE, or by CITY and mortgagee or beneficiary, or CITY may use the funds of any faithful performance or cash bond on deposit with CITY, or CITY may call on the bonding agent to correct the default or to pay the costs of correction performed by or at the direction of CITY; and

21.3.3 CITY may terminate this Lease as to the rights of LESSEE by assuming or causing the assumption of liability for any trust deed or mortgage. LESSEE shall assume and pay any and all penalties or bonuses required by the beneficiaries, trustees or mortgagees as a condition of early payoff of the related obligations by CITY. CITY may, as an alternative, substitute the terminated LESSEE with a new lessee reasonably satisfactory to the mortgagee or beneficiary. LESSEE shall pay to CITY all reasonable costs incurred by CITY in re-leasing to a new lessee.

If the default is incurable by LESSEE, then any lender holding a beneficial interest in the Premises, whose qualifications as an assignee have been approved by CITY, shall have the absolute right to substitute itself to the estate of LESSEE hereunder and to commence performance of this Lease. If the mortgagee or beneficiary gives notice in writing of its election to substitute itself within the thirty (30) day period after receiving CITY's written notice of a default, and the default, if curable, is cured by the mortgagee or beneficiary, then this Lease will not terminate pursuant to the default. In that event, CITY consents to the substitution and authorizes the mortgagee or beneficiary to perform under this Lease with all the rights, privileges, and obligations of LESSEE, subject to the curing of the default, if possible, by mortgagee or beneficiary. In that event, LESSEE shall assign to mortgagee or beneficiary all of its interest in and to the leasehold estate under this Lease.

21.3.4 Abandonment by LESSEE. If LESSEE breaches the Lease and abandons the Premises, this Lease shall continue in effect as long as CITY does not terminate this Lease, and CITY may enforce all of its rights and remedies under this Lease, including but not limited to the right to recover the rent as it becomes due, plus damages.

21.3.5 Waiver. Any waiver by CITY of a breach or default by LESSEE shall not be a waiver of any other breach or default. No waiver shall be valid and binding unless in writing and executed by CITY. CITY's delay or failure to enforce a right or remedy shall not be a waiver of that or any other right or remedy under this Lease. The enforcement of a particular right or remedy for a breach or default shall not waive any other right or remedy for the same breach or default, or for any other or later breach or default. CITY's acceptance of any rents shall not be a waiver of any default preceding such payment. LESSEE acknowledges that the Premises are publicly-owned property held in trust for the benefit of the citizens of the City of San Diego, and that any failure by CITY to discover a breach or default, or take prompt action to require the cure of any breach or default, shall not result in an equitable estoppel, but CITY shall at all times, have the legal right to require the cure of any breach or default. CITY's acceptance of a

partial payment of rent shall not constitute a waiver of the balance of the rent payment due.

22. Eminent Domain. If all or part of the Premises are taken through condemnation proceedings or under threat of condemnation by any public authority with the power of eminent domain, the interests of CITY and LESSEE (or beneficiary or mortgagee) will be as follows:

22.1 Full Taking. If the entire Premises are taken, this Lease shall terminate on the date of the transfer of title or possession to the condemning authority, whichever first occurs, and any advance rents paid to CITY shall be prorated based upon the actual number of calendar days the Premises was held by LESSEE.

22.2 Partial Taking - Remainder Unusable. If a partial taking of the Premises occurs, and in the opinion of CITY, the remaining part of the Premises are unsuitable for the Lease operation, this Lease shall terminate on the date of the transfer of title or possession to the condemning authority, whichever first occurs.

22.3 Partial Taking - Remainder Usable. If a partial taking of the Premises occurs, and in the opinion of CITY, the remaining part of the Premises are suitable for continued Lease operation, this Lease shall terminate in regard to the portion taken on the date of the transfer of title or possession to the condemning authority, whichever first occurs, but shall continue for the portion not taken. The rent shall be equitably reduced to reflect the portion of the Premises taken, only to the extent that LESSEE's operations are reduced or impaired.

22.4 Award. All monies awarded in any taking shall belong to CITY, whether the taking results in diminution in value of the leasehold or the fee or both. LESSEE shall be entitled to any award attributable to the taking of, or damages to LESSEE's then remaining leasehold interest in installations or improvements of LESSEE. CITY shall have no liability to LESSEE for any award not provided by the condemning authority.

22.5 Transfer. CITY has the right to transfer CITY's interests in the Premises in lieu of condemnation to any authority entitled to exercise the power of eminent domain. If a transfer occurs, LESSEE shall retain whatever interest it may have in the fair market value of any improvements placed by it on the Premises in accordance with this Lease.

22.6 No Inverse Condemnation. The exercise of any CITY right under this Lease shall not be interpreted as an exercise of the power of eminent domain and shall not impose any liability upon CITY for inverse condemnation.

23. Indemnification & Hold Harmless. LESSEE shall protect, defend, indemnify, and hold CITY and its elected officials, officers, employees, representatives, and agents harmless from and against any and all claims asserted or liability established for damages or injuries to any person or property, including injury to LESSEE's officers, employees, invitees,

guests, agents, or contractors, which arise out of or are in any manner directly or indirectly connected with LESSEE's acts or omissions in the performance of its obligations under this Lease, and all expenses of investigating and defending against same, including without limitation attorneys' fees and costs; provided, however, that LESSEE's duty to indemnify and hold CITY harmless shall not include any established liability arising from the established sole gross negligence or intentional misconduct of CITY and its elected officials, officers, employees, representatives, and agents. CITY may, at its own discretion, conduct the defense, or participate in the defense, of any claim related in any way to this indemnification. If the City elects to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification, LESSEE shall pay the City for all costs related thereto, including, without limitation, attorneys' fees and costs.

24. Insurance. LESSEE shall not begin operating under this Lease until it has: (a) obtained, and provided to CITY, insurance certificates reflecting evidence of all insurance as set forth herein; however, CITY reserves the right to request, and LESSEE shall submit, copies of any policy upon reasonable request by CITY; (b) obtained CITY approval of each company or companies as required in Section 24.3 of this Lease; and (c) confirmed that all policies contain the specific provisions required in Section 24.4 of this Lease. LESSEE's liabilities, including but not limited to LESSEE's indemnity obligations, under this Lease, shall not be deemed limited in any way to the insurance coverage required herein. Except as provided for under California law, all policies of insurance required hereunder must provide that CITY is entitled to thirty (30) days prior written notice (10 days for cancellation due to non-payment of premium) of cancellation or non-renewal of the policy or policies. Maintenance of specified insurance coverage is a material element of the Lease and LESSEE's failure to maintain or renew coverage or to provide evidence of renewal during the term of this Lease may be treated as a material breach of contract by CITY.

Further, LESSEE shall not modify any policy or endorsement thereto which increases CITY's exposure to loss for the duration of this Lease.

24.1 Types of Insurance. At all times during the term of this Lease, LESSEE shall maintain insurance coverage as follows:

24.1.1 Commercial General Liability. Commercial General Liability (CGL) Insurance written on an ISO Occurrence form CG 00 01 07 98 or an equivalent form providing coverage at least as broad which shall cover liability arising from any and all personal injury or property damage in the amount of $2 million per occurrence and subject to an annual aggregate of $4 million. There shall be no endorsement or modification of the CGL limiting the scope of coverage for either insured vs. insured claims or contractual liability. All defense costs shall be outside the limits of the policy.

24.1.2 Commercial Automobile Liability. For all of LESSEE'S automobiles including owned, hired and non-owned automobiles, LESSEE shall keep in full force and effect, automobile insurance written on an ISO

form CA 00 01 12 90 or a later version of this form or an equivalent form providing coverage at least as broad for bodily injury and property damage for a combined single limit of $1 million per occurrence. Insurance certificates shall reflect coverage for any automobile.

24.1.3 Workers' Compensation. For all of LESSEE's employees who are subject to this Lease and to the extent required by the applicable state or federal law, LESSEE shall keep in full force and effect, a Workers' Compensation policy. The policy shall provide a minimum of $1 million of employers' liability coverage, and LESSEE shall provide an endorsement that the insurer waives the right of subrogation against CITY and its respective elected officials, officers, employees, agents and representatives.

24.1.4 Professional Liability. For all of LESSEE's employees who are subject to this Lease, LESSEE shall keep in full force and effect, Professional Liability coverage for professional liability with a limit of $1 million per claim and $2 million annual aggregate. LESSEE shall ensure both that: (1) the policy retroactive date is on or before the date of commencement of this Lease; and (2) the policy will be maintained in force for a period of three years or termination of this Lease whichever occurs last. LESSEE agrees that for the time period defined above, there will be no changes or endorsements to the policy that increase CITY's exposure to loss.

24.1.5 Causes of Loss - Special Form Property Insurance. LESSEE shall obtain and maintain, at its sole cost, Causes of Loss - Special Form Property Insurance on all of LESSEE's insurable property related to the Allowed Uses of the Premises under this Lease or the Premises in an amount to cover 100 percent (100%) of the replacement cost. LESSEE shall deliver a certificate of said insurance to CITY's Real Estate Assets Department.

24.2 Deductibles. All deductibles on any policy shall be the responsibility of LESSEE and shall be disclosed to CITY at the time the evidence of insurance is provided.

24.3 Acceptability of Insurers.

24.3.1 Except for the State Compensation Insurance Fund, all insurance required by this Lease shall only be carried by insurance companies with a rating of at least "A-, VI" by A.M. Best Company, that are authorized by the California Insurance Commissioner to do business in the State of California, and that have been approved by CITY.

24.3.2 CITY will accept insurance provided by non-admitted, "surplus lines" carriers only if the carrier is authorized to do business in the State of

California and is included on the List of Eligible Surplus Lines Insurers (LESLI list). All policies of insurance carried by non-admitted carriers are subject to all of the requirements for policies of insurance provided by admitted carriers described herein.

24.4 Required Endorsements.

The following endorsements to the policies of insurance are required to be provided to CITY before any operations are initiated under this Lease.

24.4.1 Commercial General Liability Insurance Endorsements.

ADDITIONAL INSURED. To the fullest extent allowed by law including but not limited to California Insurance Code Section 11580.04, the policy or policies must be endorsed to include as an Additional Insured CITY of San Diego and its respective elected officials, officers, employees, agents and representatives with respect to liability arising out of (a) ongoing operations performed by LESSEE or on LESSEE's behalf, (b) LESSEE's products, (c) LESSEE's work, including but not limited to LESSEE's completed operations performed by LESSEE or on LESSEE's behalf, or (d) premises owned, leased, controlled or used by LESSEE.

PRIMARY AND NON-CONTRIBUTORY COVERAGE. The policy or policies must be endorsed to provide that the insurance afforded by the Commercial General Liability policy or policies is primary to any insurance or self-insurance of CITY of San Diego and its elected officials, officers, employees, agents and representatives as respects operations of the Named Insured. Any insurance maintained by CITY of San Diego and its elected officials, officers, employees, agents and representatives shall be in excess of LESSEE's insurance and shall not contribute to it.

24.4.2 Automobile Liability Insurance Endorsements.

ADDITIONAL INSURED. To the fullest extent allowed by law including but not limited to California Insurance Code Section 11580.04, the policy or policies must be endorsed to include as an Additional Insured CITY of San Diego and its respective elected officials, officers, employees, agents and representatives with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of LESSEE.

24.4.3 Worker's Compensation and Employer's Liability Insurance Endorsements.

WAIVER OF SUBROGATION. The Worker's Compensation policy or policies must be endorsed to provide that the insurer will waive all

rights of subrogation against CITY and its respective elected officials, officers, employees, agents and representatives for losses paid under the terms of the policy or policies which arise from work performed by the Named Insured for CITY.

24.4.4 Reservation of Rights. CITY reserves the right, from time to time, to review LESSEE's insurance coverage, limits, deductibles and self-insured retentions to determine if they are acceptable to CITY.

24.4.5 Additional Insurance. LESSEE may obtain additional insurance not required by this Lease.

24.4.6 Excess Insurance. All policies providing excess coverage to CITY shall follow the form of the primary policy or policies including but not limited to all endorsements.

24.4.7 Accident Reports. LESSEE shall immediately report to CITY any accident causing property damage or injury to persons on the Premises or otherwise related to the Allowed Uses. Such report shall contain the names and addresses of the involved parties, a statement of the circumstances, the date and hour of the accident, the names and addresses of any witnesses, and other pertinent information.

25. Waste, Damage, or Destruction. LESSEE shall not commit or allow to be committed any waste or any public or private nuisance on the Premises, shall keep the Premises clean and clear of refuse and obstructions at all times, and shall dispose of all garbage, trash, and rubbish in a manner satisfactory to CITY. If the Premises are put into a condition which is not decent, safe, healthy, and sanitary, LESSEE shall restore the Premises at LESSEE's sole cost and expense to its prior condition within a reasonable time.

26. Acceptance of Premises. LESSEE acknowledges that the Premises are in good order and condition and shall take possession of the Premises "as is." CITY has not made and makes no representation or warranty as to the condition or suitability of the Premises for LESSEE's intended use, and assumes no obligation to alter or improve the Premises. LESSEE has relied solely on its own independent investigations of the condition and suitability of the Premises, and is satisfied with the condition thereof. LESSEE further acknowledges that the Premises are in the condition called for by this Lease and that LESSEE does not hold CITY responsible for any defects, whether apparent or latent, in the Premises, including the presence of any Hazardous Substances as defined in this Lease.

27. Entry and Inspection. LESSEE may quietly enjoy the Premises, free from unreasonable interference by CITY, except as reasonably required in emergency situations. During such an emergency, CITY may at all times enter and inspect the Premises and the operations conducted on the Premises. For all non-emergency situations, CITY may at all reasonable times, but only upon reasonable prior notice to LESSEE, enter and inspect the Premises and the operations conducted on the Premises. If entry or inspection by CITY discloses that the Premises are not in a decent, safe, healthy, and sanitary condition, CITY shall have the right,

but not the obligation, after ten (10) days written notice to LESSEE, to have any necessary maintenance work done at the sole expense of LESSEE, and LESSEE shall pay promptly any and all costs incurred by CITY in having necessary maintenance work done in order to keep the Premises in a decent, safe, healthy, and sanitary condition. If at any time CITY determines that the Premises are not in a decent, safe, healthy, and sanitary condition, CITY may, at its sole option, without additional notice, require LESSEE to file a faithful performance bond to assure prompt correction of any condition which is not decent, safe, healthy, and sanitary. The bond shall be in an amount adequate in the opinion of CITY to correct the unsatisfactory condition. LESSEE shall pay the cost of the bond. The rights reserved in this section shall not create any obligations on CITY or increase obligations elsewhere in this Lease imposed on CITY.

28. Utilities. LESSEE shall order, obtain, and pay for all utilities, including installation and service charges, in connection with/for the operation of the Premises. All utilities on the Premises shall be installed underground and shall be used for LESSEE'S operations only.

29. Improvements/Alterations. No improvements, structures, or installations shall be constructed on the Premises, and the Premises may not be altered, by LESSEE without CITY's prior written approval. Additionally, once completed, LESSEE shall not make any structural or architectural design alterations to approved improvements, structures, or installations on the Premises without CITY's additional prior written approval. This provision shall not relieve LESSEE of any maintenance obligation under this Lease. CITY shall not be obligated by this Lease to make or assume any expense for any improvements or alterations to the Premises.

30. Construction Bond. CITY shall require LESSEE to deposit with CITY, prior to commencement of the construction, a faithful performance bond in the amount of one hundred percent (100%) of the estimated construction cost of the work to be performed. The bond may be in cash or may be a corporate surety bond or other security satisfactory to CITY. The bond shall insure that the construction commenced by LESSEE shall be completed in accordance with the plans approved by CITY or, at the option of CITY that the uncompleted construction shall be removed and the Premises restored to a condition satisfactory to CITY. The bond or cash shall be held in trust by CITY for the purpose specified above, or at CITY's option may be placed in an escrow approved by CITY.

31. Liens. LESSEE shall protect, defend, indemnify, and hold CITY harmless from and against all claims for labor or materials in connection with operations, improvements, alterations, or repairs on or to the Premises and the costs of defending against such claims, including without limitation reasonable attorneys' fees. If LESSEE causes improvements, alterations, or repairs to be made to the Premises, and a lien or notice of lien is filed against the property, LESSEE shall notify CITY of the lien within five (5) days after LESSEE first becomes aware of the existence of the lien, and within thirty (30) days after the filing either: (a) take all actions necessary to record a valid release of the lien; or (b) file with CITY a bond, cash, or other security acceptable to CITY sufficient to pay in full all claims of all persons seeking relief under the lien.

32. Taxes. LESSEE shall pay, before delinquency, all taxes, assessments and fees assessed or levied upon the Premises or upon LESSEE's use and occupancy of the Premises, including without limitation licenses and permits, and including the land and any improvements or fixtures installed or maintained by LESSEE thereon. LESSEE acknowledges that this Lease may create a possessory interest subject to property taxation and that LESSEE may be subject to the payment of taxes levied on that possessory interest. LESSEE shall pay all such possessory interest taxes. LESSEE's payment of taxes, fees and assessments shall not reduce any rent due to the CITY. CITY shall not assume any responsibility for any taxes whatsoever resulting from LESSEE's possession, use or occupancy of the Premises.

33. Development Plan.

33.1 Development Plan. LESSEE shall develop the Premises in accordance with a development plan (the "Development Plan") that shall include, at a minimum, a ground floor parking garage and a two-story building consistent with the Development Plan Summary attached here to as **Exhibit B,** approved by CITY, in its reasonable discretion as lessor under this Lease. LESSEE shall provide a copy of signed plan sheets to the CITY prior to approval of the Development Plan, and shall not make any alterations to the Development Plan thereafter, without CITY's consent. CITY, in its sole discretion, may grant an extension of up to one (1) year for completion of the development contemplated by the Development Plan. Lessee shall notify CITY if construction is stopped for thirty (30) days or more, and again when construction resumes.

33.2 Permits. LESSEE shall, at its sole cost and expense, seek and obtain all necessary development permits and approvals required for developing the Premises pursuant to the Development Plan.

33.3 Contractor Requirements. All work shall be performed only by competent and qualified contractors duly licensed under the laws of the State of California pursuant to written contracts with such contractors. LESSEE further warrants and represents that it will require any contractor or subcontractor to maintain his or her license in an active status and in good standing for the term of any contract related to work subject to this Lease. CITY shall have the right to demand production of and to inspect the contractor's or subcontractor's license, and LESSEE agrees to produce said documentation within 48 hours of such a request. LESSEE shall notify CITY immediately upon determining that a contractor or subcontractor is unlicensed, or that said license has been suspended or revoked, and LESSEE further represents and warrants that it will not allow said contractor or subcontractor to enter onto the Premises or perform work subject to the Lease until LESSEE has demonstrated to CITY's satisfaction that the license is active and in good standing.

33.4 Notices of Nonresponsibility. CITY shall, at any and all times during the Term, have the right to post and maintain on the Premises and to record as required by law any notice or notices of nonresponsibility provided for by the mechanics' lien

laws of the State of California. LESSEE shall give CITY not less than thirty (30) days' written notice prior to the commencement of any work (including site preparation work) or the delivery of building materials to the Premises.

33.2 Failure of Development Plan. Failure to comply with the timelines set forth below may be treated as a material default of the Lease. Notwithstanding any provision of this Lease to the contrary, CITY may, in its sole discretion, terminate this Lease if any of the following occurs:

33.2.1 LESSEE fails to provide CITY with, and obtain CITY's approval of, the plan sheets and obtains all required development permits within one (1) year from the Effective Date of this Lease;

33.2.2 LESSEE fails to commence construction pursuant to the Development Plan within two (2) months after obtaining all necessary permits and approvals thereof;

33.3.3 LESSEE fails to complete construction and obtain a Certificate of Occupancy within one (1) year after obtaining all necessary permits and approvals of the Development Plan, unless CITY consented, in writing, to an extension of that time, in which case, LESSEE fails to complete construction and obtain a Certificate of Occupancy by the date required by the extension; or

33.3.4 after commencement of construction, the construction is stopped for more than three (3) months, unless such work stoppage is caused by a force majeure.

33.3 Liquidated Damages. The parties agree that the damages to CITY resulting from LESSEE'S failure to comply with the timelines set forth in Section 33.2.1-33.3.4 would be extremely difficult to determine. Therefore, if LESSEE fails to comply with any of the timelines set forth in Section 33.2.1-33.3.4 as required by this Lease, LESSEE shall pay to CITY liquidated damages in the amount of seventy-five dollars ($75.00) per day until completion. Such liquidated damages shall be deemed additional rent due and payable upon CITY'S demand therefor.

34. Ownership of Improvements; Removal of Improvements and Personal Property.

34.1 Improvements. During the Term of this Lease, LESSEE shall own all improvements, fixtures, structures, and installations or additions to the Premises constructed or installed on the Premises by LESSEE. Upon expiration or termination of this Lease, all such improvements, fixtures, structures, and installations or additions shall be deemed a part of the Premises and shall thereafter be owned by CITY. Notwithstanding the foregoing, CITY may, upon notice to LESSEE at Lease termination or at any time prior to the expiration of

the Term, elect to have part or all of such improvements, fixtures, structures, and installations or additions removed by LESSEE at the end of the Term. In that case, LESSEE shall, at LESSEE's sole cost and expense, remove those items designated for removal in CITY's notice and restore the Premises to CITY's reasonable satisfaction as soon as practicable, but in no event later than sixty (60) days after the expiration or earlier termination of this Lease. LESSEE, at its sole cost and expense, shall be responsible for the repair of any and all damage resulting from the removal of such items. If LESSEE fails to remove the items as required herein, CITY may, at its option, remove them at LESSEE's sole cost and expense.

34.2 Personal Property. LESSEE shall remove LESSEE-owned machines, appliances, equipment, trade fixtures, and other items of personal property upon the expiration of the Term, or as soon as practicable after termination, but in no event later than thirty (30) days after the expiration or earlier termination of this Lease. Subject to applicable California law, any such items which LESSEE fails to so remove shall be deemed abandoned and become CITY's property free of all claims and liens, or CITY may, at its option, remove such items at LESSEE's sole cost and expense. LESSEE, at its sole cost and expense, shall be responsible for the repair of any and all damage resulting from the removal of its personal property from the Premises.

34.3 Late Removal. Notwithstanding any provision of this Lease to the contrary, LESSEE shall pay rent to CITY for any period of time after the expiration or termination of this Lease needed to remove improvements or personal property as required by this Lease, whether by CITY or LESSEE. Such rent shall be calculated on a per diem basis using the then-current fair market rental rate as determined by qualified CITY staff.

34.4 CITY's Right to Acquire Personal Property. If LESSEE wants to dispose of any of its personal property used in its operations on the Premises upon expiration or termination of this Lease, CITY shall have the first right to acquire such personal property.

35. Unavoidable Delay. If the performance of an act required by this Lease is directly prevented or delayed by a cause beyond the reasonable control of the party required to perform the act, that party shall be excused from performing the act for a period equal to the period of the prevention or delay. This provision shall not apply to obligations to pay rent. The party claiming a delay shall notify the other party in writing within ten (10) calendar days after the beginning of any claimed delay.

36. Hazardous Substances. LESSEE shall not allow the illegal installation, storage, utilization, generation, sale or release of hazardous or otherwise regulated substances in, on, under, or from the Premises. LESSEE and LESSEE's agents and contractors shall not install, store, utilize, generate, or sell any Hazardous Substance on the Premises without CITY's prior written consent. LESSEE shall obtain and maintain all required licenses and permits from

applicable regulatory agencies, including without limitation the San Diego County Department of Environmental Health, local fire agencies, the San Diego County Department of Weights and Measures, the San Diego County Air Pollution Control District, and the San Diego Regional Water Quality Control Board. Installing, utilizing, storing, or any other presence of a hazardous substance includes boxes, bags, bottles, drums, cylinders, above or below ground tanks, equipment with tanks, or any other type of container, equipment, or device which holds or incorporates a Hazardous Substance or hazardous waste.

36.1 Release. For the purposes of this provision, a release shall include without limitation any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or otherwise disposing of hazardous substances.

36.2 "Hazardous Substance" shall mean any hazardous liquid, solid, or gaseous material substances listed by the Environmental Protection Agency or the State of California as a hazardous substance, and any type of petroleum-related substances and their chemical constituents.

36.3 Remediation. If LESSEE's occupancy, use, development, maintenance, or restoration of the Premises results in a release of a Hazardous Substance, LESSEE shall pay all costs of remediation and removal to the CITY's satisfaction for unrestricted reuse of the Premises, and in accordance with all applicable laws, rules, and regulations of governmental authorities.

36.4 Removal. If LESSEE or LESSEE's contractor or agent has received approval and permits to store, utilize, generate, or install, or otherwise bring hazardous materials or hazardous wastes to the Premises, LESSEE and/or LESSEE's contractor or agent shall remove all Hazardous Substances and hazardous wastes in any type of container, equipment, or device from the Premises immediately upon, the expiration of the said approval or permit, or prior to the expiration or earlier termination of this Lease whichever occurs first. CITY reserves the right to conduct inspections of the Premises and/or request documentation demonstrating the legal removal and/or disposal of the hazardous materials, wastes or other containers, equipment, or devices from the Premises. LESSEE shall be responsible for any and all costs incurred by CITY to remove any container, equipment, or device requiring disposal or removal as required by this provision.

36.5 Indemnity. LESSEE shall protect, defend, indemnify, and hold CITY harmless from any and all claims, costs, and expenses related to environmental liabilities resulting from LESSEE's occupancy, use, development, maintenance, or restoration of the Premises, including without limitation: (i) costs of environmental assessments; (ii) costs of regulatory remediation oversight; (iii) costs of remediation and removal; (iv) any necessary CITY response costs; (v) all fines, penalties, or fees assessed by any regulatory agency; (vi) damages for injury

to natural resources, LESSEE's officers, employees, invitees, guests, agents, or contractors, or the public; and (vii) all costs of any health assessments or health effect studies.

36.6 Notice of Release. If LESSEE knows or has reasonable cause to believe that a Hazardous Substance has been released on, from, or beneath the Premises, LESSEE shall immediately notify CITY and any appropriate regulatory or reporting agency per California Administrative Code Title 19 and any other applicable laws or regulations. LESSEE shall deliver a written report thereof to CITY within three (3) days after receipt of the knowledge or cause for belief and submit any required written reports to regulatory or reporting agencies as required by regulation or law. If LESSEE knows or has reasonable cause to believe that such substance is an imminent release or is an imminent substantial danger to public health and safety, LESSEE shall take all actions necessary to alleviate the danger. LESSEE shall immediately notify CITY in writing of any violation, notice to comply, or notice of violation received or the initiation of environmental actions or private suits related to the Premises.

36.7 Environmental Assessment. Upon reasonable cause to believe that LESSEE's occupancy, use, development, maintenance, or restoration of the Premises ("LESSEE's Operations"), resulted in any Hazardous Substance being released on, from or beneath the Premises, CITY may cause an environmental assessment under regulatory oversight of the suspect area to be performed by a professional environmental consultant registered with the State of California as a Professional Engineer, Certified Engineering Geologist, or Registered Civil Engineer. The environmental assessment shall be obtained at LESSEE's sole cost and expense, and shall establish what, if any, Hazardous Substances have more likely than not been caused by LESSEE's Operations on, in, from or under the Premises, and in what quantities. If any such Hazardous Substances exist in quantities greater than allowed by city, county, state, or federal laws, statutes, ordinances, or regulations, or require future restricted re-use of the Premises, then the environmental assessment shall include a discussion of such substances with recommendations for remediation and removal necessary to effect unrestricted re-use and in compliance with those laws or statutes, and estimates of the cost of such remediation or removal. LESSEE shall cause, or if LESSEE fails to do so within a reasonable period of time, as determined by CITY in its sole discretion, CITY may cause the remediation and/or removal recommended in the environmental assessment such that unrestricted re-use of the Premises and compliance with environmental law and regulations are achieved, and LESSEE shall pay all costs and expenses therefor.

36.8 Bio-Hazardous Materials. LESSEE represent and warrants that no bio-hazardous waste or materials, including without limitation hypodermic needles and/or syringes and bodily fluid samples, will be present on the property or used in the treatment of LESSEE's patients.

37. Notices. Any notice required or permitted to be given under this Lease shall be in writing and may be served personally or by United States mail, postage prepaid, addressed as follows:

If to LESSEE:

Family Health Centers of San Diego
Attention: Chief Executive Officer
823 Gateway Center Way
San Diego, CA ~~92101~~

If to CITY:

THE CITY OF SAN DIEGO
Attention: Director, Real Estate Assets Department
1200 Third Avenue, Suite 1700, MS 51A
San Diego, California 92101

38. Compliance with Law. LESSEE shall at all times in the construction, maintenance, occupancy, restoration and operation of the Premises comply with all applicable laws, rules, regulations, and requirements of competent legal authority at LESSEE's sole cost and expense. LESSEE shall promptly deliver to City copies of all documentary evidence of such compliance received by or otherwise available to LESSEE (e.g., validation of periodic inspection of LESSEE's fire-suppression equipment in the Premises). In addition, LESSEE shall comply with any and all notices issued by the Mayor or designee under the authority of any law, statute, ordinance, or regulation.

39. California Public Records Act. CITY shall determine, in its sole discretion, whether information provided to CITY by LESSEE pursuant to this Lease is or is not a public record subject to disclosure under the California Public Records Act. LESSEE shall hold CITY, its elected officials, officers and employees harmless for CITY's disclosure of any such information in response to a request for information under the CPRA.

40. Equal Opportunity and Contracting. LESSEE 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. LESSEE 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. LESSEE shall cause the foregoing provisions, as well as the mandatory language required by San Diego Municipal Code section 22.2704, 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. LESSEE 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 CITY's request, LESSEE shall submit a current Workforce

Report. LESSEE 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 CITY contracts for a period of not less than one (1) year.

41. Equal Benefits. LESSEE shall comply with San Diego Municipal Code sections 22.4301-22.4308, which require lessees of City-owned property to offer the same employment benefits to employees with spouses and employees with domestic partners. LESSEE shall certify that it will maintain such equal benefits throughout the term of this Lease. LESSEE's failure to maintain equal benefits shall be a default of this Lease.

42. Disabled Access Compliance. LESSEE shall, as applicable to the Premises and LESSEE's possession, use and occupancy thereof, comply with the California Government Code, Sections 11135-11139.5; the Federal Rehabilitation Act of 1973, Section 504, Title V; the Americans with Disabilities Act of 1990 (ADA); and any other applicable state and federal laws and regulations hereafter enacted protecting the rights of people with disabilities. LESSEE's compliance shall include but not necessarily be limited to the following:

42.1 LESSEE shall not discriminate against qualified persons with disabilities in any aspects of employment, including recruitment, hiring, promotions, conditions and privileges of employment, training, compensation, benefits, discipline, layoffs, and termination of employment.

42.2 No qualified individual with a disability may be excluded on the basis of disability from participation in, or be denied the benefits of, services, programs, or activities of LESSEE.

42.3 LESSEE shall post a statement addressing the requirements of the ADA in a prominent place at the work site.

42.4 Where required by law, any improvements made to the Premises by LESSEE shall comply with municipal disabled access requirements by bringing up to code and making accessible any areas of the Premises which deny access to disabled persons. All improvements and alterations shall be at the sole cost of LESSEE.

42.4.1 LESSEE shall include language in each sublease agreement which indicates the sublessee's agreement to abide by the foregoing provisions. LESSEE and sublessees shall be individually responsible for their own ADA employment programs.

42.4.2 LESSEE understands that failure to comply with the above requirements and/or submitting false information in response to these requirements shall constitute a default under this Lease.

43. Accessibility Assessment. In accordance with California Civil Code Section 1938, CITY hereby states that the Premises has not been inspected by a Certified Access Specialist (CAS).

44. Drug-free Workplace. LESSEE shall abide by the omnibus drug legislation passed by Congress on November 18, 1988, by adopting and enforcing a policy to maintain a drug-free workplace by doing all of the following:

44.1 Publish a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of controlled substances are prohibited on the Premises and specifying the actions that will be taken against employees for violations of the prohibition; and

44.2 Establish a drug-free awareness program to inform employees about all of the following:

44.2.1 The dangers of drug abuse in the workplace;

44.2.2 LESSEE's policy of maintaining a drug-free workplace;

44.2.3 Any available drug counseling, rehabilitation, and employee assistance programs; and

44.2.4 The penalties that may be imposed upon employees for drug abuse violations.

44.3 LESSEE shall include in each of its sublicenses and contracts related to this Lease language obligating each sublicensee and contractor to comply with the provisions of this section to maintain a drug-free workplace. LESSEE, and each of its sub-licensees and contractors, shall be individually responsible for their own drug-free workplace program.

45. CITY Employee Participation Policy. CITY may unilaterally and immediately terminate this Lease if LESSEE employs an individual who, within the twelve (12) months immediately preceding such employment did, in their capacity as a CITY officer or employee, participate in negotiations with or otherwise have an influence on a recommendation made to the San Diego City Council related to the selection of LESSEE for this Lease. It is not the intent of this policy that these provisions apply to members of the City Council.

46. Local Business and Employment. LESSEE acknowledges that CITY seeks to promote employment and business opportunities for local residents and firms in all CITY contracts. For work associated with this Lease and to the extent legally possible, LESSEE shall use its best efforts to solicit applications for employment and bids and proposals for contracts from local residents and firms as opportunities occur. LESSEE shall use its best efforts to hire qualified local residents and firms whenever practicable.

47. Water Quality Assurances. LESSEE shall, at its sole cost and expense, comply with all laws, rules, regulations and direction of competent governmental authority (such as the San Diego Regional Water Quality Control Board) relating to water quality assurance and storm water management. LESSEE acknowledges and agrees that such legal requirements may change at any time and from time to time.

47.1 NPDES. LESSEE shall comply with all applicable requirements of the National Pollutant Discharge Elimination System ("NPDES") permit in force on the Effective Date of this Permit (i.e., Permit No. R9-2013-0001), and any and all amendments thereto and all applicable succeeding NPDES permits.

47.2 Stormwater Management. LESSEE shall comply with all applicable requirements of the San Diego Municipal Code Chapter 4, Article 3, Division 3: Stormwater Management and Discharge Control (the "Stormwater Code"), and employ "Best Management Practices," as that term is defined by the Stormwater Code, and as approved by the City of San Diego, in its governmental capacity, under its Stormwater Management Program.

48. Nondiscrimination. This Lease is made and accepted upon and subject to the covenant and condition, which shall run with the land, that LESSEE or any person claiming under or through 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, 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.

49. Cumulative Remedies. CITY's rights and remedies under this Lease are cumulative and shall not limit or otherwise waive or deny any of CITY's rights or remedies at law or in equity.

50. Survival. Any obligation which accrues under this Lease prior to its expiration or termination shall survive such expiration or termination.

51. Joint and Several Liability. If LESSEE is comprised of more than one person or legal entity, such persons and entities, and each of them, shall be jointly and severally liable for the performance of each and every obligation of LESSEE under this Lease.

52. No Affiliation. Nothing contained in this Lease shall be deemed or construed to create a partnership, joint venture, or other affiliation between CITY and LESSEE or between CITY and any other entity or party, or cause CITY to be responsible in any way for the debts or obligations of LESSEE or any other party or entity.

53. Entire Agreement and Understanding. This Lease constitutes the entire agreement between the parties and supersedes any and all prior understandings, representations, warranties, and agreements between them pertaining to this Lease and LESSEE's occupancy, use,

development, maintenance, and restoration of the Premises. Any modification, alteration, or amendment of this Lease shall be in writing and signed by all the parties hereto. Each party has relied on its own examination of the Premises, advice from its own attorneys, and the warranties, representations, and covenants of the Lease itself. Each of the parties to this Lease agrees that no other party, agent, or attorney of any other party has made any promise, representation, or warranty whatsoever which is not contained in this Lease. The failure or refusal of any party to read the Lease or other documents, inspect the Premises, and obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention, or claim that might have been based on these actions.

54. Partial Invalidity. If any term, covenant, condition, or provision of this Lease is found invalid, void, or unenforceable by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

55. Standard of Employees. LESSEE and its employees shall at all times conduct themselves and the operations on the Premises in a creditable manner, as determined by CITY in its sole reasonable discretion.

56. Conformity. The policies established by LESSEE for the operation of the Premises shall conform to the general policies established by CITY for the use and operation of similar CITY-owned properties.

57. Use of Proceeds. LESSEE shall use all revenue received from the operation of the Premises in a fiscally responsible manner, relative to other organizations performing work reasonably similar to the Allowed Uses and the operation, maintenance, and improvement of the Premises as set forth in this Lease. LESSEE's compliance with this requirement shall be certified in LESSEE's annual financial report as required herein.

57.1 Annual Report. LESSEE shall deliver to CITY an annual financial report for each of LESSEE's fiscal years during the Term, certified by an independent certified public accountant. LESSEE shall deliver each such financial report within one hundred twenty (120) days after its fiscal year end. The financial report shall include an operating statement and a report of net worth, shall be in a form reasonably satisfactory to CITY, and shall be subject to CITY's review and audit. Within one hundred twenty (120) days after the expiration or earlier termination of this Lease, LESSEE shall deliver to CITY a final financial report that complies with the above requirements for an annual financial report, and covering the period between the last annual report and the expiration or termination date of this Lease.

57.2 Financial Records. LESSEE shall keep or cause to be kept true, accurate, and complete accounting records using generally accepted accounting principles consistently applied, including double-entry books, a profit-and-loss statement, and a balance sheet, making it possible at all times to determine the nature and amount of revenue and expenditures. All of LESSEE's expenditures and transactions shall be supported by documents of original entry such as sales slips;

cash register tapes, purchase invoices, and receipts. LESSEE shall retain documents supporting its profit-and-loss statements for a minimum period of five (5) years.

57.3 Inspection of Records and Audit. LESSEE shall make all of its books, statements, documents, records, and financial data open at all reasonable times for CITY's inspection and audit upon reasonable notice at the Premises or other suitable location mutually agreed upon by the parties. LESSEE shall maintain all records and accounts for a minimum period of five (5) years. This section shall survive expiration or earlier termination of this Lease. LESSEE's failure to keep and maintain records and make them available for inspection by CITY is a breach of this Lease and cause for termination. CITY may conduct an audit of LESSEE's books, statements, documents, records, and financial data, or demand and receive from LESSEE the results of a complete audit as conducted by an independent certified public accountant in the event that: (i) LESSEE's chief executive officer, executive director, or other such manager resigns, retires, or is discharged; (ii) a majority in the membership of LESSEE's governing body changes; or (iii) the purposes for which LESSEE was created are materially or substantially changed.

57.4 Proposed Budget. At least forty-five (45) days prior to each Lease year during the Term, LESSEE shall deliver to CITY one (1) copy of documents evidencing LESSEE's proposed programs, business plan, and fiscal status of LESSEE for the next year. Without limiting the generality of the foregoing, these documents shall include (i) a copy of LESSEE's proposed programs; (ii) a copy of a detailed operating budget showing expected sources of revenue and the nature of all proposed expenditures, including compensation for the director and each staff member of LESSEE; and (iii) an adequate reserve account for maintenance of the Premises. Such documents shall be in form and content reasonably satisfactory to CITY.

57.5 Activities and Inventory. LESSEE shall deliver to CITY once a year during each Lease term an annual report of LESSEE's programs on the Premises.

58. Related Governmental Actions and Approvals. By entering into this Lease, the CITY is not obligating itself to any other government agent, board, commission, or agency with regard to any other discretionary action relating to development or operation of the Premises. Discretionary action includes, but is not limited to, rezoning, variances, environmental clearances, or any other governmental agency approvals which may be required for the development and operation of the Premises. LESSEE shall be solely responsible for processing all land use, development, and construction approvals required for the use and occupancy of the Premises. This Lease shall not be interpreted by any decision-maker on any CITY-issued permit or approval to override or dictate the outcome of any findings required for any permit or development approval.

59. Authority to Contract. Each individual executing this Lease on behalf of another person or legal entity represents and warrants that they are authorized to execute and deliver this

Lease on behalf of such person or entity in accordance with duly adopted resolutions or other authorizing actions which are necessary and proper and under such legal entity's articles, charter, bylaws, or other written rules of conduct or governing agreement, and that this Lease is binding upon such person or entity in accordance with its terms. Each person executing this Lease on behalf of another person or legal entity represents and warrants such entity is a valid, qualified corporation, limited liability company, partnership, or other unincorporated association in good standing in its home state and that such entity is qualified to do business in California.

IN WITNESS WHEREOF, this Lease is executed to be effective as of the Effective Date.

Family Health Center of San Diego, a California private nonprofit corporation

BY: _____
Name: FRAN Butler-Cohn
Title: CEO
Date: 10/21/15

THE CITY OF SAN DIEGO, a California municipal corporation

BY: _____
Name: RONALD VILLA
Title: DCOO
Date: 10.29.2015

Environmental Analysis Section Environmental Clearance:

This activity is not a project pursuant to CEQA Section 15060(c)(3) because it would not result in a direct, or reasonably forseeable indirect physical change, on the environment. Pursuant to CEQA Section 15004 (Time of Preparation,) and the provisions of the lease the Lessee is required to obtain all required permits and approvals, including environmental clearance for the Development Plan as described in Exhibit B, that is the subject of the lease.

BY: _____
Name: Myra Herrmann
Title: Senior Planner
Date: 12/2/15

San Diego City Council Authorizing Resolution No. R. _____ Date of Final passage.

Approved as to form this 7th *day of* December, *2015.*

R-310024

JAN I. GOLDSMITH, City Attorney

BY: Melissa Ables

Name: Melissa Ables

Title: Deputy City Attorney

Exhibit A: Aerial View of Premises
Exhibit B: Development Plan Summary

I:\Support Staff Group\WPO\2015\GILLIS\GILLIS - LEASE - FAMILY HEALTH CENTERS -Final 10-20-15.docx

R- 310024

Exhibit A: Aerial View of Premises

[TO FOLLOW BEHIND THIS PAGE]

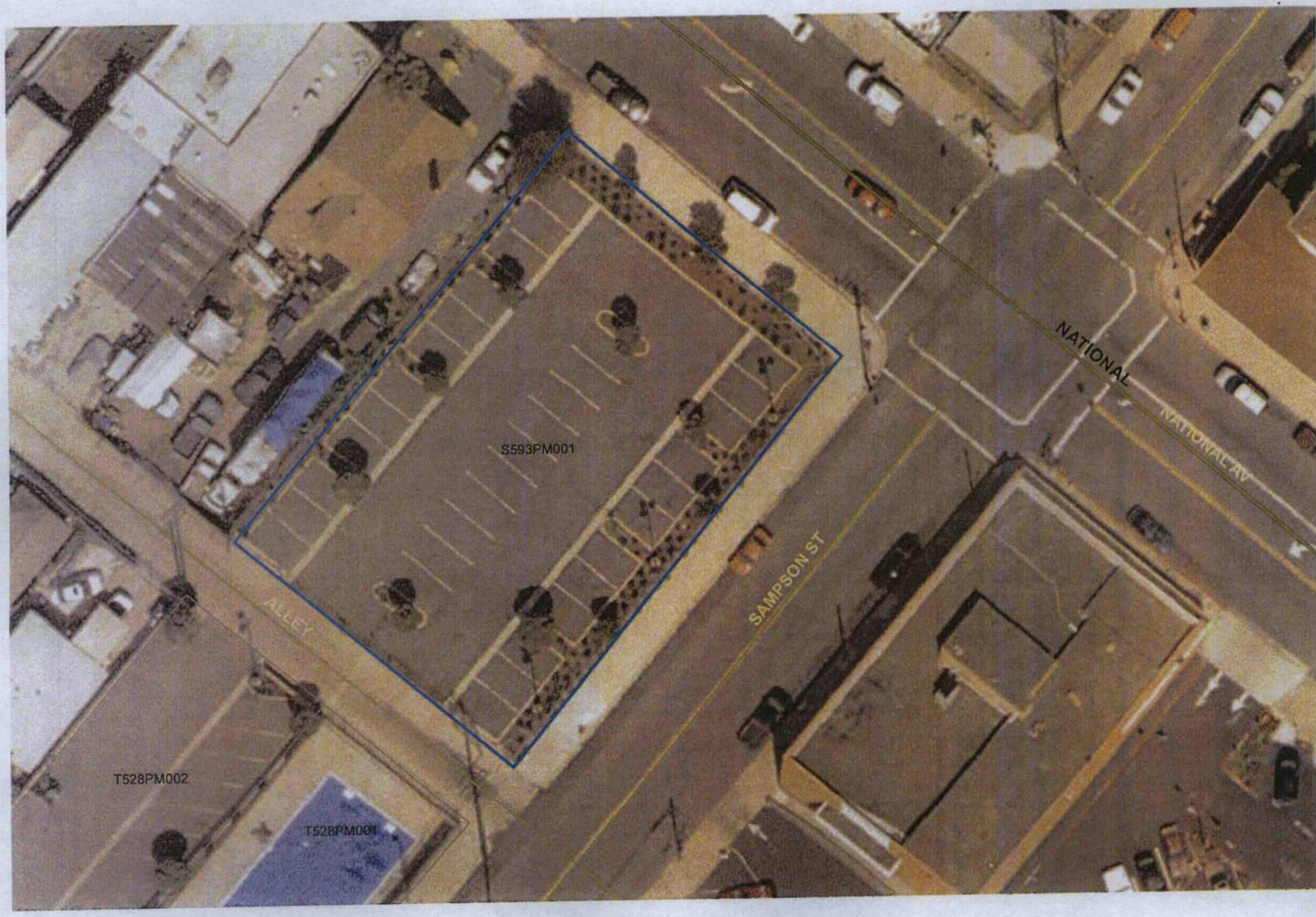

S593PM001
NATIONAL
NATIONAL AV
SAMPSON ST
ALLEY
T528PM002
T528PM001

Exhibit B: <u>Development Plan</u>

[TO FOLLOW BEHIND THIS PAGE]

EXHIBIT B
DEVELOPMENT PLAN SUMMARY

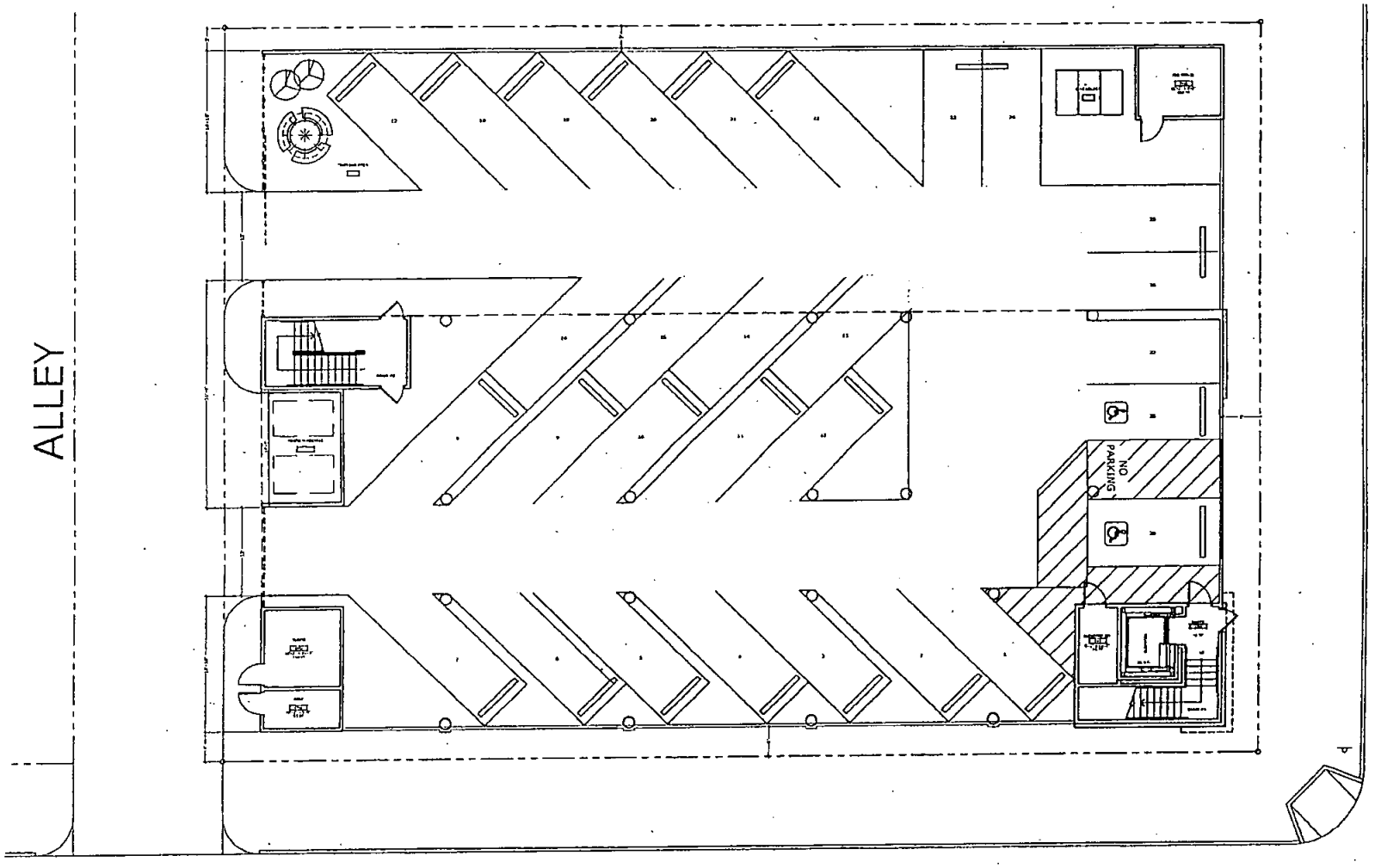
FHCSD'S proposed Logan Heights Behavioral Health Center will consist of a two-story, 8,255 square foot facility (please see the attached floor plans for facility details). The center will include parking on the ground floor and office space and group conference rooms on the first floor. The first floor will be divided into one moderate size room, accommodating 12 to 14 people for group activities or staff meetings, and 12 smaller offices for client interviewing, counseling, case consultation, and medical records charting. On the first floor there also will be a patient waiting area (accommodating 20-25 individuals), registration area, rooms dedicated to charting and storage for medical records, and two restrooms.

The center's ground floor parking will include 29 spaces-19 covered and 10 uncovered-which will be made available Monday through Friday after 6:00p.m. for City use.

ID	Task Name	Duration	Start	Finish	Predecessors
1	**Project Design & Permit Preparation**	**82 days**	**Mon 5/4/15**	**Tue 8/25/15**	
2	City Approval to Proceed - ESTIMATED (actual date for RFP award is unknown)	1 day	Mon 5/4/15	Mon 5/4/15	
3	Design Team Kick Off Meeting	1 day	Tue 5/5/15	Tue 5/5/15	2
4	Prep Floorplans / Docs for Architect of Record	5 days	Wed 5/6/15	Tue 5/12/15	3
5	Prep RFP for Architect of Record	1 day	Wed 5/13/15	Wed 5/13/15	4
6	Bidding for Architect of Record	5 days	Thu 5/14/15	Wed 5/20/15	5
7	Prep Arch Plans / Details / Specs	30 days	Thu 5/21/15	Wed 7/1/15	6
8	Scrub & Award Architect of Record	1 day	Thu 7/2/15	Thu 7/2/15	7
9	Kick Off Meeting with Architect of Record	1 day	Fri 7/3/15	Fri 7/3/15	8
10	Cross Coordinate Architect of Record	20 days	Mon 7/6/15	Fri 7/31/15	9
11	Internal Review Process #1	1 day	Mon 8/3/15	Mon 8/3/15	10
12	Internal Revisions	3 days	Tue 8/4/15	Thu 8/6/15	11
13	Internal Review Process #2	1 day	Fri 8/7/15	Fri 8/7/15	12
14	Final FHCSD Review	2 days	Mon 8/10/15	Tue 8/11/15	13
15	Prep for Building Permit	10 days	Wed 8/12/15	Tue 8/25/15	14
16	**Building Permit Process**	**200 days**	**Wed 8/26/15**	**Tue 5/31/16**	
17	Submit for Permit	1 day	Wed 8/26/15	Wed 8/26/15	15
18	Coastal Commission Review	6 mons	Thu 8/27/15	Wed 2/10/16	17
19	1st Comments from City	30 days	Thu 2/11/16	Wed 3/23/16	18
20	1st Comment Revisions	7 days	Thu 3/24/16	Fri 4/1/16	19
21	Re-submit to City for Permit	1 day	Mon 4/4/16	Mon 4/4/16	20
22	2nd Comments from City	20 days	Tue 4/5/16	Mon 5/2/16	21
23	2nd Comment Revisions	5 days	Tue 5/3/16	Mon 5/9/16	22
24	Over The Counter for Permit	5 days	Tue 5/10/16	Mon 5/16/16	23
25	Stamp Transfers / Finalize Permit	3 days	Tue 5/17/16	Thu 5/19/16	24
26	Receive City Fees	1 day	Fri 5/20/16	Fri 5/20/16	25
27	Check Request	5 days	Mon 5/23/16	Fri 5/27/16	26
28	Pay City Fees	1 day	Mon 5/30/16	Mon 5/30/16	27
29	Issue Building Permit	1 day	Tue 5/31/16	Tue 5/31/16	28
30	**General Contractor Services**	**267 days**	**Tue 4/5/16**	**Wed 4/12/17**	
31	Advertise	5 days	Tue 4/5/16	Mon 4/11/16	21
32	Mandatory Pre-Bid Meeting	1 day	Tue 4/12/16	Tue 4/12/16	31
33	Bidding Timeline	3 wks	Wed 4/13/16	Tue 5/3/16	32
34	Bid Delivery & Bid Opening Meeting	1 day	Wed 5/4/16	Wed 5/4/16	33
35	Bid Review Timeline	8 days	Thu 5/5/16	Mon 5/16/16	34
36	Bid Award	1 day	Tue 5/17/16	Tue 5/17/16	35
37	AIA Contract Preparation & Mobilization	3 wks	Wed 5/18/16	Tue 6/7/16	36
38	Construction (to be finalized per awarded GC contract schedule)	10 mons	Wed 6/8/16	Tue 3/14/17	37
39	FHCSD Engineering Commissioning	3 wks	Wed 3/15/17	Tue 4/4/17	38
40	FHCSD Clinical Staff Commissioning	1 wk	Wed 4/5/17	Tue 4/11/17	39
41	Open for Business	1 day	Wed 4/12/17	Wed 4/12/17	40

Project: Logan Heights Behavioral Health Center
Date: Wed 2/4/15

Task		Inactive Summary	
Split		Manual Task	
Milestone		Duration-only	
Summary		Manual Summary Rollup	
Project Summary		Manual Summary	
External Tasks		Start-only	
External Milestone		Finish-only	
Inactive Task		Progress	
Inactive Milestone		Deadline	



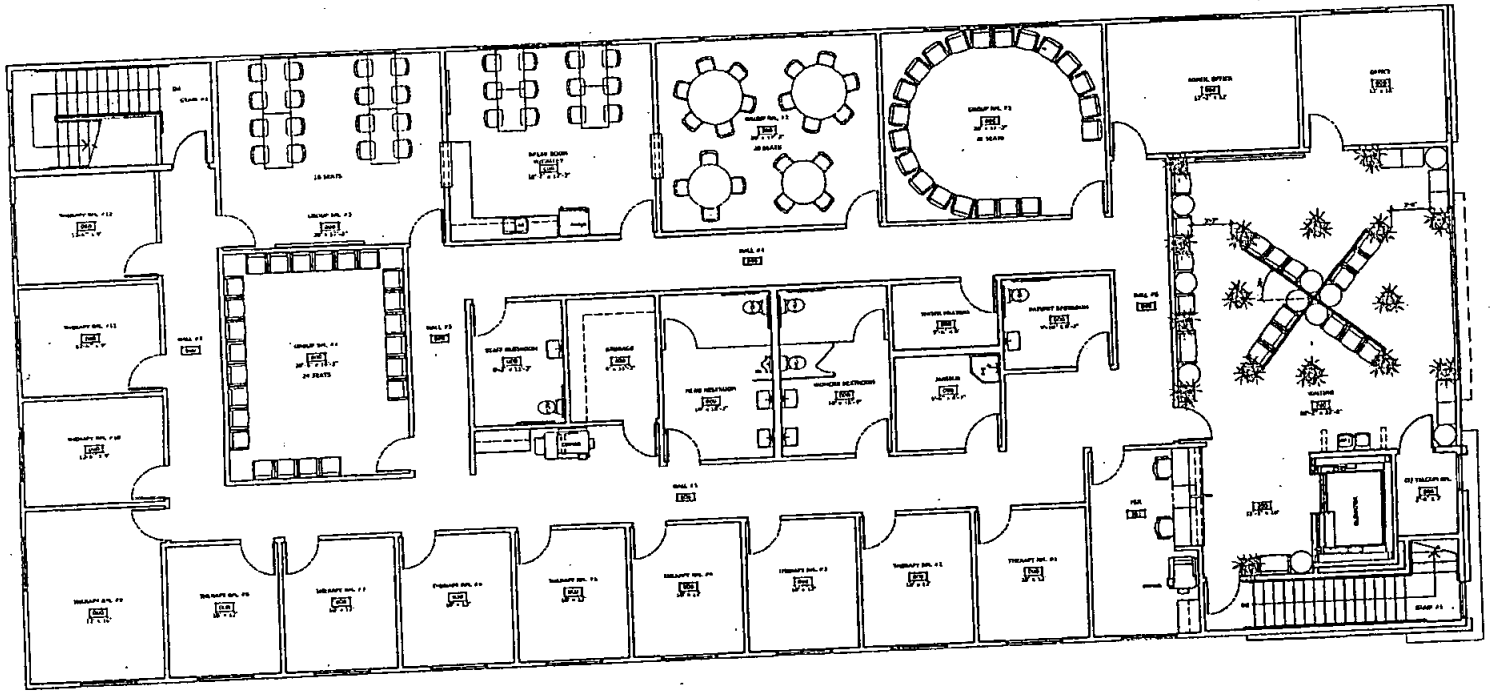
SITE/ 1ST FLOOR PLAN
(843 s.f.)

FAMILY HEALTH CENTERS OF SAN DIEGO
Logan Heights Behavioral Health Center

A001
3/32" = 1'-0"
Page 1 of 1

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111

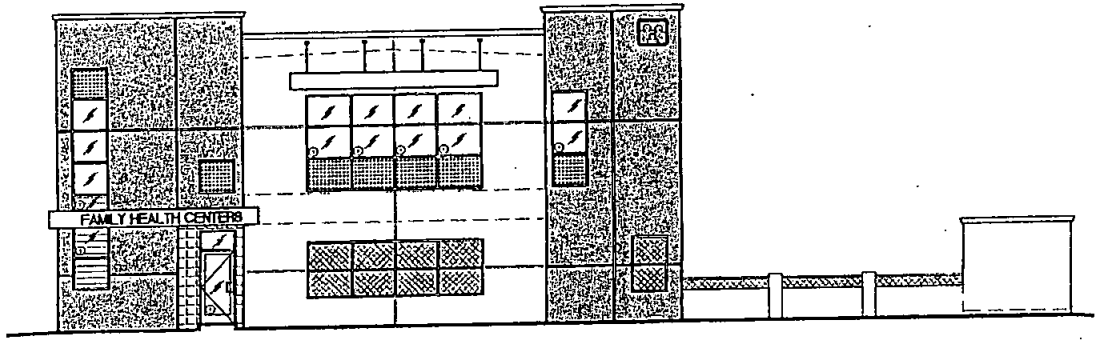


SECOND FLOOR PLAN
(7,410 s.f.)

A002
3/32" = 1'-0"

FAMILY HEALTH CENTERS OF SAN DIEGO
Logan Heights Behavioral Health Center

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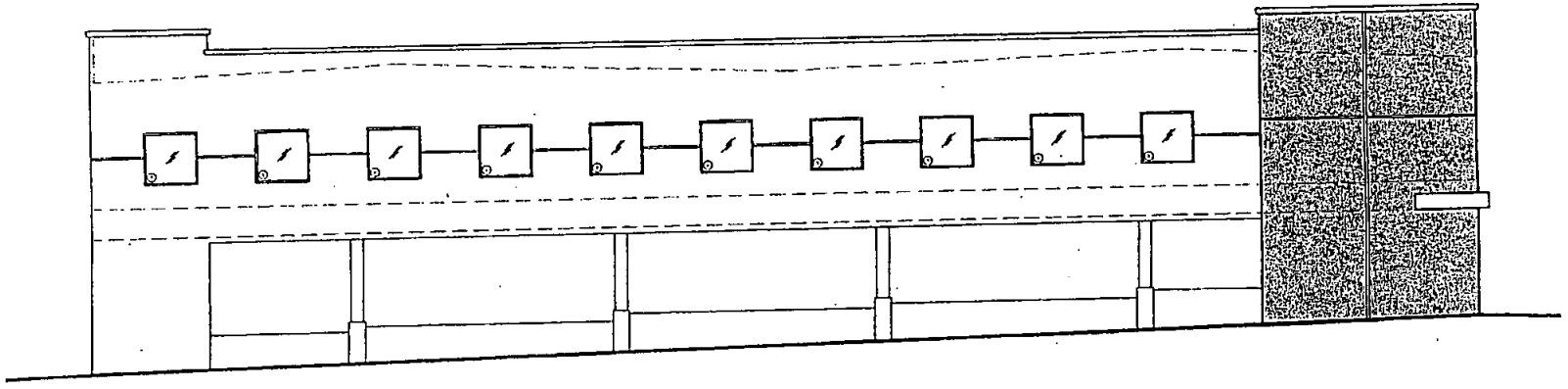
NORTH ELEVATION

A003
3/32" = 1'-0"

FAMILY HEALTH CENTERS OF SAN DIEGO
Logan Heights Behavioral Health Center

224

124



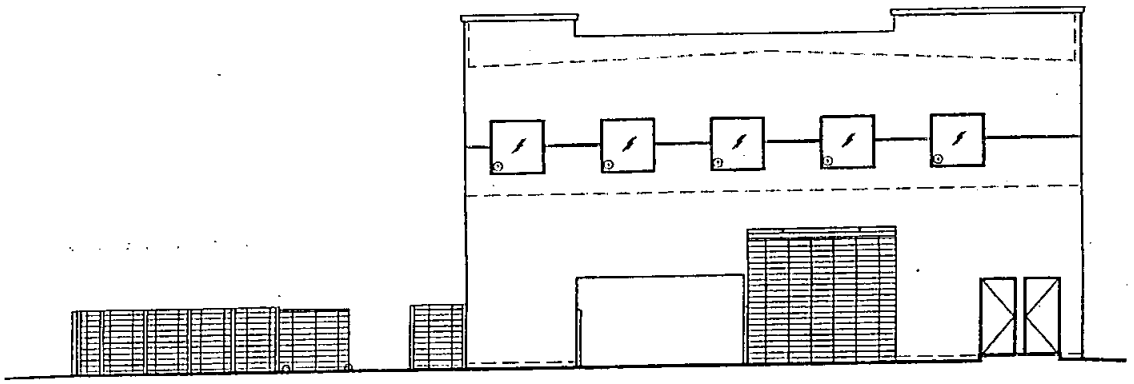
EAST ELEVATION

A005
3/32" = 1'-0"

FAMILY HEALTH CENTERS OF SAN DIEGO
Logan Heights Behavioral Health Center

225

S27 125



SOUTH ELEVATION

A004
3/32" = 1'-0"

FAMILY HEALTH CENTERS OF SAN DIEGO
Logan Heights Behavioral Health Center

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Item 124

(R-2016-162) 10/20/15
Rev. Copy

RESOLUTION NUMBER R- 310024

DATE OF FINAL PASSAGE OCT 28 2015

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE MAYOR OR HIS DESIGNEE TO EXECUTE A 25-YEAR NON-PROFIT GROUND LEASE BETWEEN THE CITY OF SAN DIEGO AND FAMILY HEALTH CENTERS OF SAN DIEGO FOR PROPERTY LOCATED AT THE CORNER OF NATIONAL AVENUE AND SAMPSON STREET.

WHEREAS, the City of San Diego (City) owns that certain real property located at the southwest corner of National Avenue and Sampson Street in San Diego, California, Assessor's Parcel Number 538-55-16 (Property), which is approximately 14,000 square feet of unimproved real property and has generally been used as a parking lot by a local community center operated by Barrio Station; and

WHEREAS, City issued a Request for Proposal dated January 6, 2015, seeking proposals that would result in the Property being put to its highest and best benefit to the surrounding communities and City; and

WHEREAS, only one proposal was submitted; that proposal was submitted by Family Health Centers of San Diego, Inc. (Family Health Centers). After examination of the proposal by City staff, it was determined that Family Health Centers proposal to lease the property for 25-years in order to construct and operate an approximately 8,250 square foot two-story behavioral health center with ground floor parking was the highest and best benefit to the surrounding communities because it would provide increased access to mental healthcare and other social services; and

WHEREAS, the Family Health Centers proposed use provides a public benefit to the surrounding communities and City by providing counseling, therapy, and other treatment services, in addition to other social services such as financial literacy programs, benefit enrollment assistance, employment assistance, and referrals for legal services; and

WHEREAS, City staff has negotiated a proposed 25-year lease of the Property with Family Health Centers of San Diego, Inc. (Lease) for the construction and maintenance of a behavioral health center with approximately 29 ground floor parking spaces. Pursuant to the terms and conditions of the Lease, City will reserve certain rights, which will allow City to use or authorize third parties to use all the parking spaces after 6:00 p.m. Monday through Friday; and

WHEREAS, the fair value rent of the real estate subject to this Lease is $27,600 per year; NOW THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that the Mayor, or his designee, is authorized and directed to execute that certain 25-year City of San Diego Non-Profit Ground Lease between the City of San Diego and Family Health Centers of San Diego, Inc., a California private non-profit corporation, all as more fully set forth in the Lease on file in the Office of the City Clerk as Document No. RR- 310024.

APPROVED: JAN I. GOLDSMITH, City Attorney

By Melissa Ables
Melissa D. Ables
Deputy City Attorney
MDA:dkr:mm
September 28, 2015
October 22, 2015 Rev. Copy
Or.Dept:READ
Doc. No.: 1154433

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of OCT 20 2015.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: 10/26/15
(date)

_____
KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

_____
KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on OCT 20 2015, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	☒	☐	☐	☐
Lorie Zapf	☒	☐	☐	☐
Todd Gloria	☒	☐	☐	☐
Myrtle Cole	☒	☐	☐	☐
Mark Kersey	☒	☐	☐	☐
Chris Cate	☒	☐	☐	☐
Scott Sherman	☒	☐	☐	☐
David Alvarez	☒	☐	☐	☐
Marti Emerald	☒	☐	☐	☐

Date of final passage OCT 28 2015.

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

(Seal)

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By _____, Deputy

Office of the City Clerk, San Diego, California

Resolution Number R- 310024

Passed by the Council of The City of San Diego on October 20, 2015 by the following vote:

YEAS:	**LIGHTNER, ZAPF, GLORIA, COLE, KERSEY, CATE, SHERMAN, ALVAREZ, EMERALD.**
NAYS:	**NONE.**
NOT PRESENT:	**NONE.**
RECUSED:	**NONE.**
VACANT:	**NONE.**

AUTHENTICATED BY:

KEVIN FAULCONER

Mayor of The City of San Diego, California

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California

(Seal)

By: Peggy Rogers, Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of RESOLUTION NO. **R-310024** approved by the Council of the City of San Diego, California on October 20, 2015 and approved by the Mayor of the City of San Diego on October 28, 2015.

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California

(SEAL)

By: _____, Deputy