

FOURTH AMENDMENT TO LEASE

THIS FOURTH AMENDMENT TO LEASE ("**Fourth Amendment**") is effective as of the 5th day of February 2008, by and between OTR, an Ohio general partnership ("**Landlord**") acting as the duly authorized nominee of THE STATE TEACHERS RETIREMENT BOARD OF OHIO and THE CITY OF SAN DIEGO, a California municipal corporation ("**Tenant**").

R E C I T A L S:

A. Landlord and Tenant entered into that certain Standard Industrial Lease — Multi-Tenant dated February 1, 1995 (the "**Original Lease**"), whereby Landlord leased to Tenant and Tenant leased from Original Landlord certain retail space located within the Clairemont Town Square Shopping Center ("**Shopping Center**") located at 4731 Clairemont Drive, San Diego, California, all as more particularly described in the Original Lease. The Original Lease was subsequently amended by (i) that certain Amendment No. 1 to Lease made as of January 23, 1996 by and between Landlord and Tenant ("**First Amendment**"), (ii) that certain Amendment No. 2 to Lease made as of July 9, 1997 by and between Landlord and Tenant ("**Second Amendment**"), and (iii) that certain Third Amendment to Lease made as of March 17, 2003 by and between Landlord and Tenant ("**Third Amendment**"). The Original Lease as amended by the First Amendment, the Second Amendment and the Third Amendment may be referred to herein as the "**Lease**."

B. By this Fourth Amendment, Landlord and Tenant desire to extend the term of the Lease and to otherwise modify the Lease as provided herein.

C. Unless otherwise defined herein, capitalized terms as used herein shall have the same meanings as given thereto in the Original Lease.

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

A G R E E M E N T:

1. The Premises. Landlord and Tenant hereby agree that pursuant to the Lease, Landlord currently leases to Tenant and Tenant currently leases from Landlord (i) that certain retail space in the Shopping Center known as Space 98 (the "**Police Space**"), (ii) those certain retail spaces in the Shopping Center known as Spaces 99 – 100 (the "**Community Service Center**") and (iii) those certain retail spaces in the Shopping Center known as Spaces 101-102 (the "**Community Room**"), as such spaces are more particularly described in the Lease (collectively, the "**Premises**").

2. Extended Lease Term. The Lease expiration date shall be extended such that the Lease shall terminate on November 30, 2010 ("**New Expiration Date**"). The period from September 1, 2007 through the New Expiration Date specified above, may be referred to herein as the "**Extended Term**." Tenant shall have no right to extend the Lease beyond the Extended Term; consequently, Section 2(b) of the Third Amendment is hereby deleted and of no further force or effect.

3. Base Rent. During the Extended Term, Tenant shall pay, in accordance with the provisions of this Section 3, Base Rent for the Premises as follows: (i) at the rate of Five Thousand Forty and 00/100 Dollars (\$5,040.00) per month for the period from September 1, 2007 through August 31, 2008; (ii) at the rate of Five Thousand Two Hundred Forty-Four and 60/100 Dollars (\$5,244.60) for the period from September 1, 2008 through August 31, 2009; (iii) at the rate of Five Thousand Four Hundred Fifty-One and 26/100 Dollars (\$5,451.26) for the

period from September 1, 2009 through August 31, 2010; and (iv) at the rate of Five Thousand Six Hundred Sixty-Nine and 31/100 Dollars (\$5,669.31) for the period from September 1, 2010 through November 30, 2010.

4. Condition of the Premises. Tenant acknowledges that it is in possession of the Premises and that it is accepting the Premises in its "as-is" condition. In addition, Tenant hereby acknowledges that Landlord shall not be obligated to provide or pay for any improvement work or services related to the improvement of the Premises.

5. Recurring Expenses. Paragraph 50 of the Original Lease and Section 5 of the Second Amendment are restated in its entirety as follows: "Lessee shall pay directly to the provider for all heat, light, power, telephone and other utilities and services that are solely serving the Premises, and any taxes thereon, together with any and all utility meters, connections and hook-up fees or assessments."

6. Holdover. Paragraph 51 of the Original Lease and Section 9 of the Second Amendment are restated in their entirety as follows: "If Tenant retains possession of all or any part of the Premises after the expiration or termination of the Lease, Tenant shall be a tenant from month to month and Tenant shall pay Landlord Base Rent at one hundred fifty percent (150%) of the Base Rate in effect immediately prior to the expiration or the earlier termination of the Lease for the time Tenant remains in possession and shall be subject to all other of Tenant's obligations under the Lease, as amended by this Fourth Amendment. No acceptance of rent by, or other act or statement whatsoever on the part of Landlord or its agent or employee, in the absence of a writing signed by Landlord, shall be construed as an extension of or as a consent for further occupancy beyond the expiration or earlier termination of the Lease. Tenant shall indemnify, protect, defend and hold harmless Landlord forever against and from all claims, damages, expenses, liabilities, costs and fees (including attorneys' fees) regarding Tenant's retention of the Premises, including, but not limited to, any consequential damages from the loss of prospective tenants. Nothing contained in this Section 6 shall be construed as giving Tenant a right of holdover or requiring Landlord to permit Tenant to holdover. The provisions of this Section 6 are cumulative, do not exclude pursuit of Landlord's right of re-entry or any other right under the Lease or at law or equity and shall survive the termination of the Lease."

7. Tenant's Lease Approval Contingency. Section 11 of the Third Amendment shall be deleted and of no further force or effect. Landlord and Tenant acknowledge and agree that this Fourth Amendment will be subject to approval by The San Diego City Council on or before 5:00 p.m. Pacific Time on February 29, 2008 ("**City Council Approval**"). In the event that the City Council Approval is not obtained, Tenant shall have the right to provide written notice to Landlord on or before 5:00 p.m. Pacific Time on March 7, 2008 ("**Termination Deadline**") terminating the Lease, as amended by this Fourth Amendment, effective as of March 31, 2008 ("**2008 Termination Notice**"). In the event Tenant does not deliver the 2008 Termination Notice by the Termination Deadline, this Section 7 shall be deemed deleted and of no further force or effect.

8. Early Termination Right. Provided Tenant fully and completely satisfies each of the conditions set forth in this Section 8, Tenant shall have the option ("**Termination Option**") to terminate the Lease, as amended by this Fourth Amendment, effective as of the date set forth in Tenant's Termination Notice (the "**Termination Date**"); provided, however, in no event shall Tenant have the right to terminate the Lease, as amended by this Fourth Amendment, effective prior to 11:59 p.m. Pacific Time on January 31, 2009. In order to exercise the Termination Option, Tenant must fully and completely satisfy each and every one of the following conditions: (i) Tenant must give Landlord written notice ("**Termination Notice**") of its exercise of the Termination Option, which Termination Notice must be delivered to Landlord at least six (6) months prior to the Termination Date, and (ii) at the time of the Termination Notice, Tenant shall not be in default under the Lease, as amended by this Fourth Amendment, after the expiration of any applicable notice and cure periods. During the period following Landlord's receipt of the Termination Notice through the Termination Date, Landlord shall have the right to market the Premises and upon reasonable prior written or verbal notice to Tenant, Landlord may enter the Premises to exhibit the same to prospective tenants.

9. Notices. Effective as of the date of this Fourth Amendment, Landlord's address for notices shall be as follows:

Landlord's Address:

OTR
275 East Broad Street
Columbus, OH 43215
Attention: Director of Real Estate Assets

With a copy to:

Clairemont Town Square
4821 Clairemont Drive
San Diego, CA 92117
Attention: Management Office

10. Brokers. Each party represents and warrants to the other that no broker, agent or finder negotiated or was instrumental in negotiating or consummating this Fourth Amendment except for Donahue Schriber on behalf of Landlord. Each party further agrees to defend, indemnify and hold harmless the other party from and against any claim for commission or finder's fee by any person or entity (other than Donahue Schriber who, if entitled to a commission, shall be paid by Landlord pursuant to a separate agreement) who claims or alleges that they were retained or engaged by the first party or at the request of such party in connection with this Fourth Amendment.

11. Exculpation. This Fourth Amendment is executed by certain employees of The State Teachers Retirement System of Ohio, not individually, but solely on behalf of Landlord, the authorized nominee and agent for The State Teachers Retirement Board of Ohio ("STRBO"). In consideration for entering into this Fourth Amendment, Tenant hereby waives any rights to bring a cause of action against the individuals executing this Fourth Amendment on behalf of Landlord (except for any cause of action based upon lack of authority or fraud), and all persons dealing with Landlord must look solely to STRBO's interest in the Premises for the enforcement of any claim against Landlord, and the obligations hereunder are not binding upon, nor shall resort be had to the private property of any of the partners, trustees, officers, directors, employees or agents of STRBO, Landlord or the persons signing this Fourth Amendment.

12. No Further Modification. Except as set forth in this Fourth Amendment, all of the terms and provisions of the Lease shall apply during the Extended Term and shall remain unmodified and in full force and effect. Effective as of the date hereof, all references to the "Lease" in the Lease or this Fourth Amendment shall refer to the Lease as amended by this Fourth Amendment.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

"LANDLORD"

OTR, an Ohio general partnership, acting as the duly authorized nominee of THE STATE TEACHERS RETIREMENT BOARD OF OHIO

By: Julia Viskanta
Name: Julia Viskanta
Its: Sr. Asset Management Officer

"TENANT"

THE CITY OF SAN DIEGO,
a California municipal corporation

By: David A. Sandoval
Name: David A. Sandoval, CCIM
Its: Deputy Director, Real Estate Assets

By: [Signature]
Name: Toss Baskin
Its: Deputy City Attorney

102
2/5

RESOLUTION NUMBER R- 303380

DATE OF FINAL PASSAGE FEB 19 2008

C. Gillis
SIA

A RESOLUTION AUTHORIZING THE MAYOR OR HIS ASSIGNEE TO EXECUTE A 4TH AMENDMENT BETWEEN THE CITY AND THE STATE TEACHERS RETIREMENT BOARD OF OHIO FOR OFFICE SPACE. THIS AMENDMENT WILL PROVIDE AN EXTENSION FOR A MAXIMUM OF THREE (3) YEARS WITH A SIX MONTH ADVANCE TERMINATION CLAUSE.

WHEREAS, The State Teachers Retirement Board of Ohio [Landlord] is the current Landlord and The City of San Diego [Tenant] is the current Tenant; and

WHEREAS, the Tenant leases 5,000 feet for a Community Service Center [CSC] and a Police Storefront at the Clairemont Square Shopping Center [Clairemont Square]; and

WHEREAS, the 4th Amended Lease commences September 1, 2007 and terminates November 30, 2010; and

WHEREAS, this amendment provides an extension for the maximum of three years with a six month advance termination clause and Tenant has no right to extend the Lease beyond the Extended Term; and

WHEREAS, the office space will rent for Five Thousand Forty Dollars (\$5,040) per month (\$1.44 per square foot) and an estimated annual cost of Sixty Thousand Four Hundred Eighty Dollars (\$60,480); and

WHEREAS, rent is approved for the FY08 budget and Real Estate Assets Valuation Staff has reviewed the lease and found the rental rate to be in line with other comparable facilities;
NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that the Mayor is authorized to execute, for and on behalf of The City of San Diego, a Fourth Amended Lease agreement with The State Teachers Retirement Board of Ohio for an additional three year extension.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By

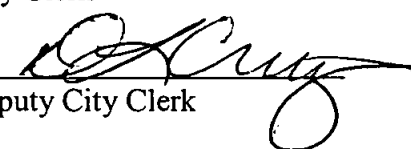


Todd Bradley
Deputy City Attorney

TB:bas
11/6/07
Or.Dept:READ
R-2008-405
MMS #5361

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of FEB 5 2008.

ELIZABETH S. MALAND
City Clerk

By 

Deputy City Clerk

Approved: 2.19.08
(date)



JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

(O-2003-87)

ORDINANCE NUMBER O- 19158

ADOPTED ON MAR 17 2003

AN ORDINANCE AUTHORIZING THE CITY MANAGER
TO EXECUTE A THIRD AMENDMENT TO LEASE AGREEMENT
WITH THE STATE TEACHERS RETIREMENT BOARD OF OHIO
FOR OFFICE SPACE.

WHEREAS, the City's Clairemont Community Service Center and Police Storefront
have been occupying space at 4731 Clairemont ~~Mesa Blvd~~ ^{DRIVE} since July 15, 1997 and February 1,
1995, respectively. The Landlord has consented to extend the existing lease for the Community
Service Center, the Police Storefront and the City's use of the Community Room; and

WHEREAS, the City Manager has negotiated a Third Amendment to Lease agreement
with the State Teachers Retirement Board of Ohio to continue the City's leasehold for an
additional five (5) years (terminating on August 31, 2007) for the Community Service Center
and the Police Storefront. The leased space for the public Community Room will be extended
for one (1) year (terminating on August 31, 2003); and

WHEREAS, the rental rate will be \$4,375.00 per month (\$1.25 per square foot) for the
Community Service Center and the Police Storefront space throughout the extended term. No
rent will be charged for the Community Room space. The total area being leased is 5,000 square

feet; the Community Service Center space is approximately 2, 492 square feet; the Police Storefront space is approximately 1,008 square feet; and the Community Room is approximately 1,500 square feet; and

WHEREAS, six votes of the City Council are required to adopt this Ordinance pursuant to Section 99 of the City Charter; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That the City Manager is authorized to execute, for and on behalf of the City of San Diego, the Third Amendment to Lease agreement with the State Teachers Retirement Board of Ohio, at a monthly rent of \$4,375.00, under the terms and conditions set forth in that Third Amendment to Lease agreement on file in the office of the City Clerk as Document No.

OO- 19158.

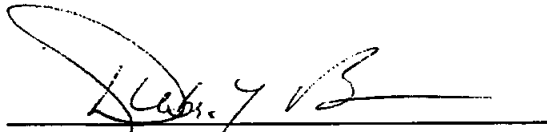
Section 2. That the City Auditor and Comptroller is authorized to expend an amount not to exceed \$22,546.00 from the Community Service Center Fund 10170, Dept. 1702 for FY03 and \$12,600 from the Police Department Fund 100, Dept. 110 for FY03.

Section 3. That a full reading of this Ordinance is dispensed with prior to its final passage, a written or printed copy having been available to the City Council and the public a day prior to its final passage.

Section 4. This Ordinance shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: CASEY GWINN, City Attorney

By

A handwritten signature in dark ink, appearing to read "Debra J. Bevier", is written over a horizontal line.

Debra J. Bevier

Deputy City Attorney

DJB:mm

11/15/02

Or.Dept:READ

Job:222401

Aud.Cert:2300648

O-2003-87

Passed and adopted by the Council of The City of San Diego on March 17, 2003

by the following vote:

YEAS: PETERS, ZUCCHET, ATKINS, LEWIS, MAIENSCHIN, FRYE, MADAFFER,
INZUNZA, MAYOR MURPHY.

NAYS: NONE NOT PRESENT: NONE

AUTHENTICATED BY:

DICK MURPHY
Mayor of The City of San Diego, California

CHARLES G. ABDELNOUR
City Clerk of The City of San Diego, California

(Seal)

By: Gil Sanchez, Deputy

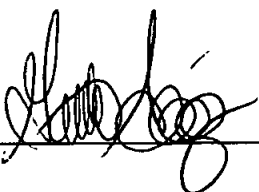
I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of ORDINANCE NO.
O- 19158 (New Series) of The City of San Diego, California.

I FURTHER CERTIFY that said ordinance was not finally passed until twelve calendar days had elapsed
between the day of its introduction and the day of its final passage, to wit, on
February 24, 2003 and on January 17, 2003.

I FURTHER CERTIFY that the reading of said ordinance in full was dispensed with by a vote of not less
than a majority of the members elected to the Council, and that there was available for the consideration
of each member of the Council and the public prior to the day of its passage a written or printed copy of
said ordinance.

CHARLES G. ABDELNOUR
City Clerk of The City of San Diego, California

(Seal)

By:  , Deputy

2-10-03 I-201 Adoption I-55 Consent

REQUEST FOR COUNCIL ACTION

1-2003

1. CERTIFICATE NUMBER: READ#66

AC 2300648

CITY OF SAN DIEGO

cont. to
2-17-03

TO:

CITY ATTORNEY

2. FROM: (Originating Department)

REAL ESTATE ASSETS DEPARTMENT

October 24, 2002

4. SUBJECT:

Office Space Lease Amendment - Clairemont Community Service Center

0-19158

5. FOR INFORMATION CONTACT: (NAME & MAIL STA.)

GIBSON/Monaco 51A

6. TELEPHONE NO.

66727/66081

7. CHECK HERE IF BOX 1472A, "DOCKET
SUPPORTING INFORMATION," HAS
BEEN COMPLETED ON PAGE 2:

8. COMPLETE FOR ACCOUNTING PURPOSES

FUND	10170	100		
DEPT	1702	110		
ORGANIZATION	2003	4970		
OBJECT	4682	4681		
JOB ORDER	001702	004970		
C.I.P. NO.				
AMOUNT	\$22,546.00	\$12,600.00		

9. ADDITIONAL INFORMATION / ESTIMATED COST:)

Cost: \$4,375.00 per month

Fiscal Impact: \$35,146.00

Job: 222401

cc: Dept. Docket Clerk

Thomas Guide Page: 1248-G1

10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
X	Department Director	[Signature]	11/13/02	X	CITY MANAGER HERRING	[Signature]	12-5-02
X	DSD/EAS	[Signature]	11/15/02	X	AUDITOR	[Signature]	12/6/02
X	Community Service Center, Tammy Rimes	[Signature]	11/26/02	X	CITY ATTORNEY	[Signature]	12/14/02
X	FINANCIAL MGMT.	[Signature]	12/4/02	X	ORIGINATING DEPARTMENT	[Signature]	12/23/02
	EOCP MEMO 5-3-96.				MGR. DOCKET COORD. _____	COUNCIL REP. _____	
X	Police Department, David Bejarano	[Signature]	11/22/02	✓	RULES COMMITTEE ☐ CONSENT ☐ Refer to _____ ☐ ADOPTION ☐ Date _____		

11. PREPARATION OF:



RESOLUTION(S)



ORDINANCES(S)



AGREEMENT(S)



DEED(S)

Authorize the City Manager to execute a lease amendment between the City and the State Teachers Retirement Board of Ohio for office space currently occupied by the Clairemont Community Service Center (CSC) and Police Storefront. The monthly rental rate for the Police Storefront and CSC will be \$1.25 per square foot or \$4,375.00 per month for approximately 3,500 square feet. There will be no rent charge for the Community Room space being 1,500 square feet. The existing leased space for the Police Storefront and CSC will be extended for five (5) years, expiring on August 31, 2007. The Community Room space will be extended one (1) year expiring on August 31, 2003. The monthly rent will remain flat throughout this extended lease term.

11a. MANAGER'S RECOMMENDATION:

Introduce the ordinance.

12. SPECIAL CONDITIONS (REFER TO A.R. 9.20 FOR INFORMATION ON COMPLETING THIS SECTION).

COUNCIL DISTRICT: 06

COMMUNITY AREA: Clairemont

ACTION REQUESTED BY: Real Estate Assets Department Director

DOCUMENT SUBMITTED: Amendment in triplicate for execution by the City Manager

DESCRIPTIVE LOCATION: 4731 Clairemont Mesa Blvd., Suites A, C and E, San Diego, CA 92117

ENVIRONMENTAL ASSESSMENT: This activity is categorically exempt from CEQA pursuant to State CEQA Guidelines, Section 15301.

HANDLING: DO NOT RECORD. Return documents to the Real Estate Assets Department, Attention: Diana Monaco, M.S. 51A, for further handling.

DOCKET SUPPORTING INFORMATION

CITY OF SAN DIEGO

DATE

October 24, 2002

SUBJECT

Office Space Lease Amendment - Clairemont Community Service Center

BACKGROUND:

The City's Clairemont Community Service Center and Police Storefront have been occupying space at 4731 Clairemont Mesa Blvd since July 15, 1997. The Landlord has consented to extend their existing leased space and public Community Room space. The City is proposing to extend the lease under the following basic lease terms:

EXTENSION TERM - Five (5) years, expiring August 31, 2007 for the CSC and Police Storefront. The leased space for the public Community Room will be extended for one (1) year, expiring August 31, 2003.

RENT - \$1.25 per square foot or \$4,375.00 per month for the CSC and Police Storefront space. The rent will remain flat throughout this extension term. No rent will be charged for the Community Room space.

USE - Community Service Center, Police Storefront, and community meeting usage.

SIZE - The CSC space is approximately 2,492 square feet. The Police Storefront is approximately 1,008 square feet, and the Community Room is approximately 1,500 square feet. Total square feet is 5,000.

FISCAL IMPACT: An additional \$22,546.00 will be paid from the Community Service Center Fund 10170, Dept. 1702 for FY03 and \$12,600.00 will be paid from the Police Department Fund 100, Dept. 110 for FY03.

BYLINE: (DEPUTY CITY MGR/DEPT. HEAD/Author Initials)

HERRING:Griffith:DLM

Job: 222401

SIGNATURES:

ORIGINATING DEPT. HEAD

CITY MANAGER:

(FOR MANAGERIAL DEPARTMENTS ONLY)



ORIGINAL

THIRD AMENDMENT TO LEASE

THIS THIRD AMENDMENT TO LEASE ("Amendment"), is dated, for reference purposes only, **MAR 17 2003**, by and between OTR, an Ohio general partnership, acting as the duly authorized nominee of THE STATE TEACHERS RETIREMENT BOARD OF OHIO, a statutory organization created by the laws of the State of Ohio ("Landlord") and THE CITY OF SAN DIEGO, a California municipal corporation ("Tenant"), with reference to the facts set forth below.

RECITALS

A. Landlord and Tenant entered into that certain Standard Industrial Lease dated February 1, 1995 ("Original Lease"), as amended by that certain Amendment No. 1 To Lease dated January 23, 1996 ("First Amendment"), and as further amended by that certain Amendment No. 2 To Lease dated July 9, 1997 ("Second Amendment") (the Original Lease, First Amendment and Second Amendment are collectively referred to herein as the "Lease"), for Space 98 ("Police Space"), Spaces 99-100 ("Community Service Center") and Spaces 101-102 ("Community Room") (Police Space, Community Service Center and Community Room are collectively referred to herein as the "Premises") in the retail shopping center located at 4731 Clairemont Mesa Boulevard in San Diego, California, and commonly known as the Clairemont Town Square ("Shopping Center").

B. Landlord and Tenant desire to amend the Lease as provided below.

NOW, THEREFORE, in consideration of the forgoing, the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as set forth below.

AMENDMENT

1. Defined Terms. Capitalized terms used but not defined in this Amendment shall have the same definition as provided in the Lease.

2. Term.

(a) Lease Term. The Lease is hereby amended to provide the following: (i) the new term of the Lease for the Police Space and the Community Service Center shall be extended five (5) years commencing on September 1, 2002 and ending on August 31, 2007 ("Lease Term"); (ii) the term of the Lease for the Community Room shall be one (1) year commencing on September 1, 2002 and ending on August 31, 2003.

(b) Extension Term. The Lease is hereby amended to provide that with respect to the Police Space and the Community Service Center only, Tenant shall have an option ("Extension Option") to extend the Lease Term for one (1) period of three (3) years ("Extension Term"), on the

Clairemont/City of San Diego
Third Amendment to Lease
23545-14; 1768177.5

03 MAR 20 11:11
DOCUMENT NO. 00-19158
FILED **MAR 17 2003**
OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

2014 DEPT. OF JUSTICE
OFFICE OF THE ATTORNEY GENERAL
LIFE

CITY ATTORNEY
DOCTORAL

03 MAR 25 PM 4:11

CIVIL DIVISION

1984

terms and conditions set forth herein. Tenant's exercise of the Extension Option is subject to the following conditions, which are solely for the benefit of Landlord and shall not be considered waived in any event unless such waiver is expressly set forth in a separate written agreement signed by Landlord:

- (i) Landlord shall deliver written notice to Tenant ("Landlord's Notice") advising Tenant of its Extension Option not later than nine (9) months prior to the expiration of the Lease Term. The Extension Option shall be exercised, by written notice ("Extension Notice") delivered by Tenant to Landlord not sooner than twelve (12) months and not later than six (6) months prior to the expiration of the Lease Term ("Extension Notice Period"). If Tenant fails to deliver its Extension Notice within the Extension Notice Period, the Extension Option shall automatically terminate and Tenant shall have no rights to extend the Lease Term;
- (ii) As of the date of delivery of the Extension Notice, Tenant is not in breach or default under the Lease;
- (iii) Tenant does not become in breach or default under the Lease at any time during the period after delivery of its Extension Notice to the date of the commencement of the Extension Term; and
- (iv) As of the date of Tenant's delivery of its Extension Notice, and as of the commencement date of the Extension Term, the originally named Tenant hereunder occupies the entire Premises in accordance with the terms of the Lease.

If any of the foregoing conditions have not been met, Tenant's Extension Option, and any existing or alleged right of Tenant to renew or extend the Lease Term shall be deemed ineffective, null and void; provided, however, if Landlord fails to deliver Landlord's Notice, Tenant's Extension Option shall remain valid for a period of three (3) months after Landlord delivers Landlord's Notice. If Tenant validly exercises the Extension Option, then the terms of the Lease shall apply with respect to the Extension Term, except that the annual Base Rent for the Police Space and the Community Service Center during the Extension Term shall be \$60,480.00, payable in monthly installments of \$5,040.00. Tenant agrees to sign and deliver to Landlord any Lease amendment or other writing as may be requested by Landlord to evidence any extension of the Lease Term effectuated pursuant to this Section 2. Tenant shall sign and deliver such amendment or other writing as requested by Landlord at Tenant's earliest convenience.

3. Rent. The Lease is hereby amended to provide that Tenant shall pay to Landlord \$52,500.00 as annual Base Rent for the Police Space and the Community Service Center during the new Lease Term, payable in monthly installments of \$4,375.00. The annual Base Rent is comprised

of \$1.25 per month for each square foot of the Police Space, which comprises One Thousand Eight (1,008) square feet, and the Community Service Center, which comprises Two Thousand Four Hundred Ninety-Two (2,492) square feet. The annual Base Rent for the Community Room, which is One Thousand Five Hundred (1,500) square feet, is \$0.00. The annual Base Rent during the Extension Term is comprised of \$1.44 per month for each square foot of the Police Space and the Community Service Center.

4. Signage and Advertising. Landlord shall have the right to remove, at Tenant's sole cost and expense, any unreasonable item(s) placed, constructed, or maintained on the interior or exterior of the storefront that has not been approved by Landlord or does not comply with the provisions set forth in **Exhibit "A"** attached hereto and incorporated herein.

5. Operating Hours. The Lease is hereby amended to provide that Tenant shall keep the Premises continuously and uninterruptedly operating and fully staffed during normal business hours throughout the Term of the Lease.

6. Relocation. The Lease is hereby amended to provide that Landlord shall have the right, upon sixty (60) days' prior written notice to Tenant, to move the Premises to another space in the Shopping Center, of substantially similar size as the Premises, and with tenant improvements of substantially similar quality and layout as then existing in the Premises. Any such relocation will be at Landlord's cost and expense, including the cost of providing such substantially similar tenant improvements (but excluding any furniture, fixtures, equipment or other personal property). If Landlord so relocates Tenant, the terms and conditions of the Lease will remain in full force and effect and apply to the new space, except that (a) the definition of "Premises" will be amended to include and state all correct data as to the new space, and (b) all economic terms and conditions (e.g., rent) will be adjusted on a per square foot basis based on the total number of rentable square feet of area contained in the new space. Landlord and Tenant agree to cooperate fully with one another in order to minimize the inconvenience to Tenant resulting from any such relocation.

7. Trash Removal. Tenant shall remove all trash, refuse, and waste materials from the Premises on a daily basis and deposit in designated receptacles provided by Landlord.

8. Exculpation. This Amendment is executed by certain employees of The State Teachers Retirement System of Ohio, not individually, but solely on behalf of Landlord. In consideration for entering into this Amendment, except in the event of an intentional act or wilful misconduct, Tenant hereby waives any rights to bring a cause of action against the individuals executing this Amendment on behalf of Landlord (except for any cause of action based upon lack of authority or fraud), and all persons dealing with Landlord must look solely to Landlord's interest in the Shopping Center for the enforcement of any claim against Landlord, and the obligations hereunder are not binding upon, nor shall resort be had to the private property of any of, the partners, trustees, officers, directors, employees or agents of Landlord.

9. Joint and Several Liability. If Tenant consists of more than one person or entity, the liability of each such person or entity signing this Amendment, and the liability of the successors and assigns of Tenant shall be joint and several.

10. Counterparts. This Amendment may be executed in counterparts and facsimile copies of signatures shall have the full force and effect as original signatures.

11. Right to Terminate Lease. Landlord and Tenant shall have the continuing right to terminate the Lease each year by providing written notice to the other party no later than July 1 of any year ("Notice Date") which termination shall become effective on September 30 of such year ("Termination Date"), provided that the cancelling party is not in default of the Lease on the Notice Date or the Termination Date.

[Remainder of page intentionally left blank]

12. Agreement in Effect. Except as expressly modified by this Amendment, all other terms and conditions of the Lease are of full force and effect. In the event of a conflict between the terms of this Amendment and the terms of the Lease, the terms of this Amendment shall govern.

IN WITNESS WHEREOF, this Agreement is executed by the Landlord acting by and through its lawfully authorized officers, and by Tenant acting by and through its City Manager.

Landlord:

OTR, an Ohio general partnership, acting as the duly authorized nominee of THE STATE TEACHERS RETIREMENT BOARD OF OHIO, a statutory organization created by the laws of the State of Ohio

By: William A. Shurman
Name: William A. Shurman
Title: Director, Western Region

Tenant:

THE CITY OF SAN DIEGO, a California municipal corporation
Real Estate Assets Department

By: Tim C. Rothans
Tim C. Rothans
Deputy Director

APPROVED AS TO FORM AND LEGALITY THIS

27th day of April, 2003.

~~CASEY~~ GWINN, City Attorney

By: Debra J. Bevier
Debra J. Bevier
Deputy City Attorney

AMENDMENT NO. 2 TO LEASE

THIS AMENDMENT NO. 2 TO LEASE is entered into as of the 9th day of July, 1997 by and between OTR, an Ohio general partnership acting as the duly authorized nominee of the Board of the State Teachers Retirement System of Ohio, ("Lessor") and the City of San Diego ("Lessee").

RECITALS

A. Lessor entered into that certain Standard Industrial Lease - Multi-Tenant (American Industrial Real Estate Association) dated February 1, 1995, (the "Initial Lease") with San Diego Police Department, City of San Diego for purposes of providing approximately 1,024 square feet of space to accommodate a police services center (the "Police Space") in the shopping center known as Clairemont Town Square ("Shopping Center") in the City of San Diego, County of San Diego, State of California. The Shopping Center is approximately shown on Exhibit A hereto. The Initial Lease was a month to month lease.

B. Lessor and Lessee agree that notwithstanding the name of the Lessee on the Initial Lease as executed, the correct name of the Lessee is the City of San Diego.

C. As of the date hereof, Lessee is occupying space #91 in the Shopping Center as Police Space (the "Initial Premises"). Lessor has the right upon thirty (30) days written notice to Lessee to relocate Lessee from said space to another space within the Shopping Center as more particularly provided in paragraph 6(b) of Amendment No. 1 to Lease.

D. Lessor and Lessee entered into Amendment No. 1 to Lease dated as of January 23, 1996 ("Amendment No. 1") to provide additional space in the Shopping Center for the purposes of providing up to 1,500 square feet of space for community meetings ("Community Space"). The location and date of delivery of the Community Space is to be defined by written notice from Lessor to Lessee. The term of the Lease for the Community Space is five years with four (4) automatic extensions of five (5) years each. The Initial Lease plus Amendment No. 1 are collectively hereinafter referred to as the "Lease."

E. Lessee desires to lease from Lessor, and Lessor desires to lease to Lessee approximately 2,492 square feet of space as a City service center as more particularly described hereinbelow for a period of five (5) years.

F. Lessor and Lessee therefore desire to amend the Lease as hereinafter set forth.

DOCUMENT NO.

C-08128

FILED JUL 18 1997
OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

TERMS

1. Premises. The Premises shall mean all of the below-described spaces which have been delivered and for which the term has not expired or been terminated; the entire Premises is approximately shown on Exhibit A hereto.

a. City Service Space. The Lease shall be amended to add approximately 2,492 square feet of floor area approximately as shown on Exhibit B hereto ("City Service Space") as of the date of delivery of the City Service Space by Lessor to Lessee as evidenced by the Notice of Substantial Completion (defined hereinbelow) for said space.

b. Community Space. This paragraph shall serve as Lessor's Notice to Lessee that the location of the Community Space shall be approximately as shown on Exhibit B hereto; the Notice of Substantial Completion, defined hereinbelow, for the Community Space shall be Lessor's Notice of the date of delivery of the Community Space.

c. Police Space. This paragraph shall also serve as notice to Lessee that the police service station shall be relocated from the Initial Premises to approximately 1,008 square feet of the Premises approximately as shown on Exhibit B hereto (hereinafter the "Police Space"). Lessor shall notify Lessee in writing of the expected date of substantial completion of the Police Space and shall coordinate moving Lessee's personal property from the Initial Premises to the Police Space so that Lessee's personal property is moved into the Police Space within twenty (20) days following the date of the Notice of Substantial Completion for said space. Lessee will cooperate with Lessor to assure the efficient move of said personal property, and Lessee shall return the Initial Premises to Lessor without damage or deterioration.

2. Base Rent for City Service Space. Lessee shall pay to Lessor, as Base Rent, Operating Expenses, and reimbursement for Lessee's share of Improvements by Lessor (described hereinbelow) for the City Service Space, without demand, offset or deduction, on the first day of each month of the term for the City Service Space, monthly payments in advance of Two Thousand Eight Hundred Sixty Eight and No/100 Dollars (\$2,868.00). Rent for any partial month at the commencement of the term for the City Service Space shall be prorated on the basis of the number of days from the commencement of the term through the last day of the month in which the term commences. Rent shall be payable in lawful money of the United States to Lessor at the following address or to such other persons or at such other places as Lessor may designate in writing:

Clairemont Town Square Management Office
4186 Clairemont Mesa Boulevard
San Diego, CA 92117
Attn: Operations Manager

Lessee shall not be required to pay any additional Operating Expenses for any portion of the Premises.

9

Lessor and Lessee acknowledge that as consideration for this Lease, Lessee shall pay \$22,080 of the cost of Improvements by Lessor (defined in paragraph 4 hereof); said amount is to be paid over the term of the Lease for the City Service Space in equal monthly payments of \$368.00. The \$2,868.00 in Base Rent due from Lessee to Lessor as provided hereinabove includes the \$368.00 payment due to pay for Lessee's share of Improvements by Lessor.

3. Term. The term of the Lease for the City Service Space shall commence on the earlier of (i) thirty (30) days following the date of the Notice of Substantial Completion or (ii) the date Lessee opens to the public in the City Service Space, and shall expire on the last day of the month five (5) years thereafter. Lessor and Lessee acknowledge that the Lease may expire on different dates for each of the three spaces. Lessor and Lessee acknowledge that (a) the Lease term for the Police Space is a month-to-month term, renewing automatically until either party notifies the other in writing of a termination of the Lease with respect to said space, (b) that the term of the Lease for the Community Space is five years following the date of the Notice of Substantial Completion with respect to said space with four (4) automatic extensions of five years each (unless earlier terminated by notice from Lessee to Lessor); and (c) that the term of the Lease for the City Service Space is five (5) years as provided hereinabove, with no automatic extensions, or extension rights.

In the event the Lease is terminated or expires with respect to any one of the three (3) spaces, the Lease shall remain in full force and effect as to the spaces not terminated, until all three (3) spaces are terminated or have expired. Lessee shall return each terminated or expired space to Lessor in the condition required by Section 7.2(c) of the Lease. In the event the City Service Space expires or terminates prior to the expiration or termination of the Community Space, Lessor shall, at Lessee's request and Lessor's expense, secure the doors so as to preclude passage between the spaces, and at Lessor's election, Lessor may construct demising wall to fill in the doorways.

Lessor and Lessee acknowledge that the Police Space shares an entrance and lobby with the City Service Space, and has no separate front entrance. In the event the Police Space is terminated prior to the termination or expiration of the City Service Space, Lessor agrees that Lessor shall cleanly demise the separation between the Police Space and the City Service Space, and Lessee agrees that Lessee shall cooperate with Lessor to provide access to the Police Space sufficient to make it leasable. Lessee's cooperation as provided herein may include providing an entry corridor to the Police Space through the City Service Space, or allowing access to an occupant of the re-leased Police Space through the front entry of the City Service Space. Lessee shall pay the cost of providing such access except that Lessor shall pay an amount up to the cost of building a 25 foot demising wall. Lessor believes that access to the Police Space can be provided without significant adverse impact on Lessee's use of the City Service Space, but Lessor and Lessee acknowledge that it is difficult to determine at this time the best way to provide said access, and the impact it might have

at a future date. Therefore, Lessor agrees that in the event Lessee's use of the City Service Space, its security within the space, or the impact of its signage, are materially adversely impacted as a result of providing such access, Lessor will consider, at Lessee's request but without obligation to grant, a corresponding reduction in Base Rental for the City Service Space (excluding the portion of Base Rental which represents reimbursement of tenant improvements as described in Paragraph 11 hereof and provided that Lessee's cost to provide access shall not be a factor in considering rent reduction).

4. Improvements to the Premises. Lessor shall prepare plans for construction of the Premises (including all three (3) spaces), at Lessor's expense, and within five (5) days following receipt thereof, Lessee shall approve or disapprove said plans in writing. Lessor shall pay the cost of construction of the improvements as shown on the preliminary plans prepared by Design Wave dated 2/24/97 ("Preliminary Plans"). In the event Lessee requires any additional work to any part of the Premises, or that Lessee requires any changes which cause an increase in the cost of construction above the Lessor's cost to construct the Premises as shown on the Preliminary Plans, Lessee shall pay the cost of such work. Upon Lessee's approval of the Preliminary Plans, Lessor shall prepare final plans for Lessee's approval, and Lessee shall not disapprove said final plans except to the extent they are inconsistent with the Preliminary Plans. Lessor shall construct the Premises in accordance with the final plans ("Improvements by Lessor"), and Lessor's obligation to construct said work shall supersede Lessor's obligation to construct any work described in the Initial Lease or Amendment No. 1, and shall be in lieu thereof. Lessor shall pay for the building permits related to the Improvements by Lessor.

Lessor agrees to deliver to Lessee, and Lessee agrees to accept from Lessor possession of the each space within the Premises forthwith upon substantial completion of the Improvements by Lessor for said space. The date of substantial completion shall be conclusively evidenced by written notice from Lessor to Lessee ("Notice of Substantial Completion"). The date of substantial completion of the Premises shall mean the date that Lessor has completed Improvements by Lessor to the point wherein Lessee may move its personal property into the Premises without substantial interference by Lessor. Lessee shall accept each space within the Premises upon delivery of said space with the exception of minor punch-list items which Lessee shall specify to Lessor in writing within twenty (20) days following delivery; failure by Lessee to give such written notice to Lessor within twenty (20) days after the date of substantial completion of said space shall cause the conclusive presumption that Lessor has complied with all of Lessor's obligations hereunder. Lessor shall notify Lessee in writing on or before May 25, 1997, of the estimated date of substantial completion of the Improvements by Lessor.

5. Recurring Expenses. Lessee shall pay for all heat, light, power, telephone and other utilities and services which are separately metered to the Premises, and any taxes thereon, together

with any and all utility meters, connections and hook-up fees or assessments. Notwithstanding Lessee's obligation to pay for utility services as provided in the immediately preceding sentence, Lessor has agreed to reimburse Lessee for the cost of monthly electricity charges for the Police Space up to a maximum of \$200.00 per month; further, Lessor has agreed to reimburse Lessee for the cost of monthly electricity charges in the Community Space up to a maximum of \$200.00 per month for the first twelve (12) months of the term of the Lease for the Community Space, and \$100.00 per month for each month of the remainder of said term. As an administrative convenience, Lessor agrees that Lessor will pay the electricity costs for the Police Space and for the Community Space directly to the electricity provider, provided that if the cost of the electricity in any one month exceeds for either space the maximum amount Lessor has agreed to pay for said space, then in either such case, Lessor shall bill Lessee for the excess amount, and Lessee shall pay the amount of such excess within thirty (30) days following Lessee's receipt from Lessor of an invoice for said excess amount and a copy of the electricity bill for said space. In the event Lessee does not pay any such excess amount within thirty (30) days following the date Lessor forwards the invoice to Lessee, Lessor shall notify Lessee in writing that said payment is overdue, and in the event Lessee does not pay without further inquiry within five (5) days after written notice of such delinquency, Lessor shall have the right to make the required arrangements with the electricity provider to cease Lessor's administrative service of paying the electrical bills directly to the provider. In the event Lessor ceases paying directly to the electricity provider, Lessee shall have the right to seek monthly reimbursement from Lessor up to Lessor's maximum obligation as provided hereinabove, and Lessor shall reimburse Lessee as required within thirty (30) days following Lessor's receipt from Lessee of the electrical bill and evidence of payment by Lessee. Lessor shall not reimburse Lessee for any utility costs for the City Service Space.

6. Lessee's Obligations. For purposes of the City Service Space, paragraph 7.2 of the Lease is hereby amended to read as follows:

Subject to the provisions of paragraphs 7.1 (Lessor's Obligations), and 48 (Damage and Destruction), Lessee, at Lessee's expense, shall keep in good order, condition and repair the Premises and every part thereof (whether or not the damaged portion of the Premises or the means of repairing the same are reasonably or readily accessible to Lessee) including, without limiting the generality of the foregoing, all plumbing, electrical and lighting facilities and equipment exclusively serving the Premises; and all fixtures, interior walls and interior surfaces, ceilings, windows, doors, plate glass, and skylights located within the Premises. Notwithstanding the foregoing, Lessor shall provide for regular periodic maintenance of the heating, ventilating and air conditioning systems, and Lessee, at Lessee's expense, shall repair and replace as necessary said systems. Lessor shall pass on to Lessee the benefit of all

warranties for the heating, ventilating and air conditioning equipment and for any other equipment Lessee is required to maintain, repair and/or replace as provided hereinabove. Notwithstanding the foregoing, Lessee shall not be obligated for any repair described hereinabove which is required as a result of the negligent acts or willful misconduct of Lessor, its agents, or employees.

7. Limitation of Use. The City Service Space shall be used by Lessee solely for providing to the public administrative services for the government of the City of San Diego. Lessee shall use the City Service Space for no use or purpose other than as described herein except that Lessee shall have the right to use the City Service Space, or a portion thereof, for an alternative or additional governmental or non-profit use so long as Lessor has approved said additional or alternative use in writing in advance. Lessee and Lessor acknowledge that the Community Space shall be used for community meetings and other community events as more particularly described in Amendment No. 1, that the Police Space shall be used for providing police information and community services as more particularly described in the Initial Lease, and none of the the Premises shall be used for any activities which are proscribed or restricted by the terms and conditions of the CC&R's or other agreements between Lessor and third parties governing the operation of the Shopping Center. Without limiting the generality of the foregoing preclusion, Lessee specifically agrees that no part of the Premises shall be used for retail purposes. Lessor shall not hereafter enter into agreements with third parties which preclude Lessee from holding community meetings, operating a community service center as described hereinabove, or operating a police service center as described in the Initial Lease.

Attached hereto is a summary of the uses which are proscribed or restricted by the CC&R's or other agreements between Lessor and third parties related to the Shopping Center and which are in effect as of the date of this Amendment No. 2 to Lease. Upon request, Lessor will provide to Lessee an updated summary of said uses. Lessor agrees that Lessee shall have the right to charge nominal amounts for the use of the Community Room to offset the direct costs of the maintenance of said room, provided, however, that the amounts collected shall not exceed the direct maintenance costs therefor (excluding administrative/personnel costs). Lessee shall not profit from charges made for the use of the meeting room.

Lessee further agrees that notwithstanding its right to use the Premises as described hereinabove, Lessee's operation thereof shall take into consideration the retail nature of the Shopping Center, and the intent of the other tenants therein to operate retail businesses, and Lessee agrees to use reasonable efforts not to interfere with such primary use of the Shopping Center. Lessee further agrees to cooperate with Lessor regarding the protection of such primary retail use of the Shopping Center, and to abide by any rules and regulations established by Lessor for the Shopping Center as described in Amendment No. 1.

8. Insurance. Lessee shall, at Lessee's expense, obtain and keep in force during the term of this Lease, a policy of Combined Single Limit Bodily Injury and Property Damage insurance insuring Lessee and Lessor against any liability arising out of the use, occupancy or maintenance of the Premises and the Industrial Center, and shall name Lessor and LGD Asset Management as additional insureds. Such insurance shall be in an amount not less than \$2,000,000 per occurrence. The policy shall insure performance by Lessee of the indemnity provisions of paragraph 8; the limits of said insurance shall not, however, limit the liability of Lessee.

Notwithstanding the foregoing, Lessee may satisfy the insurance requirements hereinabove, in whole or in part, through a plan of self-insurance maintained from time to time so long as Lessee's bond rating, as rated by Standard and Poors, does not drop below BBB. Such self-insurance shall mean that Lessee will assume all duties, obligations and responsibilities of an insurance company with respect to any claim made under such self-insurance program. Lessee will provide a certificate of self-insurance upon request of Lessor, and if Lessee elects to self-insure pursuant to the provisions herein and thereafter elects to terminate such self-insurance program, Lessee shall thereafter provide certificates of insurance from a qualified insurance carrier.

9. Holdover. Paragraph 26 of the Lease and the second, third and fourth sentences of paragraph 51 are hereby amended to read as follows:

If Lessee remains in possession of the Premises or any part thereof after the expiration of the term hereof, then, provided, Lessor and Lessee are in good faith negotiations to extend the term of the Lease (or to enter into a new Lease) with respect to the Premises or the part thereof which Lessee continues to occupy, or in the event Lessee's continued occupancy is otherwise with Lessor's consent, then in any such event, such occupancy shall be a tenancy from month to month upon all the provisions of this Lease pertaining to the obligations of Lessee.

Lessee acknowledges that in the event Lessee's continued occupancy is without Lessor's consent, and Lessee and Lessor are not in good faith negotiating as provided hereinabove, Lessor will suffer damages for Lessee's failure to vacate the Premises on a timely basis. In such event, Lessee shall be liable and responsible for all damages, direct and indirect, incurred or suffered by Lessor as a result of a failure of Lessee to vacate the Premises in a timely manner.

10. Effectiveness of Lease. Except as expressly provided herein, nothing in this Agreement shall be deemed to waive or modify any of the provisions of the Lease, or any amendment or addendum thereto, and all of the terms and conditions of the Lease as amended prior hereto (including without limitation Lessor's reservation of the Right of Relocation, which shall apply to any one or all of the

three (3) spaces as determined by Lessor, and Lessor's right to promulgate and enforce rules and regulations) shall apply to the City Services Space added to the definition of Premises hereby as though fully set forth herein; provided, however, that in the event of any conflict or inconsistency between the Lease, this Agreement or any other amendment or addendum thereof, the document later in time shall prevail.

11. Right to Terminate the City Service Space. Lessor acknowledges that Lessee's ability to pay Base Rent is subject to annual review and approval by Lessee's City Council. Lessee acknowledges that \$22,080.00 of the cost of Improvements by Lessor for the City Service Space is to be paid by Lessee as a part of the Base Rent (as provided in paragraph 2 hereof). Lessee's fiscal year is July 1 through June 30. Notwithstanding anything in the Lease to the contrary, Lessee shall have the right to terminate this Lease with respect to the City Service Space as of the end of any fiscal year for which the Base Rent due hereunder is not approved by City Council, subject to the following: (a) in the event Lessee is aware that funding for the City Services Space is not being recommended to Council for approval for any fiscal year, Lessee shall notify Lessor in writing within forty-five (45) days prior to the commencement of said fiscal year; and (b) in the event Lessee's City Council elects to terminate the Lease for the City Service Space as provided herein, Lessee shall notify Lessor in writing on or before July 1 of the fiscal year for which the City Council has disapproved said funding, and (c) Lessee shall pay Base Rent, and the Lease term for said space shall continue, for the period up to and including the date of said notice, and for a period of sixty (60) days thereafter, and (d) Lessee shall pay to Lessor within said sixty (60) day period, the termination amount ("Termination Amount") shown hereinbelow:

<u>FISCAL YEAR FOR WHICH APPROVAL</u> <u>NOT GRANTED</u>	<u>TERMINATION AMOUNT DUE</u>
July 1, 1998 - June 30, 1999	\$17,664.00
July 1, 1999 - June 30, 2000	\$13,248.00
July 1, 2000 - June 30, 2001	\$ 8,832.00
July 1, 2001 - June 30, 2002	\$ 4,416.00

In the event Lessee does not notify Lessor of the termination of the Lease for the City Service Space on or before August 1 of any calendar year, or in the event Lessee does not pay the Termination Amount within the sixty (60) day period following Lessee's notice of termination, Lessee's right to terminate as provided hereinabove shall be null and void for said fiscal year. Lessor shall have the right, with Lessee's reasonable approval and without disrupting Lessee's usual and ordinary business therein, to show the City Service Space to potential tenants during the sixty (60) day period following Lessor's receipt of notice of the termination of the Lease for said space.

THIS AMENDMENT is agreed between Lessor and Lessee as of the date first above written.

LESSOR:

LGD ASSET MANAGEMENT, a
California corporation, as
agent for Lessor

By: C. Samuel Marasco
C. Samuel Marasco
President

LESSEE:

CITY OF SAN DIEGO

By: Joe E. Vickin

Its: Deputy Director

Date: June 25, 1997

OTR, an Ohio general
partnership, acting as the duly
authorized nominee of the Board
of the State Teachers
Retirement System of Ohio

By: Mary Ellen Grant

Its: Mary Ellen Grant
Director, Western Region - Real Estate

Date: 7/15/97

Approved as to form and legality

this 27th day of July, 1997

CASEY GWINN, City Attorney

By: [Signature]
Deputy City Attorney

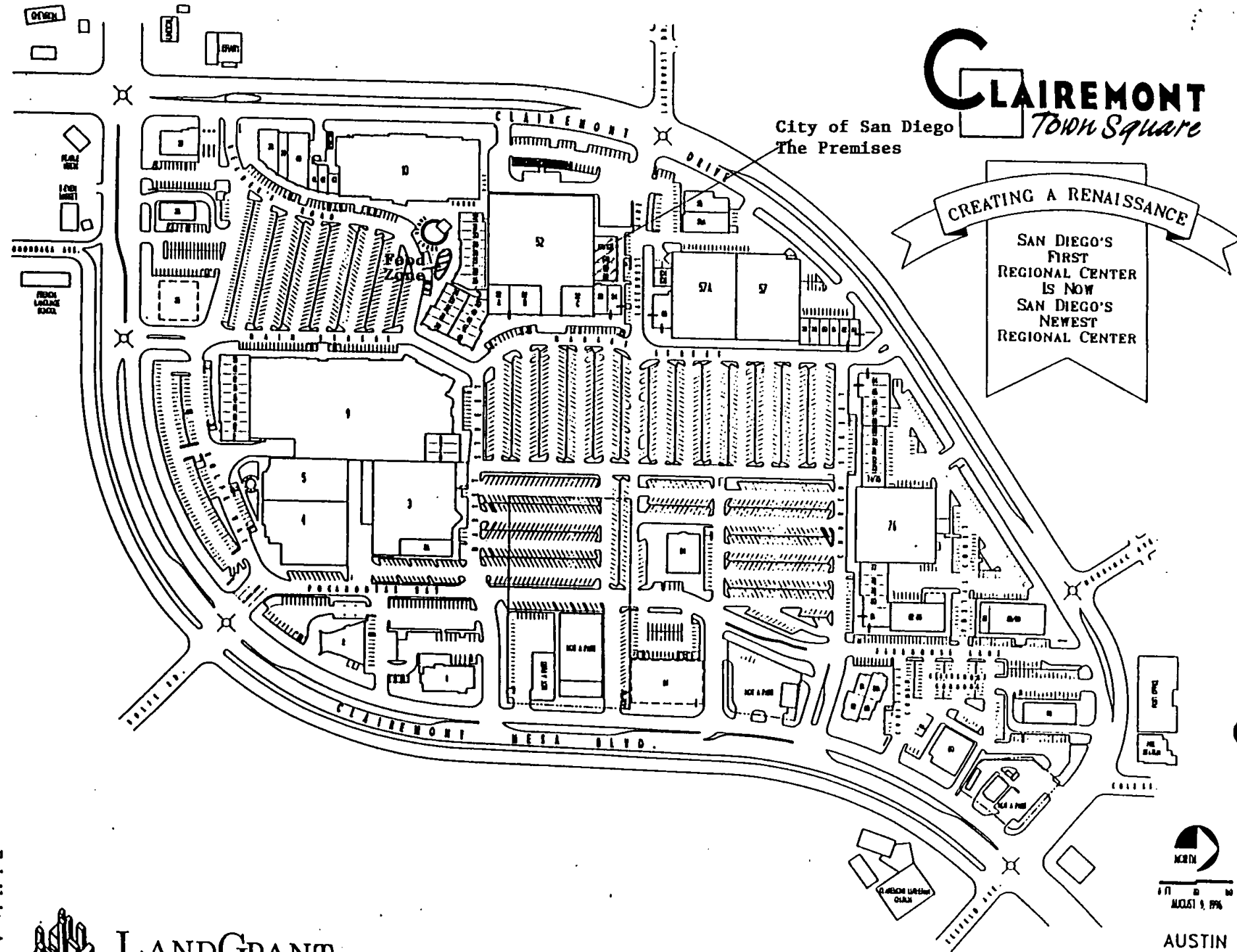


EXHIBIT A

Exhibit A-1



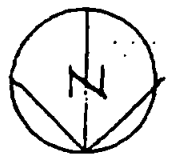
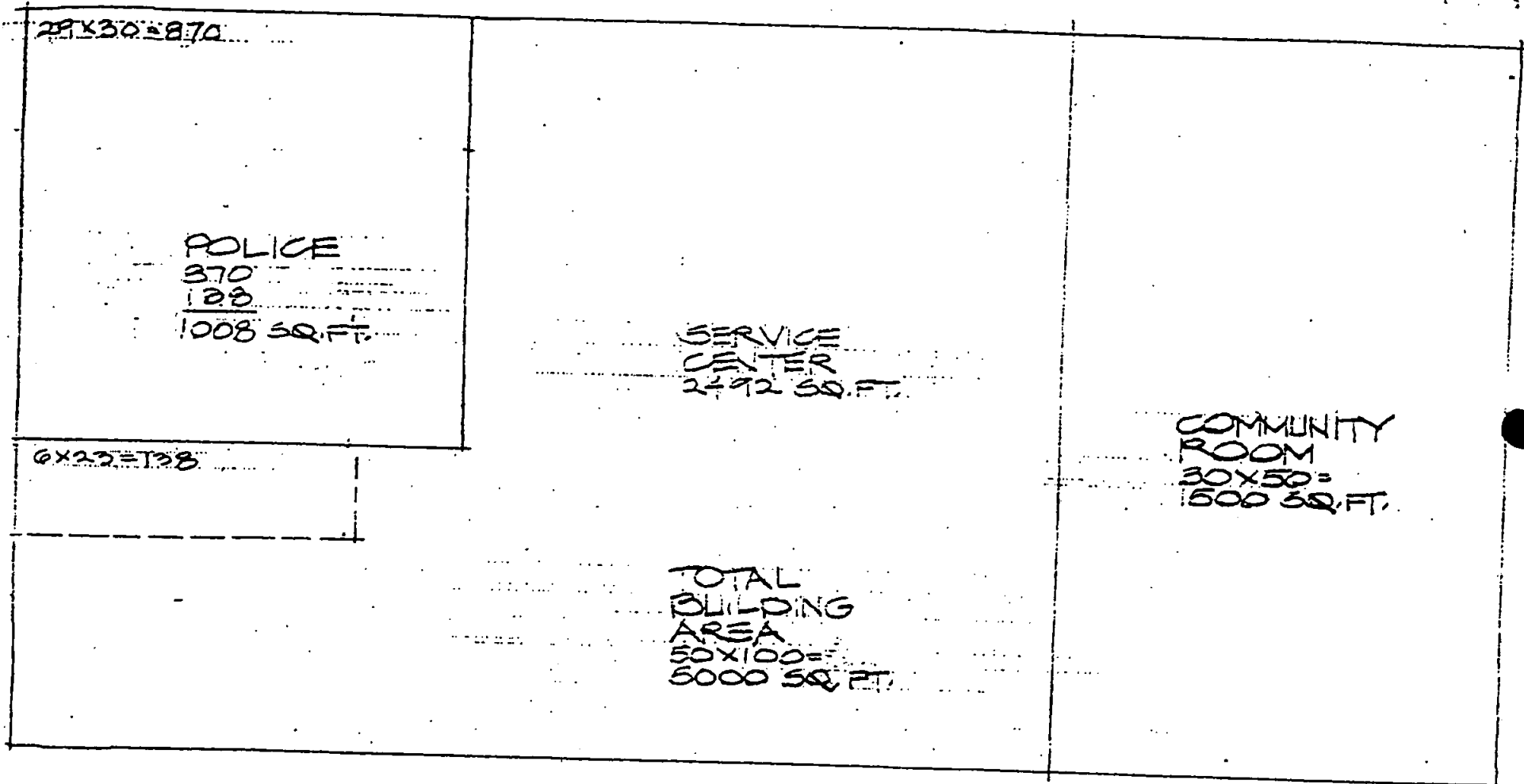
LANDGRANT

2625 HIGH BLUFF DRIVE, SUITE 202, SAN DIEGO, CA 92108 • (619) 481-0094 • FAX (619) 481-7704
 THE (THREE) BLOCKS ARE PRELIMINARY CONCEPTS ONLY. IT IS SUBJECT TO CHANGE AND SHOULD NOT BE RELIED UPON AS REPRESENTING THE EXACT
 THE EXACT, AND, THE LOCATION, USE OR OPENING DATE OF THE TENANT OR PLACE WITHIN THE PROJECT



**AUSTIN
DESIGN
GROUP**

Architectural Firm
1000 Camino del Rio South, Suite 1000
San Diego, CA 92108
(619) 594-1100



CLAIREMONT COMMUNITY SERVICE CENTER
PRELIMINARY FLOOR PLAN
SCALE: 1/8" = 1'-0"
12 DEC 96 REV 16 DEC 96

CITY OF SAN DIEGO
REQUEST FOR
CITY MANAGER ACTION

TO: CITY MANAGER	FROM: (ORIGINATING DEPT.) CITY MANAGER/COMMUNITY SERVICE CENTER	DATE MAY 27, 1997
----------------------------	---	-----------------------------

SUBJECT:
CLAIREMONT COMMUNITY SERVICE CENTER LEASE AGREEMENT

ACTION REQUESTED:

Approve Amendment #2 to the lease agreement with OTR, an Ohio general partnership, dated February 1, 1995.

Authorize the expenditure of \$34,416 from the proposed FY98 Citywide Community Service Center Budget Appropriation.

SUPPORTING INFORMATION:

ENVIRONMENTAL IMPACT: This activity is except from CEQA pursuant to section 15301 of the State CEQA guidelines.

COMMUNITY AREA: Clairemont

COUNCIL DISTRICT: Stallings (6)

ATTACHMENTS: Standard Industrial Lease -- Multi-Tenant dated February 1, 1995, Addendum, Amendment No. 1 and Amendment No. 2

On February 1, 1995, the City entered into a month to month lease agreement with OTR, an Ohio general partnership acting as the duly authorized nominee of the Board of the State Teachers Retirement System of Ohio, for tenant space in Clairemont Square Shopping Center for Police Department services. That agreement was amended on January 23, 1996 to include additional space for a community meeting room after the renovation of Clairemont Square was completed. (Amendment No. 1)

This document requests that this lease agreement be modified to include the Community Service Center tenant space (Amendment No. 2). The term of the lease for the Community Service Center space will be a five (5) year term. The Community Meeting Room space term is for five years with four (4) automatic extensions of five (5) years each.

This lease agreement also acknowledges the City's obligation to repay the Lessor \$22,080, for the cost of tenant improvements in the City Service Space. These costs are to be repaid, as part of the City's monthly base rent, over the five (5) year lease term.

FISCAL IMPACT: \$34,416 per year for a period of five (5) years.

DOCUMENT NO. C-08128

FILED JUL 18 1997

OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

ACCOUNTING INFORMATION:	BUDGETED	UNBUDGETED
FUND		10170
DEPARTMENT		
ORGANIZATION		
OBJECT ACCT.		9544
JOB ORDER NO.		
C.I.P. NO.		
FACILITY		
AMOUNT		\$34,416
ESTIMATED COST: \$34,416		
AUDITORS CERTIFICATE NUMBER: AC 9800042		
FOR INFORMATION, CONTACT:		
NAME Marcia Samuels		
MAIL STATION 5A	TELEPHONE NO. 235-5746	

PLEASE ROUTE TO APPROPRIATE AUTHORITY - REF: A.R. 25.60 OR 25.70

ROUTING AND APPROVAL		
APPROVING AGENCY	APPROVAL SIGNATURE	DATE
ORIGINATING DEPARTMENT 1 (SAMUELS)	Marcia Samuels	6/24/97
REAL ESTATE ASSETS 2	Joe E. Hickin	6/25/97
DEVELOPMENT SERVICES 3	John M. Torres, EAS	6/26/97
EOCP 4	Dianna Piox	7/8/97
FINANCIAL MANAGEMENT 5	Chelly Bernard	7-7-97
AUDITOR 6	Carole O'Hara	7/07/97
ASST. CITY MANAGER (CULBRETH-GRAFT) 7	Penelope Culbreth	7-7-97
CITY ATTORNEY 8	W. R. V. [Signature]	7/8/97
CITY CLERK 9	Penelope Culbreth	7/18/97

The City of San Diego
CERTIFICATE OF CITY AUDITOR AND COMPTROLLER
CERTIFICATE OF UNALLOTTED BALANCE

AC 9800042
 ORIG: NG
 DEPT. NO.: 042

I HEREBY CERTIFY that the money required for the allotment of funds for the purpose set forth in the foregoing resolution is available in the Treasury, or is anticipated to come into the Treasury, and is otherwise unallotted.

Amount _____ Fund _____

Purpose _____

Date _____ By: _____

AUDITOR AND COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA										
ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT
TOTAL AMOUNT										

FUND OVERRIDE ☐

CERTIFICATION OF UNENCUMBERED BALANCE

I HEREBY CERTIFY that the indebtedness and obligation to be incurred by the contract or agreement authorized by the hereto attached resolution, can be incurred without the violation of any of the provisions of the Charter of the City of San Diego; and I do hereby further certify, in conformity with the requirements of the Charter of the City of San Diego, that sufficient moneys have been appropriated for the purpose of said contract, that sufficient moneys to meet the obligations of said contract are actually in the Treasury, or are anticipated to come into the Treasury, to the credit of the appropriation from which the same are to be drawn, and that the said money now actually in the Treasury, together with the moneys anticipated to come into the Treasury, to the credit of said appropriation, are otherwise unencumbered.

Not to Exceed \$ 34,416.00

Vendor OTR, an Ohio General Partnership

Purpose Authorizing the expenditure of funds for the lease agreement for tenant space for the Clairemont

Community Service Center.

Date July 07, 1997

By: Carol O'Hanlon

AUDITOR AND COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA										
ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT
1	0	10170			9544					\$34,416.00
TOTAL AMOUNT										\$34,416.00