

COPY

LEASE

Health Services Department
2400 Bisso Lane, Suite D,
Concord, California

This lease is dated FEB. 6, 2017 and is between RIO Properties I, LLC, a California limited liability company (“**Lessor**”) and the County of Contra Costa, a political subdivision of the State of California (“**County**”).

Recitals

- A. Lessor is the owner of that certain premises located at 2400 Bisso Lane, Concord, California, as more particularly described in Exhibit A – Legal Description (the “**Property**”). The Property is improved with an office building (the “**Building**”).
- B. Lessor desires to lease to County and County desires to lease from Lessor a portion of the Building consisting of approximately 6,809 square feet of floor space known as Suite D1, and 6,796 square feet of floor space known as suite D2, together totaling approximately 13,605 square feet of floor space (the “**Premises**”) as described in Exhibit B - Premises, along with the non-exclusive use of 54 parking stalls.
- C. Simultaneous with the execution of this lease, Lessor and County are entering into a work letter that sets forth how tenant improvements in the Premises are to be constructed, who will undertake the construction of the tenant improvements, who will pay for the construction of the tenant improvements, and the time schedule for completion of the construction of the tenant improvements (the “**Work Letter**”). The Work Letter is part of this lease.

The parties therefore agree as follows:

Agreement

- 1. Lease of Premises. In consideration of the rents and subject to the terms herein set forth, Lessor hereby leases to County and County hereby leases from Lessor, the Premises.
- 2. Term. The “**Term**” of this lease is comprised of an Initial Term and, at County’s election, Renewal Terms, each as defined below.
 - a. Initial Term. The “**Initial Term**” is ten years, commencing on the Commencement Date, as defined in the Work Letter.
 - b. Renewal Terms. County has one option to renew this lease for a term of ten years (“**Renewal Term**”) upon all the terms and conditions set forth herein.

- i. County will provide Lessor with written notice of its election to renew the Lease not more than twelve months and no less than nine months prior to the end of the Initial Term. However, if County fails to provide such notice, its right to renew the Lease will not expire until fifteen working days after County's receipt of Lessor's written demand that County exercise or forfeit the option to renew.
- ii. Upon the commencement of the Renewal Term, all references to the Term of this lease will be deemed to mean the Term as extended pursuant to this Section.
- iii. The County's right to renew this lease is personal to the County and may not be exercised by or assigned to any person or entity that is not governed by the Contra Costa County Board of Supervisors. The County may not exercise its right to renew this lease if, at the time the County exercises the renewal option, the County is in material default of this lease after the expiration of the applicable cure period.

3. Rent.

- a. Initial Term. County shall pay base rent ("**Base Rent**") to Lessor monthly in advance beginning on the Commencement Date. Rent is payable on the first day of each month during the Initial Term and, if applicable, the Renewal Term, in the amounts set forth below:

<u>Months</u>	<u>Monthly Rent</u>
1 - 12	\$19,727.25
13 - 24	\$20,271.45
25 - 36	\$20,951.70
37 - 48	\$21,495.90
49 - 60	\$22,176.15
61 - 72	\$22,856.40
73 - 84	\$23,536.65
85 - 96	\$24,216.90
97 - 108	\$25,033.20
109 - 120	\$25,713.45

- b. Renewal Term. During the Renewal Term, County shall pay Base Rent in an amount equal to the then-current fair market rental value of the property (the "FMV"). As soon as practicable following delivery of the County's renewal notice, County and Lessor shall meet and endeavor in good faith to agree on the FMV. If County and Lessor fail to agree within thirty (30) days of delivery of the renewal notice, then Lessor and County shall each appoint an appraiser with at least five (5) years' full-time commercial real estate appraisal experience in the area to opine as to the FMV of the Premises. Lessor and County shall each bear the cost of their own appraiser. Lessor and County shall request that the appraisers provide written reports setting forth their opinions within fifteen (15) days after being given the assignment. As soon as practicable after receipt of the appraisals, Lessor and County shall meet and, again, endeavor in good faith to agree on the FMV.

If Lessor and County are unable to agree on the FMV within thirty (30) days after receipt of the appraisals, (i) County may rescind the renewal notice, or (ii) with Lessor's concurrence, County may extend the Initial Term for three (3) months (such extension, the "Extended Initial Term"). County will pay Rent during the Extended Initial Term at the same rate that applied immediately prior to the Extended Initial Term. If at the end of the Extended Initial Term, Lessor and County have failed to agree on the FMV, County may rescind the renewal notice and the lease will expire at the end of the Extended Initial Term.

- c. Fractional Month. Rent for any fractional month will be prorated and computed on a daily basis with each day's rent equal to one-thirtieth (1/30) of the monthly Rent.
- d. Late Payment. The County acknowledges that the late payment of Rent by the County will cause Lessor to incur costs not contemplated by this lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting expenses and late charges that may be imposed on Lessor by a lender. Accordingly if Rent is not received by Lessor within ten (10) business days after written notice from Lessor to the County that the unpaid Rent is due, then, without any requirement for any further notice to the County, the County shall immediately pay to Lessor a one-time late charge equal to 5% of the unpaid Rent. The parties agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of the late charge by Lessor does not constitute a waiver of the County's default or breach with respect to overdue amount or prevent the exercise of any other rights and remedies granted hereunder. In addition, any monetary payment due Lessor hereunder, other than late charges, that is not paid within ten (10) business days following written notice from Lessor to the County that such payment is due, will bear interest from its due date, as to scheduled payments, or the 31st day after it was due, as to non-scheduled payments. Interest is to be computed at the lessor of 5% per annum and the maximum rate allowed by law.

4. CAM Charges. In addition to the rent set forth above, County shall pay Lessor the County's Proportionate Share of CAM Charges. The terms "Proportionate Share" and "CAM Charges" are defined below. Lessor shall invoice County for any CAM Charges within ninety days after the end of each calendar year during the Term. County shall pay the amount so invoiced within thirty days of receipt of the invoice. County has the right, exercisable upon reasonable prior written notice to Lessor, to inspect Lessor's books and records relating to the amounts charged to County as CAM Charges. County may not withhold payment of the invoice until after the completion of such inspection.

- a. "**Proportionate Share**" means the ratio, expressed as a percentage, of the square feet of the Premises to the total square footage of the Building. As of the date of this Lease, the parties estimate that County's Proportionate Share of the Building is 22.25%.
- b. "**CAM Charges**" means common area maintenance charges and includes (i) all actual costs and expenses incurred by Lessor to operate and maintain those areas within the Building, including the Building's entrances, walkways, sidewalks, lavatories, drives, parking facilities, fire or life safety systems for the premises, and other areas that are not leased or held for lease but are within or contiguous to or serving the Building and are necessary or

desirable for County's full use and enjoyment of the Premises (the "Common Area"), to repair Common Area facilities when reasonably required, to clean and remove trash from the Common Area and to provide security services to the Common Area, (ii) all actual costs and expenses incurred by Lessor to maintain and repair all common areas, parking lots, sidewalks, driveways, all landscaped areas, and other areas that are used in common by the tenants or occupants of the Building, (iii) Insurance, as defined below, (iv) Real Property Taxes, as defined below, and (v) an administrative fee for services rendered by a third party manager that is equal to no more than two percent of the total Rent. As used herein, the term "Rent" shall mean all monetary obligations of Tenant to Landlord under the terms of this Lease.

- i. "**Insurance**" means the All Risk Property Insurance maintained by Lessor covering the Building and the Warehouse and all improvements thereto for perils including fire and earthquake, if applicable, for an amount equal to full replacement cost; liability and other insurance that Lessor reasonably deems necessary on the Premises or that may be required by Lessor's mortgagee, including, but not limited to, earthquake, and flood insurance.
- ii. "**Real Property Taxes**" means and includes all taxes, assessments (amortized over the longest period available to Lessor) levied or assessed upon the Building and the real property upon which it is situated, any state or local business taxes or fees measured by or assessed upon gross rentals or receipts, and other governmental charges, general and special, including, without limitation, assessments for public improvements or benefits, that are, during the Term of this Lease, assessed, levied, and imposed by any governmental authority upon the Building. Real Property Taxes do not include any late fees or penalties, any municipal, county, state or federal net income, estate, succession, inheritance, sales, use or franchise taxes of Lessor.

Notwithstanding any provision of this Lease to the contrary, Lessor and County acknowledge and agree that the following items are excluded from CAM Charges:

- i. Payments on any loans or ground leases affecting the Building.
- ii. Depreciation of any Building or any major systems of Building service equipment.
- iii. All costs and expenses associated with leasing to other tenants, including tenant improvements allowances, attorneys' fees, brokerage commissions, and architectural fees, if any.
- iv. Any cost incurred in complying with hazardous materials laws.
- v. Capital taxes, income taxes, corporate taxes, corporation capital taxes, excise taxes, profits taxes or other taxes personal to the Lessor.

5. Payment of CAM Charges.

- a. Annual Estimates. At the beginning of each year, Lessor shall provide County with a reasonable estimate of the amount of CAM Charges due for the upcoming year (or portion

thereof). That amount will be divided by the number of months in the year (or portion thereof) to determine the “**Estimated Monthly CAM Charges.**”

- b. Monthly Payments. County shall pay the Estimated Monthly CAM Charges monthly in advance on the first day of each month. CAM charges for any fractional month will be prorated and computed on a daily basis with each day’s CAM Charges equal to one-thirtieth (1/30) of the then-current CAM Charges.
 - c. Annual Reconciliation. Within 180 days after the end of the calendar year, or, if applicable, within 180 days after the end of the term, Lessor shall (i) calculate the actual CAM Charges due for the relevant period, and (ii) provide County with a statement that compares the actual expenses incurred by Lessor for the relevant period with the total payments of Estimated Monthly CAM Charges paid by the County during such period (a “**Reconciliation Statement**”). If County’s total payments of Estimated Monthly CAM Charges for the period are less than the amount of actual expenses incurred by Lessor, County shall pay to Lessor the amount of such deficiency within 30 days after receipt of the Reconciliation Statement. If County’s total payments of Estimated Monthly CAM Charges for such period exceed actual expenses incurred by Lessor for such period, Lessor shall refund the excess to County within 30 days after the County’s demand therefor.
 - d. Inspection of Books. County has the right to inspect and audit Lessor’s books and records relating to the amounts charged to County as CAM Charges and to set forth specific objections to amounts charged to County. If the County’s inspection and audit reveals the County was overcharged for CAM Charges, Lessor shall remit the amount overcharged to County with interest at a rate of one percent (1.0 %) per month from the date of overpayment until the date paid to County in full within 30 days of demand therefor. Lessor shall retain all relevant records for at least two years. County shall cause any such inspection to occur within eighteen months of receipt of the Reconciliation Statement. County may not cause such inspection to occur more than once in any twelve month period. In no event may this section be deemed to allow any review of Lessor’s records by any subtenant of County. County may not withhold payment of the invoice until after the completion of such inspection.
 - e. Initial Estimate. For the period beginning on the Commencement Date and continuing through December 31, 2017, Lessor has determined the Estimated Monthly CAM Charges to be \$3,673.35. Subject to the terms of this lease, County shall pay such amount to Lessor beginning on the Commencement Date and continuing through December 31, 2017.
6. Use. County may use the Premises for the purpose of conducting various functions of County and any other purpose permitted by law.
 7. Obligation to Pay Utilities and Janitorial Service. If the Premises is separately metered, County shall contract with utility providers and pay for all gas and electric service provided to the Premises; otherwise, County shall pay for all gas and electricity as reasonably determined by Lessor using a methodology approved by County. County shall pay for such utilities within ten (10) business days of receipt of an invoice from Lessor. County shall contract separately for

janitorial and trash collection services provided to the Premises. Lessor shall pay for all water and sewer services provided to the Premises.

8. Maintenance and Repairs. Lessor shall include the cost of all maintenance and repairs provided by Lessor in the Estimated Monthly CAM Charges. County shall reimburse Lessor for such costs in accordance with Section 5 – Payment of CAM Charges.
 - a. Roof and Exterior of Premises. Lessor shall keep the roof and exterior of the Premises in good order, condition, and repair, and shall maintain the structural integrity of the Building, including the exterior doors and their fixtures, closers and hinges, exterior windows, glass and glazing. The County shall maintain all locks and key systems used in the Premises.
 - b. Interior of Premises. County shall keep and maintain the interior of the Premises in good order, condition and repair, but Lessor shall repair damage to the interior caused by its failure to maintain the exterior in good repair, including damage to the interior caused by roof leaks and/or interior and exterior wall leaks. The County may install and maintain an alarm system, if deemed necessary by County. In the event that the necessity of repair is due to County's, or its invitees, negligence or willful misconduct, then County shall reimburse Lessor 100% of the costs incurred in the repair of such damage. Lessor, at its own cost and expense, without right of reimbursement, shall repair any damage to the interior of the Premises arising from Lessor's negligence or willful misconduct.

Subject to Lessor delivering the Premises to County in accordance with the Work Letter, on and after the Commencement Date, County is responsible for the cost of maintaining the Premises in compliance with all code requirements, including but not limited to the Americans with Disabilities Act.

- c. Utilities. Lessor shall repair and maintain the electrical, lighting, water and plumbing systems in good order, condition and repair.
- d. HVAC. Lessor shall maintain and repair the heating, ventilating, and air-conditioning (HVAC) systems.
- e. Parking; Exterior Lighting; Landscaping. Lessor shall maintain the parking lot and exterior lighting system, and landscaping, in good order, condition and repair.
- f. Services by Lessor. If County determines that the Premises are in need of maintenance, construction, remodeling or similar service that is beyond Lessor's responsibilities under this lease, at County's request, Lessor shall perform such service at County's expense. In performing the service, Lessor shall consult with County and use either licensed insured contractors or employees of Lessor. Lessor shall obtain County's prior written approval of the scope, terms, and cost of any contracts. County may, by giving Lessor thirty (30) days prior written notice, change the level of service, terminate any or all service, or require that a service be performed by a different contractor.

9. Quiet Enjoyment. Provided County is in compliance with the material terms of this lease, Lessor shall warrant and defend County in the quiet enjoyment and possession of the Premises during the Term.
10. Subordination, Non-Disturbance and Attornment. If at any time Lessor has a loan that is secured by a lien of a mortgage or deed of trust encumbering the Building, Lessor shall cause the lender(s) holding such lien to execute and deliver to County a Subordination, Non-Disturbance and Attornment Agreement that is in substantial conformity with Exhibit B hereto.
11. Assignment and Sublease. County has the right to assign this lease or sublease the Premises or any part thereof at any time during the Term with the written approval of Lessor, which approval will not be unreasonably withheld or delayed.
12. Alterations; Fixtures and Signs. County may (i) make any lawful and proper minor alterations to the Premises and (ii) attach fixtures and signs (“**County Fixtures**”) in or upon the Premises. Any County Fixtures will remain the property of County and may be removed from the Premises by County at any time during the Term. County is responsible for the cost of all alterations and County Fixtures. All alterations and County Fixtures are subject to Lessor’s approval and must comply with existing code requirements.
13. Prior Possession. Prior to the Commencement Date, County has the right to install fixtures, telephones, alarm systems, and other items required to prepare the Premises for County’s occupancy and to store furniture, supplies and equipment, provided such work and storage and can be effected without unduly interfering with Lessor’s completion of any tenant improvements.
14. Insurance.
 - a. Liability Insurance. Throughout the Term, County shall maintain in full force and effect, at its sole expense, a general self-insurance program covering bodily injury (including death), personal injury, and property damage, including loss of use. County shall provide Lessor with a letter of self-insurance affirming the existence of the aforementioned self-insurance program.
 - b. Self-Insurance Exclusion. County’s self-insurance does not provide coverage for (i) areas to be maintained by Lessor under this lease, or (ii) negligence, willful misconduct, or other intentional act, error or omission of Lessor, its officers, agents, or employees.
15. Surrender of Premises. On the last day of the Term, or sooner termination of this lease, County shall peaceably and quietly leave and surrender to Lessor the Premises, along with appurtenances and fixtures at the Premises (except County Fixtures), all in good condition, ordinary wear and tear, damage by casualty, condemnation, acts of God and Lessor’s failure to make repairs required of Lessor excepted. County is not responsible for painting or for repairing or replacing any floor coverings in the Premises upon the expiration or earlier termination of this lease.

16. Waste, Nuisance. County may not commit, or suffer to be committed, any waste upon the Premises, or any nuisance or other act or thing that may disturb the quiet enjoyment of any other occupant of the Building.
17. Inspection. Lessor, or its proper representative or contractor, may enter the Premises by prior appointment between the hours of 9:00 a.m. and 4:30 p.m., Monday through Friday, holidays excepted, to determine that (i) the Premises is being reasonably cared for, (ii) no waste is being made and that all actions affecting the Premises are done in the manner best calculated to preserve the Premises, and (iii) County is in compliance with the terms and conditions of this lease.
18. Perilous Conditions. If the County's Director of Public Works becomes aware of a perilous condition on the Premises that, in his or her opinion, substantially and significantly threatens the health and safety of County employees and/or invitees (a "**Perilous Condition**"), the Director of Public Works, or his or her designee, will immediately notify Lessor of such Perilous Condition and Lessor shall use best efforts to immediately eliminate the Perilous Condition.

Lessor shall immediately address any condition reasonably constituting an emergency, whether Lessor learns of the condition through County or otherwise.

If Lessor fails to address a Perilous Condition within twenty-four (24) hours after County's notice or to immediately address an emergency situation, County may attempt to resolve the Perilous Condition or emergency situation. Lessor shall reimburse County for any costs incurred by County in addressing the Perilous Condition or emergency situation promptly upon receipt of County's invoice.

19. Destruction. If damage occurs that causes a partial destruction of the Premises during the Term from any cause and repairs can be made within ninety days from the date of the damage under the applicable laws and regulations of governmental authorities, Lessor shall repair the damage promptly. Such partial destruction will not void this lease, except that County will be entitled to a proportionate reduction in Rent while such repairs are being made. The proportionate reduction in Rent will be calculated by multiplying Rent by a fraction, the numerator of which is the number of square feet that are unusable by County and the denominator of which is the total number of square feet in the Premises.

If repairs cannot be made in ninety days, County will have the option to terminate the lease or request that Lessor make the repairs within a reasonable time, in which case, Lessor will make the repairs and Rent will be proportionately reduced as provided in the previous paragraph.

This lease will terminate in the event of a total destruction of the Building or the Premises.

20. Hazardous Material. Except as otherwise disclosed to County in writing prior to the execution of this lease, Lessor warrants to County that Lessor does not have any knowledge of the presence of Hazardous Material (as defined below) or contamination of the Building or Premises in violation of environmental laws. Lessor shall defend, save, protect and hold County harmless from any loss arising out of the presence of any Hazardous Material on the Premises that was not brought

to the Premises by or at the request of County, its agents, contractors, invitees or employees. Lessor acknowledges and agrees that County has no obligation to clean up or remediate, or contribute to the cost of clean up or remediation, of any Hazardous Material unless such Hazardous Material is released, discharged or spilled on or about the Premises by County or any of its agents, employees, contractors, invitees or other representatives. The obligations of this Section shall survive the expiration or earlier termination of this lease.

“Hazardous Material” means any substance, material or waste, including lead based paint, asbestos and petroleum (including crude oil or any fraction thereof), that is or becomes designated as a hazardous substance, hazardous waste, hazardous material, toxic substance, or toxic material under any federal, state or local law, regulation, or ordinance.

21. Indemnification.

- a. County. County shall defend, indemnify and hold Lessor harmless from County’s share of any and all claims, costs and liability for any damage, injury or death of or to any person or the property of any person, including attorneys’ fees, caused by the willful misconduct or the negligent acts, errors, or omissions of County, its officers, agents or employees in using the Premises pursuant to this lease, or the County’s performance under this lease, except to the extent caused or contributed to by (i) the structural, mechanical, or other failure of buildings owned or maintained by Lessor, and/or (ii) the negligent acts, errors, or omissions of Lessor, its officers, agents, or employees.
- b. Lessor. Lessor shall defend, indemnify and hold County harmless from Lessor’s share of any and all claims, costs and liability for any damage, injury or death of or to any person or the property of any person, including attorneys’ fees, caused by the willful misconduct or the negligent acts, errors or omissions of Lessor, its officers, agents, employees, with respect to the Premises, or Lessor’s performance under this lease, or the Lessor’s performance, delivery or supervision of services at the Premises, or by the structural, mechanical or other failure of buildings owned or maintained by Lessor, except to the extent caused or contributed to by the negligent acts, errors, or omissions of County, its officers, agents, or employees.

22. Default.

The occurrence of any of the following events is a default under this lease:

- a. County.
 - i. County’s failure to pay Rent within ten business days after receipt of a written notice of failure (a “**Notice**”) from Lessor to County; provided, however, that County will have additional time if its failure to pay Rent is due to circumstances beyond its reasonable control, including, without limitation, failure of the County’s Board of Supervisors to adopt a budget. In no event may such additional time exceed seventy-five days from receipt of a Notice.

- ii. County's failure to comply with any other material term or provision of this lease if such failure is not remedied within thirty days after receipt of a Notice from Lessor to County specifying the nature of the breach in reasonably sufficient detail; provided, however, if such default cannot reasonably be remedied within such thirty day period, then a default will not be deemed to occur until the occurrence of County's failure to comply within the period of time that may be reasonably required to remedy the default, up to an aggregate of ninety days, provided County commences curing such default within thirty days and thereafter diligently proceeds to cure such default.

b. Lessor.

- i. Lessor's failure to complete the Tenant Improvements in accordance with the Work Letter.
- ii. Lessor's failure to perform any other obligation under this lease if such failure is not remedied within thirty days after receipt of a Notice from County to Lessor specifying the nature of the breach in reasonably sufficient detail; provided, however, if such breach cannot reasonably be remedied within such thirty-day period, then a default will not be deemed to occur until the occurrence of Lessor's failure to perform within the period of time that may be reasonably required to remedy the breach, up to an aggregate of ninety days, provided Lessor commences curing such breach within thirty days and thereafter diligently proceeds to cure such breach.

23. Remedies.

- a. Lessor. Upon the occurrence of a default by County, Lessor may, after giving County written notice of the default, and in accordance with due process of law, reenter and repossess the Premises and remove all persons and property from the Premises.
- b. County. If Lessor fails to complete the Tenant Improvements in accordance with the Work Letter, County may terminate this lease by giving written notice to Lessor with no cost or obligation to County. Such termination is effective on the effective date of the written notice. Upon the occurrence of any other default by Lessor, County may (i) terminate this lease by giving written notice to Lessor and quit the Premises without further cost or obligation to County, or (ii) proceed to repair or correct the failure and, at County's option, either deduct the cost thereof from Rent due to Lessor, or invoice Lessor for the cost of repair, which invoice Lessor shall pay in full promptly upon receipt.

24. Notices. Any notice required or permitted under this lease shall be in writing and sent by overnight delivery service or registered or certified mail, postage prepaid and directed as follows:

To Lessor: RIO Properties I, LLC
 14 Orinda Way
 Orinda, CA 94563

To County: Contra Costa County
Public Works Department
Attn: Principal Real Property Agent
255 Glacier Drive
Martinez, CA 94553

Either party may designate a substitute address for that set forth above, in writing, at any time, and thereafter notices are to be directed to such substituted address. If sent in accordance with this Section, all notices will be deemed effective (i) the next business day, if sent by overnight courier, or (ii) three days after being deposited in the United States Postal system.

25. Successors and Assigns. This lease binds and inures to the benefit of the heirs, successors, and assigns of the parties hereto.
26. Holding Over. Any holding over after the Term of this lease is a tenancy from month to month and is subject to the terms of this lease, except the County will pay Rent equal to 125% of the Rent for the period immediately preceding the holdover.
27. Time is of the Essence. In fulfilling all terms and conditions of this lease, time is of the essence.
28. Governing Law. The laws of the State of California govern all matters arising out of this lease.
29. Severability. In the event that any provision herein contained is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining provisions of this lease will not in any way be affected or impaired.
30. Real Estate Commission. In negotiating this lease, Lessor is represented by Jones Lang LaSalle Brokerage, Inc. (“JLL”) and the County represents itself. Lessor shall pay a real estate commission to JLL pursuant to a separate written agreement. Lessor recognizes and acknowledges that the County is entitled to a real estate commission when it represents itself. The County warrants to Lessor that County’s contact with Lessor in connection with this Lease has been directly with JLL.

Lessor shall pay to County a real estate commission in the amount of Thirty-Nine Thousand Six Hundred Seventy-Two Dollars (\$39,672) (the “County Commission”). Lessor shall pay one-half of the County Commission upon the execution of this lease and the remainder on the Lease Commencement Date.

31. Recording. The parties shall execute and record a Memorandum of Lease in substantial conformity with Exhibit C, in lieu of recording the entire lease. Upon the expiration or earlier termination of this lease, County shall execute a Memorandum of Lease Termination or Quitclaim Deed discharging any recording made pursuant to this Section 31.
32. Offer. Preparation of the lease and submission of same to the County shall not be deemed an offer to lease to the County. This lease is not intended to be binding until executed and delivered

by all parties hereto. If this lease is not fully executed and delivered on or before March 31, 2017, this lease shall be void and of no further force or effect.

- 33. Entire Agreement; Construction; Modification. Neither party has relied on any promise or representation not contained in this lease or the Work Letter. All previous conversations, negotiations, and understandings are of no further force or effect. This lease is not to be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. This lease may be modified only by a writing signed by both parties.

The parties are executing this lease on the date set forth in the introductory paragraph.

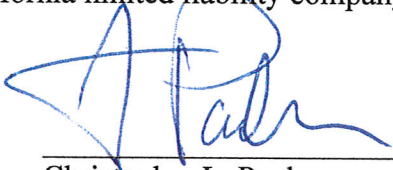
COUNTY:

COUNTY OF CONTRA COSTA, a political subdivision of the State of California

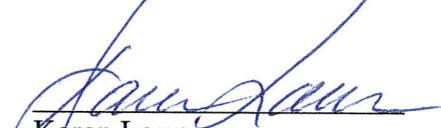
By: _____
Julia R. Bueren
Director of Public Works


LESSOR:

RIO Properties I, LLC, a California limited liability company

By: 
Christopher L. Paulson
Authorized Member

RECOMMENDED FOR APPROVAL:

By: 
Karen Laws
Principal Real Property Agent

By: 
Julin Perez-Berntsen
Associate Real Property Agent

APPROVED AS TO FORM
SHARON L. ANDERSON, COUNTY COUNSEL

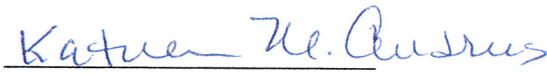
By: 
Kathleen M. Andrus
Deputy County Counsel

EXHIBIT A

LEGAL DESCRIPTION

REAL PROPERTY in the City of Concord, County of Contra Costa, State of California, described as follows:

Parcel A as shown on Parcel Map MSC 17-76, filed April 16, 1976 in Book 44 of Parcel Maps, Page 20, Contra Costa County Records.

EXCEPTING THEREFROM:

An undivided one-half (1/2) interest in and to all oil, gas, casinghead gasoline and hydrocarbons and minerals substances below a point 500 feet below the surface of said real property, together with the right to take, remove, mine and dispose of said oil, gas, casinghead gasoline and other hydrocarbons and minerals, as reserved by George Bisso, et al, in Deed recorded September 1, 1971 in Book 6468 of Official Records at Page 805.

A.P.No.: 112-280-002

Exhibit B - Premises

2400 BISSO LANE
CONCORD, CA

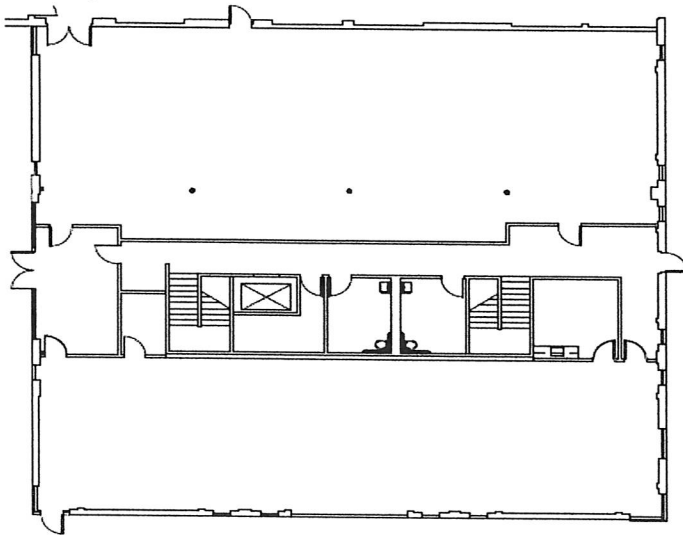
AS-BUILT PLAN
SUITE "D" - 1ST & 2ND FLOORS

8/2/16

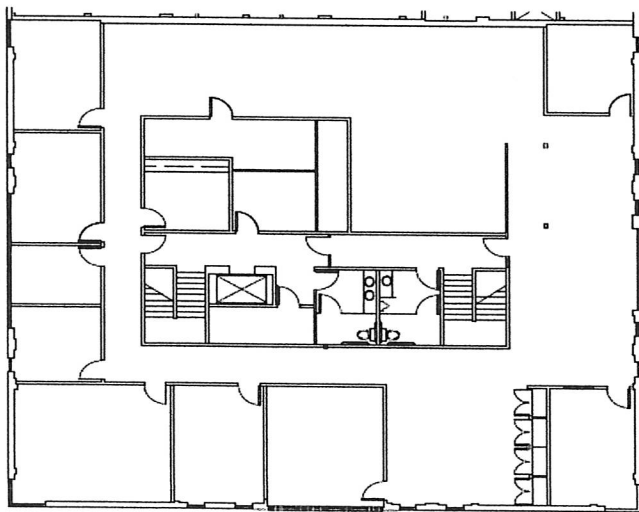
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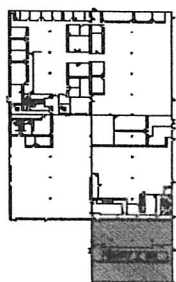
13,005 RSF



1ST FLOOR - 6,839 RSF



2ND FLOOR - 4,736 RSF



KEY PLAN



SCALE FEET
0 10 20

Exhibit C

Recorded at the request of:
Contra Costa County

Return to:
Attn: Julin Perez/Lisa Zaragoza
Contra Costa County
Public Works Department
255 Glacier Drive
Martinez, CA 94553

Assessor's Parcel No. 112-280-002

Subordination, Non-Disturbance and Attornment Agreement

This agreement is dated _____, 2017, and is between the County of Contra Costa, a political subdivision of the State of California (the “**Tenant**”), _____, a _____, its successors and assigns (the “**Lender**”), having its principal place of business at _____.

Recitals

- A. Pursuant to a lease dated _____, 2017 (the “**Lease**”) between the Tenant and RIO Property I, LLC, a California limited liability company (the “**Landlord**”), Landlord is leasing to the Tenant certain space in the building located at 2400 Bisso Lane, Suite D, Concord, California, more fully described in Exhibit A attached hereto and made a part hereof (the “**Property**”).
- B. Lender has previously made a loan (the “**Loan**”) to Landlord that is secured, in part, by the lien of a mortgage or deed of trust executed and delivered by Landlord to Lender encumbering the Property (the “**Mortgage**”) and an assignment of all leases of and rents from the Property
- C. This agreement is being executed by the parties in accordance with the requirements of Section 10 of the Lease.

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

- 1. Tenant hereby represents, acknowledges and agrees as follows:
 - (a) The term of the Lease commences on _____ and will terminate on _____.

(b) The monthly rent payment under the Lease is set forth in Section 3 of the Lease. No advance rents have been prepaid.

(c) The improvements described in the Lease have not been completed or accepted by Tenant.

(d) Tenant has not sublet any portion of the leased premises or assigned any of its rights under the Lease.

(e) Upon its execution, the Lease will be in full force and effect.

(f) All rent payments will be paid as provided under the Lease until Tenant has been otherwise notified by Lender or its successors and assigns.

(g) If Lender provides Tenant with Lender's address for notification purposes, Tenant will deliver to Lender a copy of all notices Tenant delivers to or receives from Landlord.

(h) Tenant will not look to Lender or its successors or assigns for the return of the security deposit, if any, under the Lease, except to the extent that such funds are delivered to Lender.

2. If Lender elects to foreclose the Mortgage, Lender will not join Tenant in summary or foreclosure proceedings unless required by applicable law (and then only to the extent so required) as long as Tenant has not amended the Lease without Lender's prior written consent and is not in default under the Lease.

3. In the event that Lender succeeds to the interest of Landlord under the Lease and there exists no default by Tenant under the Lease and Tenant has not amended the Lease without Lender's prior written consent, Lender agrees not to disturb or otherwise interfere with Tenant's possession of the leased premises for the unexpired term of the Lease, provided that Lender is not:

(a) Liable for any act or omission of Landlord or any prior landlord under the Lease;

(b) Subject to any offsets or defenses that Tenant might have against Landlord or any prior landlord;

(c) Bound by any rent or additional rent that Tenant might have paid for more than the current month to Landlord;

(d) Bound by any amendment or modification of the Lease made without Lender's prior written consent; or

(e) Liable for any security deposit Tenant might have paid to Landlord, except to the extent Lender has actually received said security deposit.

4. Upon Lender's succeeding to Landlord's interest under the Lease, Tenant covenants and agrees to attorn to Lender or a purchaser at a foreclosure or trustee's sale, to recognize such successor landlord as Tenant's landlord under the Lease, and to be bound by and perform all of the obligations and conditions imposed on Tenant by the Lease. If requested by Lender or any subsequent owner, Tenant shall execute a new lease with Lender, for a term equal to the remaining term of the Lease and otherwise containing the same provisions and covenants of the Lease.

5. Prior to terminating the Lease due to a default by Landlord thereunder, Tenant agrees to notify Lender of such default and give Lender the opportunity to cure such default within thirty (30) days of Lender's receipt of such notice (or, if such default cannot reasonably be cured within such thirty (30) day period, Lender will have such longer time as may be necessary to cure the default provided that Lender commences the cure within such period and diligently pursues the cure thereafter).

6. This agreement binds and inures to the benefit of the respective heirs, personal representatives, successors and assigns of the parties hereto.

7. This agreement may be modified only in a writing duly executed by both parties.

The parties are signing this agreement as of the date set forth in the introductory clause.

COUNTY

COUNTY OF CONTRA COSTA, a
political subdivision of the State of
California

By _____
Julia R. Bueren
Director of Public Works

LENDER

Name of Lender., a

By _____
Name
Title

By _____
Name
Title

[Attach Notary Forms]

Exhibit D

Recorded at the request of:
Contra Costa County

Return to:
Contra Costa County
Public Works Department
2355 Glacier Drive
Martinez, CA 94553

Assessor's Parcel No. 112-280-002

MEMORANDUM OF LEASE

This Memorandum of Lease is dated _____, 2017, and is between RIO Property I, LLC, a California limited liability company (Landlord), and the County of Contra Costa, a political subdivision of the State of California (Tenant).

On _____, 2017, Landlord and Tenant entered into a written lease (Lease) by which Tenant agreed to lease a portion of the building commonly known as 2400 Bisso Lane, Suite D, Concord, California from Landlord. The portion of the building being leased consists of approximately 13,605 square feet of floor space, and with the non-exclusive use of 91 parking stalls. The real property where the building is located (Property) is legally described in Exhibit A attached.

The Lease is for a period of is ten years, commencing on the Commencement Date, as defined in the Work Letter. Tenant has an option to extend the Lease for an additional ten years on certain conditions.

This Memorandum of Lease does not constitute the Lease and is only an abbreviated form containing a summary of only a few of the terms. In the event that there is any inconsistency between this Memorandum of Lease and the Lease, the terms of the Lease prevail over the terms of this Memorandum of Lease.

RIO Properties I, LLC

Dated _____

By _____

Christopher L. Paulson
Authorized Member

County of Contra Costa

Dated _____

By _____

Julia R. Bueren
Director of Public Work

[Attach Notary Forms]

WORK LETTER

Health Service Department
2400 Bisso Lane, Suite D
Concord, California

_____, 2017

This work letter (“**Work Letter**”) is part of the lease (“**Lease**”) executed concurrently herewith between RIO PROPERTIES I, LLC (“**Lessor**”), and the COUNTY OF CONTRA COSTA, (“**County**”) under which the County is leasing real property situated in Concord, California, as more particularly described in the Lease.

Lessor and County mutually agree as follows:

1. Terms. All capitalized terms not defined herein have the meanings ascribed to them in the Lease. The provisions of this Work Letter supplement the Lease and are specifically subject to the provisions of the Lease. If there is a conflict between the provisions of the Lease and the provisions of this Work Letter, the provisions of the Lease control. Whenever the approval of County is required hereunder, approval is required of the County’s Director of Public Works or her designee (the “**County Representative**”).
 2. Lessor's Representation and Warranties. Lessor represents and warrants to County that Lessor is the owner of the Property, and the Property is presently zoned to permit its use for the purposes contemplated by this Work Letter and the Lease and is free of any covenants, restrictions and other encumbrances. In addition, Lessor represents and warrants that the individuals signing this Work Letter on behalf of Lessor are authorized to do so.
- Lessor covenants and agrees that it will cause the Substantial Completion Date, as defined below, to occur no later than August 31, 2017.

3. Base Building Work. Lessor has constructed the Building’s shell and core (collectively, the “**Base Building Work**”) at Lessor’s cost and expense. The Base Building Work includes, but is not limited to, the following elements of the Building: (a) concrete floors (without floor coverings), (b) finished perimeter walls (including windows, window frames, window blinds, and doors), (c) finished ceilings, including lights and light fixtures, (d) finished restrooms, (e) closets for telephone and electrical systems (but not the telephone systems themselves), (f) Building mechanical, electrical, and plumbing systems within the Building core only, (g) interior core walls, (h) fire alarms and fire suppression systems on each floor of the Building, (i) all items necessary for the Building to satisfy the provisions of the Americans with Disabilities Act, including, without limitation, washrooms, elevators, drinking fountains, and the parking area, (j) all code-

required items relating to the other elements of the Base Building Work, such as exit signs, speakers, fire doors, and any other life-safety support system for each floor, and (k) dry wall and tape of interior columns.

4. Tenant Improvements. Subject to the conditions set forth below, Lessor shall construct and install the improvements to the Premises that are described on Schedule 1 attached hereto and incorporated herein (the “**Tenant Improvements**”) in accordance with (i) the Space Plans, as defined below, (ii) the Construction Schedule, attached hereto as Schedule 3 – Construction Schedule, and (iii) the Final Plans, as defined below. As discussed in more detail in Section 14 – Tenant’s Work, any item of work not shown in the Final Plans, including, for example, telephone and data service or furnishings (“**Tenant’s Work**”) is to be performed at County’s expense by County, or, if requested by County, Lessor (“**Tenant’s Work**”). The Lessor may not charge an administrative fee in connection with Tenant’s Work.

For purposes of this Work Letter, “**Construction Schedule**” means the schedule that (i) has been agreed upon by Lessor and County, (ii) identifies the work to be accomplished to complete the Tenant Improvements and the sequence of that work, and (iii) sets forth the dates by which certain components of the work must be completed.

5. Build Out Allowance. Lessor shall provide County with an allowance in an amount equal to Two Hundred Four Thousand Seventy-Five and no/100 Dollars (\$204,075) (the “**Allowance**”). The County may use the Allowance for fees and costs connected with the Tenant Improvements that are approved by the County Representative, including, but not limited to: architect and design fees, hard construction costs, demolition fees, contractor fees, engineering fees, and the cost of plans and permits obtained in connection with the Tenant Improvements. Any portion of the Allowance not required to complete the Tenant Improvements in accordance with the final plans referred to below is the property of the Lessor. To the extent that the actual costs incurred in the construction exceed the Allowance County shall be solely responsible for any such costs and expenses, and shall reimburse Lessor promptly upon demand for any such sums.
6. Contractor. Lessor shall use a competitive bid package approved by the County to select a contractor that is acceptable to the County (the “**Contractor**”) to construct the Tenant Improvements. Lessor shall provide a copy of all proposals and bids related to the construction of the Tenant Improvements to County. Lessor shall permit County to participate in any meetings between Lessor and potential contractors that precede the award of a contract. Lessor shall cause Contractor to obtain all licenses and permits necessary to effect the construction of the Tenant Improvements and, upon completion of the Tenant Improvements, any required occupancy permits.

7. Design and Construction.

Lessor shall provide all architectural and engineering services necessary to construct the Tenant Improvements (the cost of which is to be paid from the Allowance). Lessor shall hire and pay for the services of Studio Benavente Architects Inc. (“**Architect**”) to provide architectural services for the design and construction of Tenant Improvements. Lessor shall cause the Architect to assist and support County with furniture and equipment plans, as requested by County.

8. Plans.

- a. Except as otherwise provided in this Section 8, prior to the execution of the Lease, Lessor and County approved in writing space plans for the build-out of the Tenant Improvements and an estimate of the cost to design and/or construct the Tenant Improvements for the Premises that were prepared by Lessor or Lessor’s designated architect (the “**Space Plans**”). A copy of the Space Plans is attached hereto as Schedule 2.
- b. In the event that Lessor and County enter into the Lease prior to reaching agreement on the Space Plans, Lessor and County shall cooperate in good faith to finalize the Space Plans without delay. County shall fully cooperate by providing Lessor, its architects, engineers, and contractors with timely information and approvals of plans, drawings, and specifications. Any acts by County to delay or otherwise act negligently or in bad faith in approving the Space Plans and/or cooperating with Lessor in the design and construction of the Tenant Improvements will result in a Tenant Delay (as hereinafter defined) under this Work Letter. Upon agreement by Lessor and County on the Space Plans, a true and correct copy will be attached to this Work Letter as Schedule 2.
- c. Lessor shall pay from the Allowance all architectural and engineering fees and costs incurred in connection with the Tenant Improvements depicted on the Final Plans, as defined below, including architectural plans required to depict accessibility routes for the Building in general. Any and all architectural and engineering fees and costs incurred as a result of changes in the Final Plans requested by County will be County’s sole responsibility and paid for by County as additional rent within ten (10) days after receipt of invoices from Lessor showing that such additional fees or costs have been incurred.

9. Modifications to the Plans.

- a. Lessor and County acknowledge that the Space Plans may not depict certain structural elements of the Building and/or various elements of the Building systems that may necessitate modifications to the Space Plans and specifications for the Tenant Improvements (collectively “**Structural Modifications**”). Furthermore, any

final plans and specifications for the construction of the Tenant Improvements may require modification to account for Applicable Laws and Restrictions. “**Applicable Laws and Restrictions**” means all laws (including, without limitation, the Americans with Disabilities Act), building codes, ordinances, regulations, title covenants, conditions, and restrictions, and casualty underwriters requirements applicable to the Premises and the Tenant Improvements. Within sixty days after the date of the Lease, Lessor shall cause to be prepared final plans and specifications in substantial conformity with the Space Plans, taking into account (i) Structural Modifications, (ii) the requirements of the Applicable Laws and Restrictions, (iii) other modifications resulting from physical constraints of the Premises, and (iv) modifications requested by County and consented to by Lessor, which consent may not be unreasonably withheld (the “**Final Plans**”). Once completed, the Final Plans will be attached to this Work Letter as Schedule 4.

- b. Any and all modifications of, or amendments to, the Space Plans and the Final Plans (including all working drawings and other supplements thereto, but excluding immaterial field changes and Structural Modifications), are subject to the prior written approval of County. Material "or equal" items or substitute items provided for in the specifications forming part of the Final Plans are subject to the prior written approval of County, which approval may not be unreasonably withheld or delayed. Samples of such “or equal” or substitute materials, together with any additional supplemental information that may be necessary for County's review, are to be submitted to County in a timely manner.
10. Inspections. The County and its representatives may enter the Premises at all reasonable times upon reasonable advance notice to Lessor for the purpose of inspecting the progress of construction of the Tenant Improvements.
 11. Compliance with Laws; Standards of Performance. Lessor, at its expense and chargeable to the Allowance, shall (i) obtain all approvals, permits and other consents required to commence, perform and complete the Tenant Improvements, and, if applicable, shall deliver a certificate of occupancy to County, and (ii) cause the Tenant Improvements to be constructed in accordance with the following performance standards: the Tenant Improvements are to be constructed by well-trained, adequately supervised workers, in good and workmanlike manner, free from design, material and workmanship defects in accordance with the Final Plans and all Applicable Laws and Restrictions (the “**Performance Standards**”). Lessor warrants that all Tenant Improvements shall be constructed in accordance with the Performance Standards. Notwithstanding anything to the contrary in the Lease or this Work Letter, County’s acceptance of possession of the Premises does not waive this warranty and Lessor shall promptly remedy all violations of the warranty at its sole cost and expense.

12. Completion Notice; Inspection; Substantial Completion Date.

- a. When Lessor deems construction of the Tenant Improvements to be Substantially Complete, as defined below, Lessor shall tender delivery to County by delivering a **“Completion Notice”** in substantial conformity with Schedule 5. For purposes of this Work Letter, the phrase **“Substantially Complete”** means (i) construction of the Tenant Improvements has been substantially completed in accordance with the Performance Standards, (ii) there is no incomplete or defective work that unreasonably interferes with County’s use of the Premises, (iii) all necessary government approvals for legal occupancy of the Tenant Improvements have been obtained (including, if applicable, a Certificate of Occupancy), and (iv) all utilities are hooked up and available for use by County in the Premises.
- b. Upon receipt of the Completion Notice, a representative of the County, a representative of Lessor, and the Architect will immediately inspect the Tenant Improvements for the purpose of establishing that the Tenant Improvements are Substantially Complete. Once County and the Architect are satisfied that the Tenant Improvements appear to be Substantially Complete, both shall so indicate by countersigning the Completion Notice. The Premises will be deemed delivered to County on the day that both County and the Architect have countersigned the Completion Notice (the **“Commencement Date”** and the **“Substantial Completion Date”**).

13. Delay. The Commencement Date will be delayed by one day for each day of delay in the design or completion, of the Tenant Improvements that is caused by a Lessor Delay, as defined below. The Commencement Date will not be delayed due to a County Delay, as defined below. No Lessor Delay or County Delay will be deemed to have occurred unless and until the party claiming the delay provides written notice to the other party specifying the action or inaction that constitutes a Lessor Delay, or County Delay, as applicable. If such action or inaction is not cured within one day after receipt of the notice, then a Lessor Delay, or County Delay, as set forth in the notice, will be deemed to have occurred commencing as of the date the notice is received and continuing for the number days the design or completion of the Tenant Improvements is in fact delayed as a direct result of such action, inaction or event.

- a. The term **“Lessor Delay”** means any actual delay in the design of the Final Plans or in the completion of Tenant Improvements that is caused solely by any of the following: (i) Lessor not responding to requests for authorization or approval within the time period provided for a response to such request or, if no such time is stated, beyond a reasonable time therefore, and (ii) the acts or failures to act, whether willful, negligent, or otherwise, of Lessor, its agents, or contractors, to the extent contrary to the terms hereof.

- b. The term “**County Delay**” means any actual delay in the design and/or completion of Tenant Improvements that is caused solely by any of the following: (i) changes in the Space Plans or the Final Plans requested by County, (ii) the County not furnishing information or giving any approvals or authorizations within the time limits set forth for such performance in this Work Letter, or if no time is set forth for such performance in this Work Letter, then a reasonable time therefor, and (iii) the acts or failures to act, whether willful, negligent, or otherwise, of County, its agents, or contractors, to the extent contrary to the terms hereof.
14. Punchlist. County has thirty days from the Substantial Completion Date to provide Lessor with a written list of any items that are defective, incomplete, or do not conform to the Final Plans or to Applicable Laws and Restrictions (a “**Punchlist**”). County may augment the Punchlist at any time on or before ten days after the Substantial Completion Date. County’s failure to specify any item on the Punchlist, however, does not waive Lessor’s obligation to construct the Tenant Improvements in accordance with this Work Letter. Lessor shall remedy all items on the Punchlist as soon as practicable and in any event within thirty days of Lessor receiving the Punchlist. If Lessor fails to remedy all items on the Punchlist within the thirty-day period (except as to items, if any, that require more than thirty days to complete), then County may, upon twenty days prior notice to Lessor, complete any Punchlist items and deduct the cost of such work from the Rent next coming due under the Lease in an amount not to exceed twenty-five percent (25%) of the Rent per month for a period not to exceed six months.
15. Tenant's Work.
- a. Upon a timely request by County, Lessor shall perform the Tenant's Work through contractors selected by Lessor and approved by County. If Lessor performs the Tenant's Work, County shall reimburse Lessor for the full cost of the work upon receipt by County of receipted invoices for work performed or materials supplied. If County performs all or any portion of the Tenant's Work, Lessor shall allow County prompt and reasonable access to the Premises, provided, in Lessor's reasonable opinion, the Tenant’s Work can be performed by County without undue interference with the completion of the Tenant Improvements.
- b. Lessor shall furnish water, electricity, adequate elevator service and HVAC to the Premises during the performance of any of Tenant's Work during normal working hours of the Tenant Improvement project, without charge to County.
16. County’s Right to Terminate. County may terminate the Lease and this Work Letter by delivering a written termination notice to Lessor upon the occurrence of any of the following events:
- a. Lessor fails to execute a construction contract with a general contractor on or before March 1, 2017.

- b. A permit required for construction of the Tenant Improvements has not been issued on or before the last day for issuance of the permits specified in the Construction Schedule.
- c. Lessor fails to cause construction of the Tenant Improvements to commence on or before April 1, 2017.
- d. The Substantial Completion Date does not occur on or before the Scheduled Completion Date (as the same may be adjusted for County Delays in accordance with this Work Letter) and Lessor fails to Substantially Complete the Tenant Improvements on or before the ninety day after written notice by County to Lessor of its intent to terminate pursuant to this section.

17. Construction Period Insurance.

- a. Throughout the performance of the Tenant Improvements and the Tenant's Work, if the Tenant's Work is performed by Lessor, Lessor shall carry and shall cause all contractors and their subcontractors to carry the insurance set forth below covering all occurrences in or about the Building, and County shall be named as a party assured, together with the Lessor, contractor or subcontractor, as the case may be:
 - i. Workers' compensation insurance in statutory limits;
 - ii. Lessor: Commercial general liability insurance, including contractual liability, owners and contractors protective liability for a period of one year after substantial completion, with limits of not less than \$2,000,000 per occurrence;
 - iii. Contractors and Subcontractors: Commercial general liability insurance, including contractual liability, owners and contractors protective liability for a period of one year after substantial completion, with limits of not less than \$1,000,000 per person and \$1,000,000 per occurrence;
 - iv. Comprehensive automobile liability in minimum limits of \$500,000 for bodily injury or death to one person and \$1,000,000 for bodily injury or death in any one occurrence and \$500,000 per occurrence for property damage;
 - v. Employer's liability insurance in minimum limits of \$1,000,000 per occurrence for bodily injury or disease; and
 - vi. Excess liability insurance over the insurance required by subsections (ii), (iii), (iv), and (v) of this section with combined, minimum coverage of \$2,000,000.

- b. All insurance required by this Section 16 may be carried in whole or in part under a blanket policy (or policies). Lessor agrees to require each contractor and subcontractor to furnish Lessor with evidence reasonably satisfactory to Lessor of the maintenance of the required insurance coverage, with assurances that it will not be cancelled without fifteen days advance written notice to Lessor, and, in the case of blanket insurance, setting forth that the Building and the work with respect thereto is covered by the blanket policy and specifying the amount of coverage relating thereto. Upon the request of the County Representative, Lessor shall provide to the County Representative evidence of the maintenance of the required insurance coverage that is reasonably satisfactory to the County Representative.
18. Risk of Loss.
- a. If the Premises or any portion of the Tenant Improvements or Tenant's Work is damaged or destroyed prior to the Substantial Completion Date, County may terminate the Lease if, in the reasonable opinion of Architect, the Building cannot be restored and the Tenant Improvements Substantially Completed prior to 120 days after the Scheduled Completion Date. If the Lease is terminated pursuant to this section, Lessor shall cause its insurance to pay County an amount that is equal to the cost of constructing the Tenant's Work paid by County prior to the casualty.
 - b. If the Premises or the Tenant Improvements are damaged or destroyed prior to the Substantial Completion Date and the Lease is not terminated pursuant to this section, Lessor shall promptly and diligently cause its contractor to restore the Premises and complete construction of the Tenant Improvements.
19. Pre-Move-In Cleaning. Lessor shall clean and ventilate the Premises immediately prior to County moving into the Premises.
20. Move-In. Lessor shall make available to County on any weekday between the hours of 8:00 a.m. and 6:00 p.m. and, in addition, at County's request either on any three weekends between the hours of 6:00 p.m. on Friday and 8:00 a.m. on Monday or, in lieu of any one weekend, any four nights between the hours of 7:00 p.m. and 8:00 a.m., and the electricity and HVAC that County may reasonably require in connection with County's moving into the Premises. Lessor shall provide a qualified property management employee during County's move-in. County shall provide reasonable security at the Building in the event County moves into the Leased Premises at any time other than Normal Business Hours.

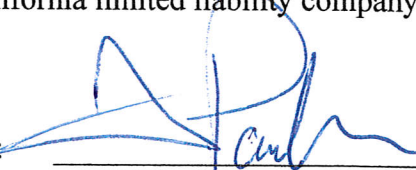
21. Time of the Essence. Time is of the essence in fulfilling all terms and conditions of this Work Letter.

The parties are executing this Work Letter as of the date hereinabove set forth.

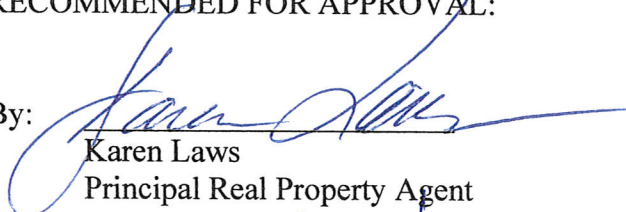
COUNTY OF CONTRA COSTA, a
political subdivision of the State of
California


RIO Properties I, LLC, a
California limited liability company

By: _____
Julia R. Bueren
Director of Public Works


By:  _____
Christopher L. Paulson
Authorized Member

RECOMMENDED FOR APPROVAL:

By:  _____
Karen Laws
Principal Real Property Agent

By:  _____
Julin Perez-Berntsen
Associate Real Property Agent

APPROVED AS TO FORM
SHARON L. ANDERSON, COUNTY COUNSEL

By:  _____
Kathleen M. Andrus
Deputy County Counsel

SCHEDULE 1

TENANT IMPROVEMENTS

2400 Bisso Lane, Suite D, Concord, CA

This project involves the renovation of approximately 13,605 square foot of rentable space, suites D 1, and D 2 at 2400 Bisso Lane, Concord, California. The renovated facility will include private and open offices, meeting rooms, storage, filing rooms, server room, work areas, staff breakroom, restrooms and warehouse area. The Tenant Improvements scope of work includes upgrades to the existing mechanical, plumbing, fire protection lighting and electrical systems to comply with current California Building Code and Tenant requirements. New security, telecommunications, IT and fire alarm systems are part of the Tenant Improvements and are to conform to local and state standards.

Lessor shall pay for, up to the amount of the Allowance, and provide the following items in the leased Premises, except as noted otherwise:

- TBD As per final plans
- All electrical wiring and outlets for County's furniture including workstation, private offices, breakroom, printers/copiers, TV and computer monitors, storerooms, as noted on the Final Plans.
- Separate ADA restrooms for each gender as required per local and state code for all staff.
- The Premises must meet all federal, state, and local requirements, including provisions for ADA. Restroom floors and walls shall be ceramic tile.
- The entire interior of the Premises will be re-painted with colors determined by County. Any new carpet and linoleum will be in colors and patterns as determined by County, as noted on the Final Plans. Provide linoleum in breakroom and hallway leading to shipping area, large storage room. All other ancillary space floors will be vinyl composition tile (VCT) as noted on the Final Plans.
- All cabling services necessary to complete Tenant Improvements. County shall hire and pay for the services of a cable contractor (the "**Cable Contractor**"), and Cable Contractor will design drawings for all cabling to the Premises. All Systemax Category 6 ("**CAT 6**") plenum rated cabling and face-plates that support 568B, 1000Base-TX/1000Base-T/IEEE 802.3ab, and POE+/IEEE 802.3 at standards are required throughout the entire leased space for computer network connections, as shown on the Final Plans. The Cabling Contractor will provide as built drawings for all data cabling.

The County's cabling contractor must be certified by the manufacturer to install, test, and warranty the product installed. One telephone and four data cable runs and jacks will be required to each workstation, private office, and conference rooms, and office face plate, network printer, copiers, flat screen monitors, and any other computer-related network device and run back to the telecommunications and data room, as noted on the Final Plans. County's cable contractor will terminate all data jacks as required in the telecommunications and data room, and provide cable ends to end test results. The Cable Contractor will provide two dedicated quad NEMA5-20 outlets, one at the end of the data rack and one for County's Alarm Division. All cabling to be terminated on Systemax iPatch 360 panel with a single controller, and allow 2U of Rackspace between patch panels, and place a 1U wire manager below each patch panel.

- Integration Lab / data/ phone room with ¾" fire-rated painted plywood on two (2) walls and a single NEMA5-20 outlet. Lessor's Contractor will provide one dedicated single NEMA5-20 outlet, between the two data racks. A separate air conditioning supply system in the Integration Lab/ data / phone room as noted on the Final Plans, with a minimum 3-ton capacity unit, and that operates 24 hours per day, 7 days per week ("24/7"). 24/7 alarm monitoring service for the telecommunications and data room is required in the event of air conditioning failure, including a High-Low temperature alarm.
- Direct, securable access to the Main Point of Entry ("MPOE") for communication service to the Building.
- An AT&T-approved pathway to curb-side for the MPOE.
- Key card access control system for all exterior and interior doors as noted on the Final Plans. All electrical wiring for each key card access door will be installed per the Final Plans. Any required door hardware to be coordinated with County's Representative per the Final Plans.
- Emergency doors shall be fail-safe and have internal hinges.
- Outside air intake emergency push-button shut-off capability for the HVAC system shall be tested and verified.
- All electrical wiring at all WIFI AP access points, 120 VAC outlets as needed, break rooms, conference rooms and reception areas as per the Final Plans. All copiers/printers and display monitors will be provided by County. All copier/multi-function printer locations to have 20 amp dedicated circuits.
- All electrical wiring for County scanners, printers, mail sorters and other equipment in the Premises will be installed per the Final Plans.

- Clean all finishes on counters, walls, ceilings, doors, window treatments and floors, and repair or replace as needed prior to occupancy.
- Coordinate all keying and door hardware requirements with County's Representative per the Final Plans.
- Any other specification for this project as specified in final plans.

The above items shall be included on the Final Plans, including the construction documents, to be submitted for building permits and Fire District approvals.

SCHEDULE 2
SPACE PLANS

SCHEDULE 3

CONSTRUCTION SCHEDULE

SCHEDULE 4

FINAL PLANS

SCHEDULE 5

FORM OF COMPLETION NOTICE

To: Contra Costa County
From: RIO Properties I, LLC
Date:
Re: Completion Notice

This notice is provided in compliance with Section 12 of that certain Work Letter dated _____ between RIO Properties I, LLC and Contra Costa County (the "Work Letter").

All terms not otherwise defined herein have the meaning ascribed to them in the Work Letter.

Tender by Lessor

Lessor hereby represents that it has completed construction of the Tenant Improvements in substantial conformity with the Final Plans.

Landlord hereby tenders the Premises for delivery to Tenant.

RIO Properties I, LLC

By: _____

Its: _____

Certification by Architect

The undersigned, a duly authorized representative of Studio Benavente Architects Inc. Architectural Group, hereby represents that (s) he has inspected the Tenant Improvements and determined them to be in substantial conformity with the Final Plans.

Studio Benavente Architects Inc.

By: _____

Its: _____

Date: _____

Certification by Contra Costa County

The undersigned, a duly authorized representative of Contra Costa County, hereby represents that the County has caused the Tenant Improvements to be inspected and has determined them to be in substantial conformity with the Final Plans.

Contra Costa County

By: _____

Its: _____

Date: _____