

**ALAMEDA POINT
LEASE AGREEMENT**

Between

CITY OF ALAMEDA,
a charter city and municipal corporation

as

LANDLORD

and

FACTION BREWING COMPANY LLC, a
California limited liability company

as

TENANT

ALAMEDA POINT LEASE AGREEMENT

THIS ALAMEDA POINT LEASE AGREEMENT ("**Lease**"), dated for reference purposes as August 16, 2012 ("**Lease Execution Date**"), is made by and between the **CITY OF ALAMEDA**, a charter city and municipal corporation ("**Landlord**") and **FACTION BREWING COMPANY LLC**, a limited liability company ("**Tenant**").

Recitals

A. The United States of America, acting by and through the Department of the Navy ("**Government**"), is the owner of real and personal property commonly referred to as the former Naval Air Station Alameda ("**Station**" or "**Property**"), which was closed as a military installation and is subject to disposal pursuant to and in accordance with the Defense Base Closure and Realignment Act of 1991, as amended (Pub. Law No. 101-510).

B. Landlord and Government have agreed upon a method of conveyance of said property as set forth in the Economic Development Conveyance Memorandum of Agreement ("**EDC MOA**") dated June 6, 2000.

C. Prior to the conditions for a deed transfer of the property to Landlord being met, immediate possession of all or portions of the Station has been granted by Government to Landlord pursuant to a Lease in Furtherance of Conveyance ("**LIFOC**") dated June 6, 2000.

D. Government has determined that it will be in the public interest to lease the Premises (as hereinafter defined) to Landlord upon the terms and conditions set forth in the LIFOC.

E. Landlord and Tenant have agreed to make and enter into this Lease, whereby Tenant will lease from Landlord the Premises, which leasehold interest is junior to and subject to the provisions of the LIFOC. As a result thereof, this Lease is a "sublease" in accordance with applicable laws, statutes and ordinances.

F. No individual premises on the Station has been surveyed and assigned an Assessor's Parcel Number (APN) by any State of California agency, including the County of Alameda and the City of Alameda. Any previously used Legal Description is not applicable to this or any future Agreements as they may pertain to any premises located on the Station. Tenant may, at its sole expense, have the premises surveyed by competent authority, in order to obtain a Legal Description of the Premises. Any survey shall be subject to review and approval by Landlord. Any approved Legal Description shall not be deemed to be a legally described parcel, nor shall it be assigned an identifying Assessor's Parcel Number.

G. On Jan. 31, 2012, the Governing Board of the Alameda Reuse & Redevelopment Authority assigned its rights, assets, liabilities and obligations to the City of Alameda. On February 7, 2012, the City Council of the City of Alameda accepted assignment of the rights, assets, liabilities, and obligations of the Alameda Reuse & Redevelopment Authority. On March 9, 2012 the U.S. Department of Defense Office of Economic Adjustment (OEA) acknowledged the City of Alameda as the Local Reuse Authority (LRA) for the former Alameda Naval Air Station. On April 4, 2012, the Department of Navy acknowledged the City of Alameda had been recognized by the OEA as the LRA.

NOW, THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth, Landlord and Tenant hereby agree as follows:

Agreement

1. **PREMISES.** Landlord does hereby lease, rent, and demise to Tenant and Tenant does hereby hire and rent from Landlord, the following:

1.1. **Premises.** Those certain premises known as a portion of Hangar 22, located at 2501 Monarch Street, Alameda, California, containing approximately Thirty Two Thousand Five Hundred (32,500) rentable square feet (which measurement is binding and conclusive on the parties subject to Landlord's right to re-measurement), more particularly described on Exhibit A-1 attached hereto, together with the improvements and fixtures situated therein (the "**Premises**").

1.2. **Equipment.** [Intentionally deleted].

1.3. **Land.** That certain Twenty Thousand Eight Hundred Forty Five (20,845) rentable square feet of real property ("**Land**") (which measurement is binding and conclusive on the parties), more particularly described on Exhibit A-3 attached hereto. The Land is not within the definition of "**Premises**" hereunder and Tenant is only granted a license to use the Land in accordance with and subject to the provisions of this Lease. Tenant's rights and obligations concerning the Premises as contained in this Lease shall be applicable to the Land and Landlord shall not interfere with Tenant's use of the Land except as otherwise provided in this Lease. The Land may only be utilized for the purposes of limited parking for deliveries and storage yard, which shall be subject to Landlord's fencing and screening requirements as such exist from time to time in addition to any permits required by the City of Alameda and agencies having jurisdiction..

1.4. **Parking Areas.** In addition to the Premises, subject to the Rules and Regulations (as hereinafter defined), Tenant and Tenant's employees, agents, suppliers, customers and patrons, in common with Landlord and all other tenants of the Station and all such other persons to whom Landlord has previously granted, or may hereinafter grant, rights of usage, shall have the non-exclusive right to use, for parking purposes, the parking area ("**Parking Area**") identified in Exhibit A-4 attached hereto as such may be adjusted from time to time by Landlord.

1.5. **Common Areas.** In addition to the Premises, subject to the Rules and Regulations, Tenant shall have the use of those certain common areas to be designated by Landlord from time to time on the Station (collectively, the "**Common Areas**"). The use of the Common Areas shall be for the non-exclusive use of Tenant and Tenant's employees, agents, suppliers, customers and patrons, in common with Landlord and all other tenants of the Station and all such other persons to whom Landlord has previously granted, or may hereinafter grant, rights of usage; provided that such nonexclusive use shall be expressly subject to such Rules and Regulations which may be amended by Landlord from time to time. Tenant shall not be entitled to use the Common Areas for storage of goods, vehicles, refuse or any other items. Landlord reserves the right to alter, modify, enlarge, diminish, reduce or eliminate the Common Areas from time to time in its sole discretion. If Tenant shall use any of the Common Areas for storage of any items, Tenant shall pay all fines and other charges imposed upon either Landlord or Tenant by any fire, building or other regulatory body, and Tenant shall pay all costs incurred by Landlord to clear and clean the Common Areas and dispose of such items, including but not limited to, a disposal fee of Twenty-Five and No/100ths Dollars (\$25.00) for each pallet or other container and Fifty and No/100ths Dollars (\$50.00) for each drum, together with any additional costs for testing and special disposal, if required.

1.6. **Sublease Status.** Notwithstanding anything otherwise stated herein, the obligation of Landlord to lease the Premises under this Lease, and to perform the covenants of Landlord under this Lease, and the obligation of Tenant to so hire and lease the Premises under this Lease, and to perform the covenants of Tenant under this Lease, are subject to and junior to the LIFOC. The parties hereto understand that

Government, as Lessor, and Landlord, as Lessee, have entered into the LIFOC attached hereto as Exhibit B, and Tenant acknowledges that Landlord's rights to the Premises arise solely under the LIFOC and the EDC MOA.

1.7. Compliance with LIFOC. Notwithstanding any provision of this Lease, Landlord and Tenant hereby agree as follows: (i) Tenant will not do or permit anything to be done in or on the Premises which will cause the occurrence of a default by Landlord under the LIFOC, (ii) if the LIFOC expires or is terminated for any reason, then this Lease shall thereupon terminate, without any liability to Landlord, as if such date were the scheduled expiration date of the Term, as defined in Section 2 below.

1.8. Default under LIFOC. Landlord shall have no liability to Tenant for Government's default under the LIFOC. Tenant agrees that Landlord shall not be obligated to perform any of Government's obligations under the LIFOC, except to the extent that such obligations are expressly made obligations of Landlord under this Lease. Tenant further agrees that neither this Lease nor any obligation hereunder, including the payment of Base Rent or Additional Rent, shall be affected by Government's default under the LIFOC, except to the extent that the LIFOC is terminated, or unless such default causes Landlord to breach the covenant of quiet enjoyment in favor of Tenant contained herein. Landlord reserves all rights to enforce the LIFOC, but agrees to make reasonable and diligent efforts to enforce Government's obligations under the LIFOC, to the extent that Tenant is a material beneficiary thereof.

1.9. Interpretation. In the event of any conflict in the rights of Tenant under this Lease and the rights of Landlord under the LIFOC, the terms, conditions and covenants of the LIFOC shall control.

1.10. LIFOC. Tenant represents that it received, read and is familiar with the terms of the copy of the LIFOC attached as Exhibit B and agrees to comply with all obligations of Lessee under the LIFOC as such relates to the Premises.

2. TERM.

2.1. Term. The term of the Lease shall be for Five (5) years and Three (3) months beginning on the Lease Commencement Date and Expiring on Sixty-Three Months from the Lease Commencement Date (the "**Term**"), unless extended or sooner terminated pursuant to the terms of this Lease. The term "**Lease Year**" as used herein shall mean any three hundred sixty-five (365) consecutive day period beginning on the Commencement Date or any anniversary thereafter.

2.2. Lease Commencement Date. The term "**Lease Commencement Date**" as used herein shall mean:

2.2.1. The Lease Commencement Date shall be the date Landlord delivers possession of the Premises, subject to delivery of a fully executed Lease upon Landlord's approval.

2.2.2. Within thirty (30) days after the Lease Commencement Date, Landlord and Tenant shall execute an amendment to this Lease ("**Declaration of Lease Commencement**") setting forth the Lease Commencement Date and the expiration date of the term of the Lease, which shall be in the form attached hereto as Exhibit D. For the purpose of this Lease, "**Force Majeure Events**" shall mean (i) any delays beyond the reasonable control of Landlord, such as acts of God, fire, earthquake, acts of a public enemy, riot, insurrection, unavailability of materials, governmental restrictions on the sale of materials or supplies or on the transportation of such materials or supplies, strike directly affecting construction or transportation of materials or supplies, shortages of materials or labor resulting from government controls, weather conditions, unavailability of possession of the Premises due to governmental action or inaction, or any other cause or events beyond the reasonable control of Landlord. The parties agree that if Landlord is unable to deliver possession of the Premises by the Anticipated Lease Commencement Date, plus any extension thereto due to a Force Majeure Event(s), this Lease shall not be void or voidable, nor shall Landlord be liable to Tenant for any loss or damage resulting therefrom, and the expiration date of the Term of this Lease shall be extended for

such delay; but in such event, Tenant shall not be liable for any Rent until the Lease Commencement Date; provided, however if such delays were caused or attributable to Tenant, Rent shall commence as of the scheduled Lease Commencement Date.

2.2.3. In the event that Landlord permits Tenant to occupy the Premises prior to the Lease Commencement Date, such occupancy shall be subject to all the provisions of this Lease.

2.2.4. Prior to the Lease Commencement Date, Landlord and Tenant shall conduct a walk-through inspection of the Premises and acknowledge the results of such inspection by signing a physical condition report ("**Condition Report**"), in a form prepared by Landlord, setting forth the agreed physical appearance and condition of the Premises as of such time. To the extent that the Condition Report approved by Landlord and Tenant requires Landlord to repair, replace or perform any maintenance obligations (provided that such report shall not create any obligations of Landlord except as expressly set forth in this Lease), Landlord shall complete such tasks within thirty (30) days thereafter; provided, however, to the extent such matters cannot be completed within such period, Landlord shall use its due diligence to complete such matters on an expeditious basis thereafter, subject to delays caused by Force Majeure Events.

2.3 Option to Renew.

2.3.1 Tenant shall have the right and option to extend the term of this Lease (the "Option") as provided in this Section 2.3 for two (2) additional periods of five (5) years (the "Option Period"), provided that no Event of Default has occurred or shall exist at the time Tenant exercises the Option or as of the Expiration Date, and provided that Tenant is in actual physical occupancy of at least seventy-five (75%) percent of the Premises at the time Tenant exercises the Option and on the Expiration Date. Tenant may exercise the Option, if at all, by written notice to Landlord delivered no earlier than fifteen (15), and no later than nine (9) months prior to the Expiration Date. Each extended term shall be upon all of the terms and conditions of this Lease, except that the following rights of Tenant during the original Term of this Lease shall not apply during such options period: (a) any right to rent-free possession, (b) any right to further extension of the term of the Lease beyond the extended terms set forth hereinabove, and (c) any right to continue to pay the same Base Rent.

2.3.2 Landlord shall within fifteen (15) days after receipt of Tenant's request (which request shall not be deemed the formal exercise by Tenant of the Option) made prior to the Outside Exercise Date, give notice to Tenant (the "Rent Estimate") of Landlord's good faith estimate of a range of Base Rent which Landlord believes would be the fair market rental value of the Premises for the Option Period. Upon Tenant's request, Landlord agrees to discuss with Tenant in good faith such estimate, discussion or negotiation shall be binding on Landlord or Tenant unless a written agreement incorporating the substantive terms thereof is executed by both parties. Tenant's option under this Paragraph must be exercised, if at all, by Tenant's written notice to Landlord given not later than thirty (30) days after the date on which Landlord has delivered to Tenant the Rent Estimate, or the Outside Exercise Date, whichever first occurs, and which notice of exercise shall be irrevocable by Tenant. Unless all of the above conditions precedent have been satisfied, Tenant's exercise of the Option shall be of no force or effect and the Option shall lapse. If all of the above conditions precedent are satisfied, then the term of this Lease shall automatically be extended for the Option Period, and all of the terms, conditions and provisions of this Lease shall continue in full force and effect throughout the Option Period. In no event shall the Base Rent for the Option Period be less than the Base Rent payable in the last month of the term of this Lease prior to the Expiration Date.

2.3.3 The fair market rental value of the Premises shall initially be determined by Landlord, and Landlord shall notify Tenant of Landlord's determination of fair market rental value on or before thirty (30)

days after the Outside Exercise Date. If Tenant disputes or disagrees with Landlord's determination of fair market rental value, Landlord and Tenant shall make themselves available to meet with each other within ten (10) days of Tenant's notice to Landlord of such disagreement to attempt to agree on the fair market rental value of the Premises. In the event Landlord and Tenant cannot agree on the fair market rental value within thirty (30) days of Landlord's determination of fair market rental value, then the process described in subparagraphs (a) through (d) below shall be followed:

- (a) If Landlord and Tenant are unable to agree on fair market rental value within said thirty (30) day period, then within ten (10) business days thereafter Landlord and Tenant shall each simultaneously submit to the other in a sealed envelope their good faith estimates of the fair market value. If the higher of such estimates is not greater than five (5%) of the lower of such estimates, then the fair market rental value shall be the average of the two estimates.
- (b) If the matter is not resolved by the exchange of estimates as provided in paragraph (a) above, then either Landlord or Tenant may, by written notice to the other, on or before five (5) days after the exchange, require that the disagreement be resolved by arbitration. Within seven (7) days after such notice, the parties shall attempt to select a mutually acceptable appraiser. If the parties cannot agree on an appraiser, then within a second period of seven (7) days, the two appointed appraisers shall select a third appraiser. All appraisers appointed by Landlord or Tenant, or both of them, shall be members of the American Institute of Real Estate Appraisers of the National Association of Realtors (or its successor), or real estate professionals qualified by appropriate experience, and shall have at least ten (10) years' experience dealing with commercial real estate in the Alameda County or East Bay market.
- (c) The appraisers (or sole appraiser) shall select one of the two fair market rental value estimates proposed by Landlord and Tenant, and shall have no right to propose a middle ground of modification of the two proposed estimates; provided, however, the appraiser(s) shall have no authority or power to select a fair market rental value less than the amount provided in Paragraph 2.3.2(a) above. The fair market rental value the appraiser(s) choose(s) shall constitute the decision of the appraiser(s) and shall be final and binding upon the parties and is not subject to appeal. In the event of a failure, refusal or inability or any appraiser to act, his successor shall be appointed in the same manner as provided for appointment of the professionals pertaining to a determination of fair market rental value, and may hold a hearing not to exceed one (1) business day at which time and place the parties may present competent evidence. Any consultation by the appraiser(s) of experts or other competent professionals shall be made in presence of both parties with full right of the other party to cross examine. The appraisers shall render a decision and award in writing with counterpart copies to each party. The appraiser(s) shall have no power to modify the provisions of this Lease.
- (d) Should the fair market rental value not be established by the Expiration Date, then Tenant shall pay Base Rent plus additional rent at the same rate as payable by Tenant on the first day of the last month of the preceding term of the this Lease, and a lump sum payment by Tenant shall be made promptly upon the determination of fair market rental value.

2.3.4 The appraiser(s) shall determine the fair market rental value of the Premises using the "market comparison approach", with the relevant market being that for new and renewal tenant for comparable space in the East Bay Market as of the Expiration Date. The "market comparison approach" shall take into consideration and make adjustments for the creditworthiness of Tenant, the age and condition of the existing improvements in the Premises, any concessions then being offered, and such other terms and conditions not inconsistent herewith deemed relevant by the appraiser(s).

3. **CONSIDERATION.**

3.1 **Base Rent.** Commencing on the Rent Commencement Date (as defined in Section 3.2) Tenant shall pay to Landlord as "Base Rent", the rent shown in the following table:

TERM	BASE RENT/MO	\$/PSF/MO
Months 4-24	\$12,025	\$.37
Months 25-36	\$12,350	\$.38
Months 37-48	\$12,675	\$.39
Months 49-63	\$13,000	\$.40

Each monthly payment of Base Rent shall be paid in advance promptly on the first day of every calendar month of the Term beginning on the Lease Commencement Date. The Base Rent shall be paid without prior notice or demand, and without any setoff, counterclaim or deduction whatsoever. The Base Rent shall be paid at Landlord's offices, or such other place as Landlord shall direct. If the Term commences on a day other than the first day of the calendar month or ends on a day other than the last day of the calendar month, Base Rent for any such partial month shall be prorated at the rate of one-thirtieth of the monthly Base Rent for each day of the period.

3.2 **Rent Commencement Date.** Commencing with the Lease Commencement Date and continuing for the next three months, the parties acknowledge that Tenant shall be making improvements to the space in advance of full occupancy and enjoyment. Therefore, the Rent Commencement Date shall be three months from the Lease Commencement Date.

3.3 **Security Deposit.** Upon execution of this Lease, Tenant shall pay to Landlord a security deposit for the faithful performance of Tenant's obligations under this Lease in the amount of Twelve Thousand Twenty Five and No/100ths Dollars (\$12,025.00) (the "**Security Deposit**"). If Tenant fails to pay Rent or other charges due hereunder, or otherwise defaults under this Lease, Landlord may use, apply or retain all or a portion of the Security Deposit to compensate Landlord for the amount due by Tenant (including reasonable attorneys fees') under this Lease. If Landlord uses or otherwise applies all or any portion of the Security Deposit, Tenant shall restore such Security Deposit within ten (10) days of notice from Landlord. The Security Deposit shall be non-interest bearing and Landlord shall be entitled to retain such funds in its general accounts. The balance of the Security Deposit not applied or used by Landlord as permitted in this Paragraph shall be refunded to Tenant thirty (30) days after the later of (i) expiration or other termination of this Lease, and (ii) Tenant has vacated the Premises.

3.4 **Default Rate.** If any portion of Rent shall be due and unpaid for more than five (5) days, it shall thereafter bear interest at the per annum rate equal to 2% per annum greater than the prime rate of interest announced from time to time by the Wall Street Journal, as the same may change from time to time (the "**Default Rate**"), from the due date until the date of payment thereof by Tenant.

3.5 **Late Charge.** If any payment of Rent or any part thereof to be made by Tenant to Landlord pursuant to the terms of this Lease shall become overdue for a period in excess of five (5) days, a late charge of five percent (5%) overdue shall be paid by Tenant for the purpose of defraying the expense incident to handling such delinquent payment, together with interest from the date such payment or part thereof was due, at the Default Rate. Nothing herein or in the imposition or acceptance of a late charge by Landlord shall be construed as a waiver of any rights of Landlord arising out of any default of Tenant; the right to collect any late

charge or interest is separate and apart from any rights or remedies of Landlord relating to any default by Tenant.

3.6 Survival. The obligation of Tenant with respect to the payment of Rent shall survive the termination of this Lease.

3.7 Net Lease. Tenant hereby acknowledges and agrees that this Lease is intended to be a triple net lease to Landlord, as such term is commonly used for the leasing of industrial/commercial properties, except as expressly herein set out, such that Landlord is not responsible for any costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Premises, or the use and occupancy thereof, or the contents thereof or the business carried on therein, and that Tenant shall pay all charges, impositions, costs and expenses of every nature and kind relating to the Premises except as expressly otherwise agreed herein. As set forth in this Lease, all costs of maintenance and repair of the Premises, all costs of insuring the Premises, and all taxes allocated to the Premises shall be paid by Tenant.

4. USE OF PREMISES. The sole purpose for which the Premises may be used, by Tenant or authorized contractors, subcontractors or licensees of Tenant, is for micro-brewery beer manufacturing facility with a public tasting room ("**Permitted Use**").

4.1 No Other Uses. The Premises shall not be used for any other purposes other than the Permitted Use without the prior written approval of Landlord.

4.2 Compliance With ROD and Other Governmental Documents. Any use or uses of the Premises shall comply with all terms and conditions of the LIFOC and the Alameda Reuse and Redevelopment Plan, subject to the uses being consistent with the National Environmental Protection Act (NEPA) Record of Decision ("**ROD**") for the disposal and reuse of the former Naval Air Station Alameda, and all conditions expressed therein as well as all conditions expressed in any other environmental action with respect to the uses of the Premises prepared for compliance with the National Environmental Protection Act. A copy of the ROD is available for review at Landlord's offices during normal business hours.

4.3 No Commitment for Future Conveyance. Tenant understands and acknowledges that this Lease is not and does not constitute a commitment by Landlord or Government to create any priority with regard to the ultimate disposal of the Premises, in whole or in part, to Tenant.

4.4 Compliance with Law. Tenant shall comply with all laws, ordinances, rules, regulations and codes, which includes, but is not limited to, the Americans With Disabilities Act, of all municipal, county, state and federal authorities (collectively, "**Law**") pertaining to Tenant's use and occupation of the Premises. Tenant shall not commit, or suffer to be committed, any waste upon the Premises or any public or private nuisance, or other act or thing which disturbs the quiet enjoyment of any other tenant in the buildings, nor shall Tenant store any materials on the Premises which are visible from areas adjacent to the Premises, unless otherwise specifically set forth in this Lease. Tenant shall also specifically not permit any objectionable odor to escape or be emitted from the Premises and shall insure sanitation and freedom from odor, smell and infestation from rodents or insects. Tenant, at its expense, shall provide (and enclose if required by codes or Landlord) a dumpster or dumpsters for Tenant's trash in a location and manner approved by Landlord, and shall cause its trash to be removed at intervals reasonably satisfactory to Landlord. In connection therewith, Tenant shall keep the dumpster(s) clean and insect, rodent and odor free.

4.5 Use Permit. Tenant and any of its subtenants shall obtain a City of Alameda Use Permit and other applicable City permits and approvals for any intended use of the Premises (collectively, "**Use Permit**").

4.6 Historic or Archeological Station. Tenant shall not undertake any activity that may affect an identified historic or archeological property, including excavation, construction, alteration, maintenance or repairs of Premises, Historic Buildings, or sites in a manner that is inconsistent with the Memorandum of

Agreement Among the United States Navy, the Advisory Council on Historic Preservation, the California State Historic Preservation Officer, and the City of Alameda regarding historic properties on the former Naval Air Station Alameda ("**Historic Preservation Agreement**"), set forth as Exhibit E to the EDC MOA. Buried cultural materials may be present on the Premises. If such materials are encountered, Tenant shall stop work immediately and notify Government and Landlord.

5. **ASSIGNMENT AND SUBLETTING.**

5.1 Tenant shall not, without Landlord's prior written consent, (i) assign, convey, mortgage, pledge, encumber or otherwise transfer (whether voluntarily or otherwise) this Lease or any interest under it; (ii) allow any transfer of or any lien upon Tenant's interest by operation of law; (iii) sublet the Premises or any part thereof; or (iv) permit the use or occupancy of the Premises or any part thereof by anyone other than Tenant and its employees.

5.2 Tenant's request for consent to any sublet or assignment shall be in writing and shall contain the name, address, and description of the business of the proposed assignee or subtenant, its most recent financial statement and other evidence of financial responsibility, its intended use of the Premises, and the terms and conditions of the proposed assignment or subletting. Within thirty (30) days from receipt of such request, Landlord shall either: (1) grant or refuse consent; or (2) elect to require Tenant to: (a) as to a proposed sublease, execute an assignment of Tenant's interest under this Lease to Landlord, upon terms and conditions reasonably required by Landlord, together with an assignment of Tenant's interest as landlord in any such proposed Lease, or (b) as to a proposed assignment, terminate this Lease and the term hereof effective as of the last day of the third (3rd) month following the month in which the request was received.

5.3 Without affecting any of its other obligations under this Lease, Tenant shall pay Landlord as additional rent one-half of any sums or other economic considerations that (a) are received by Tenant as a result of an assignment or subletting (other than the rental or other payments that are attributable to the amortization over the term of this Lease of the cost of non-building standard leasehold improvements that are part of the assigned or sublet portion of the Premises and have been paid for by Tenant), whether or not denominated rental under the assignment of sublease, and (b) exceed in total the sums which Tenant is obligated to pay Landlord under this Lease (prorated to reflect obligations allocable to that portion of the Premises subject to such assignment or sublease). The failure or inability of the assignee or subtenant to pay Tenant pursuant to the assignment of sublease shall not relieve Tenant from its obligations to Landlord under this Section. Tenant shall not amend the assignment or sublease in such a way as to reduce or delay payment of amounts that are provided in the assignment or sublease approved by Landlord.

5.4 For purposes of this section, any transfer or change in control of Tenant by operation of law or otherwise shall be deemed an assignment hereunder, including, without limitation, any merger, consolidation, dissolution or any change in more than fifty percent (50%) of the interests of Tenant, whether in a single transaction or a series of related transactions.

5.5 If, with the consent of Landlord, this Lease is assigned or if the Premises or any part thereof is sublet or occupied by anybody other than Tenant, Landlord may, after default by Tenant, collect rent from the assignee, subtenant, or occupant, and apply the net amount collected to the Rent herein reserved. If Landlord consents to any such subletting or assignment, it shall nevertheless be a condition to the effectiveness thereof that a fully executed copy of the Lease or assignment be furnished to Landlord and that any assignee assumes in writing all obligations of Tenant hereunder. No consent to any assignment, subletting or occupancy shall be deemed a waiver of any of Tenant's covenants contained in this Lease nor the acceptance of the assignee, subtenant or occupant as Tenant, nor a release of Tenant from further performance of any covenants and obligations under this Lease.

5.6 Any consent given by Landlord to an assignment or subletting of this Lease shall not constitute a waiver of the necessity of such consent to any subsequent assignment or subletting.

6. **CONDITION OF PREMISES.** The Premises are delivered to Tenant by Landlord "as is, where is," and, as such, Landlord makes no warranty as to such facilities and property either as to their usability generally or as to their fitness for any particular purpose. Upon the expiration or earlier termination of this Lease, Tenant shall turn over to Landlord the Premises in the same condition in which they were received, reasonable wear and tear excepted. Tenant's taking possession of the Premises shall be conclusive evidence that the Premises were in satisfactory condition when Tenant took possession. No promises of Landlord to alter, remodel, repair or improve the Premises and no representation respecting the condition of the Premises have been made by Landlord to Tenant, except as expressly stated in this Lease.

7. **ALTERATIONS.**

7.1. Tenant shall not make any alterations, improvements, or additions to the exterior or interior of the Premises (collectively the "**Alterations**"), without Landlord's prior written consent in each and every instance, which consent may be conditioned upon criteria and/or requirements deemed necessary by Landlord, which may include, but not be limited to, approval by the Government and compliance with the Alameda Use Documentation. Any Alterations which adds to, removes, or otherwise alters, the structural components of the Building, including the roof, any support structures, foundations, the exterior of the Building, and the fire retardant and other life safety systems of the Building, shall require Landlord's prior consent, which may be withheld in Landlord's sole discretion. In the event Tenant desires to perform any Alterations, Tenant shall first submit to Landlord a written description of the proposed Alterations, and, if Landlord requires, plans and specifications relating thereto, and obtain Landlord's written approval prior to commencing it. Approval of Alterations may be conditioned upon providing Landlord with a performance and payment bond satisfactory to Landlord in all respects in addition to other requirements deemed reasonably necessary to protect the interests of Landlord.

7.2. Prior to undertaking any Alterations, to the extent required by applicable laws, statutes and/or ordinances, Tenant agrees to submit an application to the applicable governmental authorities, for review and obtaining approval of such plans and proposals for such Alterations to the Premises. In addition, Tenant shall also submit to Landlord a narrative description of all proposed Alterations on the Premises, with the projected schedule and costs thereof, and an analysis as to how and why such Alterations will or will not be visible from the exterior of the Building, or affect any historically significant features, or be substantially likely to adversely affect the environmental cleanup of the Station, human health, or the environment, or adversely impact the structure of the Building. All Alterations shall be done at the expense of Tenant without any costs or obligation to Landlord. No Alterations shall be undertaken by Tenant on the Premises, unless such Alterations has been approved by all applicable governmental authorities and all requisite permits have been obtained.

7.3. In the event Tenant intends to perform Work requiring excavation below the surface of the Premises (whether inside or outside of the Building) or construction of a permanent structure on the Premises, Tenant must determine actual location of utilities using standard methods (i.e., potholing, metal fish line, etc.) and submit this information with an application to excavate or application to build a permanent structure to Landlord for approval (which shall also include the approval of applicable governmental authorities). The application should include a site plan showing the location of utilities and that construction will not take place above the utility line or within the utility easement, specifically showing that no permanent structures will be constructed in these areas. Tenant shall be responsible for complying with the provisions of the City of Alameda's Marsh Crust Ordinance, and if required, shall obtain a Marsh Crust Permit.

7.4. At the termination of this Lease, all improvements, whether temporary or permanent in character, made by Landlord or Tenant in or upon the Premises shall become Landlord's property upon conveyance of the Land and Premises to Landlord (or shall become the Government's property if the Land and Premises are not conveyed to Landlord) and shall remain upon the Premises at the termination of this Lease without compensation to Tenant (excepting only Tenant's movable office furniture, trade fixtures, and manufacturing, office and professional equipment, and any Work approved by Landlord as to which, at the time of such approval, Landlord stated, in writing, that such Work had to be removed at the termination of the Lease).

7.5. The Government has provided to Landlord an asbestos survey for the Premises. Before Tenant undertakes any Alterations which will disturb any known friable or non-friable asbestos in the Premises, the Tenant, as part of its improvement plan submittal, shall set forth a plan stating how it will handle any such asbestos, which plan must be reviewed and approved by Landlord and the Government, before any such work which will disturb the asbestos in the Premises can commence. The Government's asbestos survey for the Premises is available for review by Tenant at Landlord's offices during normal business hours.

7.6. Landlord, at its option and without any form of representation or warranty, shall have the right to modify, repair, refurbish and/or repaint the exterior of the Premises (and the Building containing the Premises) as determined in Landlord's sole discretion. Such right shall not cause any form of eviction, constructive or otherwise, and Tenant shall not be entitled to any abatement of amounts owing under this Lease; provided, however, Landlord shall use its good faith efforts to minimize disruption to Tenant's building operations.

8. **ACCESS BY GOVERNMENT AND LANDLORD.** In addition to access provided by this Lease, Government and Landlord shall be allowed access to the Premises at all reasonable times throughout the term of this Lease, for any reasonable purposes upon prior written notice to Tenant. The Government and Landlord will normally give Tenant a minimum 24-hour prior notice of an intention to enter the Premises, unless the entry is required on an emergency basis for safety, environmental, operations or security purposes. Unless an emergency situation, all such entry by Government shall be accompanied by a representative of Tenant. Tenant shall ensure that a telephone roster is maintained at all times for on-call persons representing Tenant who will be available on short notice, 24 hours a day, 365 days per year, and possess and have authority to use all keys necessary to gain access to the Premises, to facilitate entry in time of emergency. Tenant shall ensure that Landlord has a current roster of such on-call personnel and their phone numbers. Tenant shall have no claim against Government or Landlord for exercise of their rights of access hereunder. Portions of the utilities systems serving the Station may be located within the Premises. Tenant agrees to allow Government, Landlord and their utility suppliers reasonable access to the Premises for operation, maintenance, repair and replacement of these utilities systems as may be required. In executing operation, maintenance, repair or replacement of these systems, Landlord agrees to take all reasonable steps to limit interference with the use of the Premises by Tenant.

9. **UTILITIES**

9.1. Utilities will not be furnished to Tenant by Landlord. The obtaining of such utility services is solely the responsibility of Tenant. Any separate metering of utilities required by any utility provider shall be the responsibility of Tenant. Tenant shall pay all service charges, and all initial utility deposits and fees, for water, electricity, sewage, janitorial, trash removal, gas, telephone, pest control and any other utility services furnished to the Premises and the improvements on the Premises during the entire term of this Lease ("**Utilities**"). Tenant shall pay for all Utilities in addition to rent. If any such Utilities are not separately metered or billed to Tenant for the Premises but rather are billed to and paid by Landlord, Tenant shall pay to Landlord, as Additional Rent, its pro rata share of the cost of such services, as reasonably determined by Landlord. If any Utilities are not separately metered, Landlord shall have the right to determine Tenant's consumption by either sub-metering, survey or other methods designed to measure consumption with reasonable accuracy. Landlord shall not be liable for any reason for any loss or damage resulting from an interruption of any of these services. Landlord may designate the provider of Utilities and in such event Tenant shall use such designated provider; provided that Tenant shall have no claim against Landlord, of any type, for any failure of such provider to provide such service, and Tenant's remedy, if any, shall be limited to such provider.

9.2. Tenant acknowledges that the Station's pre-existing steam heating facilities will not be operable for the Building during the entire Term of this Lease. Tenant acknowledges that Tenant will be responsible for providing heating to the Premises.

9.3. Tenant acknowledges that pursuant to the provisions of the LIFOC, Government in no way warrants the conditions or adequacy of its utility systems for the purposes intended by Tenant.

10. **NO INTERFERENCE WITH GOVERNMENT OPERATIONS.** Tenant shall not conduct operations, nor make any alterations, that would interfere with or otherwise restrict Government operations or environmental clean-up or restoration actions by Government, Environmental Protection Agency (EPA), State of California, or their contractors. Environmental clean-up, restoration, or testing activities by these parties shall take priority over Tenant's use of the Premises in the event of conflict. Government has agreed in the LIFOC to make every reasonable effort to develop a plan to conduct any remediation of environmental contamination in a manner that minimizes interference with Landlord's or Tenant's use of the Premises, and to provide reasonable and timely prior written notice of Government operations that may or will interfere with Landlord's or Tenant's use of the Premises. Any work by Landlord or Tenant in the proximity of operable units that are part of a National Priorities List (NPL) site may require written approval by Government's Remedial project Manager.

11. **MAINTENANCE SERVICES.**

11.1. **Repairs By Landlord.** Landlord shall maintain only the foundations and structural soundness of the exterior walls of the Buildings (exclusive of all glass and exclusive of all exterior doors) in good repair, except repairs rendered necessary by the negligence or intentional acts of Tenant, its employees, invitees or representatives which shall be repaired by Tenant. Tenant shall promptly report, in writing, to Landlord any defective condition known to Tenant to be defective which Landlord is required to repair and failure to so report such condition shall make Tenant responsible to Landlord for any liability incurred by Landlord by reason of such condition. Landlord shall be required to commence such repairs within a reasonable period of time from receipt of Tenant's notice.

11.2. **Repairs By Tenant.** Tenant accepts the Premises in its present "As-Is," "Where Is" condition, and specifically acknowledges that the Premises is suited for the uses intended by Tenant. Landlord shall not be liable for any latent or patent defects in the Premises. Except as expressly set forth in this Lease, Tenant acknowledges that Landlord has made no representation or warranty concerning the condition and state of repair of the Premises to the extent not constructed by Landlord. Tenant shall, at its own cost and expense, keep and maintain the Premises in good order and repair, promptly making all necessary repairs and replacements, including, but not limited to, the roof, all equipment and facilities and components thereof within the Premises, fixtures, walls (interior), finish work, ceilings, floors, lighting fixtures, bulbs and ballasts, utility connections and facilities within the Premises, windows, glass, doors, and plate glass, downspouts, gutters, air conditioning and heating systems, truck doors, dock levelers, bumpers, seals and enclosures, plumbing, electrical, termite and pest extermination, and damage to common areas caused by Tenant, excluding only those repairs expressly required to be made by Landlord hereunder. Any and all construction, maintenance and/or repairs to be done by Tenant, its agents, employees, contractors and/or subcontractors pursuant to this Section which would be deemed Alterations, as reasonably determined by Landlord, shall comply with the requirements of this Lease. Tenant, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices. Tenant shall maintain, and shall provide Landlord with proof thereof, an annual service maintenance contract (which shall be upon a form acceptable to Landlord and with a service provider designated by Landlord (which may be an affiliate thereof)) and any and all required permits for the HVAC system, fire sprinkler system (if applicable), and any other such building systems and life-safety systems, in a form and with a contractor reasonably satisfactory to Landlord. Tenant shall maintain the grounds surrounding the Premises, including paving, the mowing of grass, care of shrubs and general landscaping. Tenant's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair.

11.3. The Equipment shall not be removed by Tenant, or any of its employees or agents, from the Premises, without the prior written consent of Government and Landlord. Tenant shall be responsible for

preparing and maintaining an accurate and current inventory of all such Equipment. If Tenant desires to cease use of any Equipment during the Term of this Lease and cause it to be removed from the Premises, Tenant shall so advise Landlord in writing and shall obtain written approval for moving or disposing of such Equipment from Landlord.

11.4. At the termination of this Lease, the Equipment shall be returned to Landlord or, at Landlord's direction to Government, in as good condition as when Tenant took possession, ordinary wear and tear excepted; provided, however, that it is understood that Tenant shall not have any obligation to maintain or repair any personal property which has become functionally obsolete, or if such personal property is not reasonably capable of being repaired because of an inability to reasonably obtain parts, or the cost of such repair or maintenance is unreasonable.

11.5. Debris and unused materials shall be promptly removed from the Premises, and the area of work shall be kept reasonably clean and free of unused materials at all times. At completion of the Lease, the area of work and the Premises shall be left without containers, Tenant's equipment, and other undesirable materials, and in an reasonably acceptable clean condition.

11.6. Tenant shall provide for all security and safety within the Premises. Any crimes or other offenses, involving damage to or theft of Government property shall be reported to the appropriate authorities for their investigation and disposition and to Government and Landlord as property owner and lessor, respectively.

11.7. The Tenant shall be responsible, at its cost and expense, for obtaining and providing any and all other services which may be required in connection with Tenant's use or occupancy of the Premises.

12. ENVIRONMENTAL PROTECTION PROVISIONS.

12.1. Environmental Compliance\Hazardous Materials

12.1.1. "**Hazardous Materials**" shall mean any material, substance or waste that is or has the characteristic of being hazardous, toxic, ignitable, reactive, flammable, explosive, radioactive or corrosive, including, without limitation, petroleum, solvents, lead, acids, pesticides, paints, printing ink, PCBs, asbestos, materials commonly known to cause cancer or reproductive problems and those materials, substances and/or wastes, including wastes which are or later become regulated by any local governmental authority, the state in which the Premises are located or the United States Government, including, but not limited to, substances defined as "hazardous substances," "hazardous materials," "toxic substances" or "hazardous wastes" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. §1801, et seq.; the Resource Conservation and Recovery Act; all environmental laws of the state where the Station is located, and any other environmental law, regulation or ordinance now existing or hereinafter enacted. "**Hazardous Materials Laws**" shall mean all present and future federal, state and local laws, ordinances and regulations, prudent industry practices, requirements of governmental entities (including without limitation the U.S. Navy) and manufacturer's instructions relating to industrial hygiene, environmental protection or the use, analysis, generation, manufacture, storage, presence, disposal or transportation of any Hazardous Materials, including without limitation the laws, regulations and ordinances referred to in the preceding sentence.

12.1.2. Except as permitted in this Section 12, Tenant hereby agrees that Tenant and Tenant's officers, employees, representatives, agents, contractors, subcontractors, successors, assigns, subtenants, concessionaires, invitees and any other occupants of the Premises (for purposes of this Section 12, referred to collectively herein as "**Tenant Representatives**") shall not cause or permit any Hazardous Materials to be used, generated, manufactured, refined, produced, processed, stored or disposed of, on, under or about the Premises or Station or transport to or from the Premises or Station without the express prior written consent of Landlord, and Government, which consent may be limited in scope and predicated on strict compliance by

Tenant of all applicable Hazardous Materials Laws and such other reasonable rules, regulations and safeguards as may be required by Landlord (or any insurance carrier, environmental consultant or lender of Landlord, or environmental consultant retained by any lender of Landlord) in connection with using, generating, manufacturing, refining, producing, processing, storing or disposing of Hazardous Materials on, under or about the Premises or the Station. In connection therewith, Tenant shall, at its own expense, procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals required for the storage or use by Tenant or any of Tenant's Representatives of Hazardous Materials on the Premises or the Station, including without limitation, discharge of (appropriately treated) materials or wastes into or through any sanitary sewer serving the Premises or the Station.

12.1.3. If at any time during the Term, any contamination of the Premises by Hazardous Materials shall occur where such contamination is caused by the act or omission of Tenant or Tenant's Representatives ("**Tenant's Contamination**"), then Tenant, at Tenant's sole cost and expense, shall promptly and diligently remove such Hazardous Materials from the Premises or the groundwater underlying the Premises to the extent required to comply with applicable Hazardous Materials Laws. Tenant shall not take any required remedial action in response to any Tenant's Contamination in or about the Premises or enter into any settlement agreement, consent, decree or other compromise in respect to any claims relating to any Tenant's Contamination without first obtaining the prior written consent of Landlord, which may be subject to conditions imposed by Landlord as determined in Landlord's sole discretion. Such prior written consent shall not be required to the extent the delay caused by the requirement to obtain consent may increase the damage to the Premises or the risk of harm to human health, safety or security caused by the Tenant Contamination. Landlord and Tenant shall jointly prepare a remediation plan in compliance with all Hazardous Materials Laws and the provisions of this Lease. In addition to all other rights and remedies of Landlord hereunder, if Tenant does not promptly and diligently take all steps to prepare and obtain all necessary approvals of a remediation plan for any Tenant's Contamination, and thereafter commence the required remediation of any Hazardous Materials released or discharged in connection with Tenant's Contamination within thirty (30) days after all necessary approvals and consents have been obtained, and thereafter continue to prosecute such remediation to completion in accordance with the approved remediation plan, then Landlord, at its sole discretion, shall have the right, but not the obligation, to cause such remediation to be accomplished, and Tenant shall reimburse Landlord within fifteen (15) business days of Landlord's demand for reimbursement of all amounts reasonably paid by Landlord (together with interest on such amounts at the highest lawful rate until paid), when such demand is accompanied by proof of payment by Landlord of the amounts demanded. Tenant shall promptly deliver to Landlord, copies of hazardous waste manifests reflecting the legal and proper disposal of all Hazardous Materials removed from the Premises as part of Tenant's remediation of any Tenant's Contamination.

12.2. Tenant, its contractors, assigns or subtenants shall be solely responsible for obtaining, at their cost and sole expense, any environmental permits required for Tenant's operations under the Lease, independent of any existing permits held by Landlord or Government. Tenant shall not conduct operations or activities under any environmental permit that names Landlord or Government as a secondary discharger or co-permittee. Tenant shall provide prior written notice to Landlord and Government of all environmental permits and permit applications required for any of Tenant's operations or activities. Tenant acknowledges that neither Landlord nor Government will consent to being named a secondary discharger or co-permittee for any operations or activities of Tenant, its contractors, assigns or subtenants.

12.3. Tenant acknowledges that Government's rights under the LIFO specifically include the right for Government officials to inspect, upon reasonable notice, the Premises for compliance with environmental, safety and occupational health laws and regulations, whether or not Government is responsible for enforcing them. Such inspections are without prejudice to the right of duly constituted enforcement officials to make such inspections. Landlord shall also have the right to inspect, upon reasonable notice, the Premises for compliance with environmental, safety, and occupational health laws and regulations, regardless of whether Government or Landlord is responsible for enforcing or complying with them. Government or Landlord normally will give Tenant twenty-four (24) hours' prior notice of its intention to enter the Premises unless it

determines the entry is required for exigent circumstances related to health, safety, or security. Tenant shall have no claim against Landlord, Government, or any officer, agent, employee, contractor or subcontractor of Landlord or Government by reason of entrance of such Landlord or Government officer, agent, employee, contractor or subcontractor onto the Premises.

12.4. Tenant acknowledges that the Station has been identified as a National Priorities List (NPL) Site under the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) of 1980, as amended, and acknowledges that Landlord has provided Tenant with a copy of the Installation Federal Facility Agreement (FFA) entered into by the United States Environmental Protection Agency (EPA) Region, the state equivalent, and the Military Department. Landlord will provide Tenant with a copy of any amendments thereto. Tenant agrees that should any conflict arise between the terms of such agreement as it presently exists or may be amended ("**FFA**," "**Interagency Agreement**" or "**IAG**") and the provisions of this Lease, the terms of the FFA or IAG will take precedence. Tenant further agrees that notwithstanding any other provision of this Lease, Government assumes no liability to Tenant or its assigns or subtenants should implementation of the FFA interfere with Tenant's use of Premises. Tenant shall have no claim on account of any such interference against Landlord or Government or any officer, agent, employee, contractor or subcontractor thereof, other than for abatement of Rent, where applicable.

12.5. Government, EPA (for NPL sites), and the State (for non-NPL sites), and their officers, agents, employees, contractors and subcontractors have the right, upon reasonable notice to Landlord and to Tenant, to enter upon Premises for the purposes enumerated in this subparagraph and for such other purposes consistent with any provisions of the cleanup program (including, but not limited to, the BRAC Cleanup Plan, IRP, FFA, or IAG):

12.5.1. to conduct investigations and surveys, including, where necessary, drilling, soil and water sampling, testpitting, testing soil borings and other activities related to the cleanup program;

12.5.2. to inspect field activities of Government and its contractors and subcontractors in implementing the cleanup program;

12.5.3. to conduct any test or survey required by EPA or applicable state equivalent relating to the implementation of the cleanup program;

12.5.4. to construct, operate, maintain or undertake any other response or remedial action as required or necessary under the cleanup program, including but not limited to monitoring wells, pumping wells and treatment facilities.

12.6. Tenant agrees to comply with the provisions of any health or safety plan in effect under the IRP or the FFA during the course of any of the above-described response or remedial actions. Any inspection, survey, investigation or other response or remedial action will, to the extent practicable, be coordinated with representatives designated by Landlord and Tenant. Neither Landlord nor Tenant shall have any claim on account of such entries against Government or any officer, agent, employee, contractor or subcontractor thereof. In addition, Tenant shall comply with all applicable Federal, state and local occupational safety and health regulations.

12.7. Tenant shall provide to Landlord, in the event of any assignment or further Lease of the Premises, in order that Landlord may provide to EPA, and applicable state equivalent, by certified mail a copy of the agreement or Lease of Premises (as the case may be) within fourteen (14) calendar days after the effective date of such transaction. Landlord and Tenant may delete the financial terms and any other proprietary information from the copy of any agreement or Lease furnished pursuant to this condition.

12.8. Tenant shall strictly comply with the hazardous waste permit requirements under the Resource Conservation and Recovery Act or its applicable state equivalent. Except as specifically authorized

by Government in writing, Tenant must provide at its own expense such hazardous waste management facilities complying with all laws and regulations. Government hazardous waste management facilities will not be available to Tenant. Any violation of the requirements of this condition shall be deemed a material breach of this Lease.

12.9. DoD component accumulation points for hazardous and other waste will not be used by Tenant. Neither will Tenant permit its hazardous wastes to be commingled with hazardous waste of the DoD component.

12.10. Tenant shall be solely responsible for any dredging and/or dredge disposal requirements associated with the berthing of vessels under this Lease, including any permits required for dredging. Tenant shall be responsible for verifying the water depth prior to moving vessels to any berthing or pier facilities. Tenant shall periodically verify the depth of the water and consider the effects of siltation rates to insure that vessels can be safely berthed and removed from berthing space.

12.11. Tenant shall maintain copies of any permit applications made to any Federal, State or local regulatory agencies and shall provide copies to Landlord or Government on reasonable request. Tenant shall promptly notify Landlord and Government of any notices of violation or noncompliance received by Tenant from any such agency, concerning environmental matters or hazardous substances or hazardous waste on, about, or pertaining to the Premises.

12.12. Tenant shall not conduct or permit any subtenant, contractor, agent or employee to undertake any subsurface excavation, digging, drilling or other disturbance of the surface without the prior written approval of Landlord and Government, and compliance with the City of Alameda's Marsh Crust Ordinance, including a Marsh Crust Permit.

12.12.1. If Tenant intends to make any improvements or repairs that require the removal of asbestos, an appropriate asbestos disposal plan must be incorporated into the plans and specifications and submitted to Landlord and Government. The asbestos disposal plan will identify the proposed disposal site for the asbestos, or in the event the site has not been identified, will provide for disposal at a licensed facility authorized to receive it.

12.12.2. Asbestos containing materials ("ACM") which, since the commencement of the Lease, became damaged or deteriorated through the passage of time, as the result of a natural disaster or as a consequence of Tenant's activities under this Lease, including but not limited to any emergency, will be abated by Tenant at its sole cost and expense. In an emergency, Tenant will notify Landlord and Government as soon as practicable of its emergency ACM responses. Tenant shall be responsible for monitoring the condition of existing ACM on Premises for deterioration or damage and accomplishing repairs or abatement pursuant to the applicable conditions of this Lease.

12.12.3. Tenant is hereby advised that the buildings and other painted structures in the Premises are potentially painted with lead-based paints (LBP). Such buildings and structures shall not be suitable for occupancy for residential purposes until any inspections and abatement required by applicable law have been completed. Subject to Section 7 of this Lease, Tenant may, at its sole cost and expense, have a State Certified LBP Inspector complete a LBP inspection and abatement and provide an abated certification to Landlord and Government, at which time with written Landlord and Government approval, the specified premises can be used for residential purposes.

12.12.4. Subject to the provisions of Paragraphs 12.12.2 and 12.12.3, Tenant shall manage at its sole cost and expense any ACM and LBP, and comply with all applicable Federal, State and local laws.

12.13. Prior to the execution of this Lease, Tenant shall complete, execute and deliver to Landlord an Environmental Questionnaire Disclosure Statement (the "**Environmental Questionnaire**"), in the form of

Exhibit F attached hereto. To the extent Tenant intends to store, use, treat or dispose of Hazardous Materials on the Premises, Tenant shall prepare and submit together with the Environmental Questionnaire a Hazardous Materials Handling Plan (the "**Hazardous Materials Handling Plan**"). For a period of fifteen (15) days following Landlord's receipt of the Environmental Questionnaire and Hazardous Materials Handling Plan, if applicable, Landlord and, to the extent required by Paragraph 12.14 or 10 U.S.C. Sec. 2692 the Government, shall have the right to approve or disapprove such documents. The failure of Landlord or Government to approve such documents shall be deemed Landlord's disapproval thereof. Landlord and Government's approval of the Environmental Questionnaire and the Hazardous Materials Handling Plan shall constitute approval for Tenant's use of the Hazardous Materials set forth therein in compliance with Hazardous Materials Laws and the Hazardous Materials Handling Plan. Following approval of the Hazardous Materials Handling Plan, Tenant shall comply therewith throughout the Term. To the extent Tenant is permitted to utilize Hazardous Materials upon the Premises, such use shall be limited to the items set forth in the Environmental Questionnaire, shall comply with Hazardous Materials Laws and the Hazardous Materials Handling Plan and Tenant shall promptly provide Landlord with complete and legible copies of all the following environmental items relating thereto: reports filed pursuant to any self-reporting requirements; permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents relating to water discharges, air pollution, waste generation or disposal, and underground storage tanks for hazardous materials; orders, reports, notices, listing and correspondence of or concerning the release, investigation of, compliance, cleanup, remedial and corrective actions, and abatement of hazardous materials; and all complaints, pleadings and other legal documents filed by or against Tenant related to Tenant's use, handling, storage or disposal of hazardous materials. If, in conjunction with Tenant's Permitted Use of the Premises, Tenant desires to commence the use, treatment, storage or disposal of previously undisclosed Hazardous Materials, prior to such usage thereof, Tenant shall notify Landlord thereof, by written summary detailing the scope of such proposed usage and updating the Hazardous Materials Handling Plan to the extent required by such proposed usage. For a period of fifteen (15) days following Landlord's receipt of such notice, Landlord and, to the extent required by Paragraph 12.14 or 10 U.S.C. Sec. 2692 the Government, shall have the right to approve or disapprove of such documents. The failure of Landlord or the Government to approve of such documents within such time period shall be deemed Landlord's disapproval thereof.

12.14. Tenant shall at all times and in all respects comply with all Hazardous Materials Laws. All reporting obligations imposed by Hazardous Materials Laws are strictly the responsibility of Tenant. Tenant and Landlord have been informed that certain California judicial decisions have held that, notwithstanding the specific language of a lease, courts may impose the responsibility for complying with legal requirements and for performing improvements, maintenance and repairs on a landlord or tenant based on the court's assessment of the parties' intent in light of certain equitable factors. Tenant and Landlord have each been advised by their respective legal counsel about the provisions of this Lease allocating responsibility for compliance with laws and for performing improvements, maintenance and repairs between Tenant and Landlord. Tenant and Landlord expressly agree that the allocation of responsibility for compliance with laws and for performing improvements, maintenance and repairs set forth in this Lease represents Tenant's and Landlord's intent with respect to this issue.

12.15. In addition to any other provisions of this Lease, Tenant shall, and does hereby agree, to, indemnify and hold harmless Government and Landlord from any costs, expenses, liabilities, fines or penalties resulting from discharges, emissions, spills, storage or disposal arising from Tenant's occupancy, use or operations, or any other action by Tenant or its contractors, employees, agents, assigns, invitees, or subtenants giving rise to liability, civil or criminal, or any other action by Tenant or its contractors, employees, agents, assigns, or subtenants giving rise to responsibility under Federal, state or local environmental laws. Tenant's obligations hereunder shall apply whenever Government or Landlord incurs costs or liabilities for Tenant's activities or for the activities of Tenant's contractors, employees, agents, assigns, invitees, or subtenants as provided hereunder. This provision shall survive the expiration or termination of this Lease.

12.16. Storage, treatment or disposal of toxic or hazardous materials on the Premises is prohibited excepted as authorized by Government in accordance with 10 U.S.C. § 2692.

12.17. The responsibility of Government to indemnify and hold harmless the Landlord and Tenant against toxic torts and other environmental claims shall be in accordance with Public Law 102-484, Section 330, as amended.

12.18. Tenant and Landlord are prohibited from interfering with any predator management or animal control activities.

13. **TERMINATION.**

13.1. Termination by Government of the LIFOC for Breach. The Government has the right to terminate the LIFOC on account of the breach by Tenant thereof of any of the terms and conditions of the LIFOC. In the event of a breach involving the performance of any obligation under the LIFOC, the LIFOC provides that Landlord, as the Tenant thereunder, shall be afforded thirty (30) days from the receipt of Government's notice of intent to terminate, to complete the performance of the obligation or otherwise cure the subject breach and avoid termination of the LIFOC. Landlord agrees to immediately, and in any event within 24 hours after Landlord's receipt, except when it arrives on a weekend or holiday, in which event it shall be delivered by the next business day, provide a copy of any such notice to Tenant. In the event that any such notice is delivered to Landlord as the Tenant under the LIFOC, for any such breach occasioned or caused by the action, negligence or inaction of Tenant, or any party acting on behalf of or through Tenant, for an obligation, covenant or undertaking of Tenant under this Lease, then Tenant shall complete the performance of the obligation or otherwise cure the subject breach and avoid termination of this Lease and the LIFOC. Tenant shall cure such breach within thirty (30) days from the date of receipt of Government's notice of intent to terminate by Landlord. If Tenant should fail to cure within the grace periods provided above, then Landlord shall have the option to terminate this Lease, without the necessity of providing further notice or rights of cure to Tenant.

13.2. In the event that Government shall elect to terminate the LIFOC on account of the breach by Tenant of any of the terms and conditions hereof or of the LIFOC to be performed by Tenant, Tenant shall indemnify Landlord against any claims Government may have against Landlord for any of the following under the LIFOC:

13.2.1. The costs incurred by Government in resuming possession of the Premises.

13.2.2. The costs incurred in performing by Government of any of Tenant's obligations under this Lease.

13.2.3. An amount equal to the aggregate of any maintenance obligations, and charges assumed hereunder and not therefore paid or satisfied, which amounts shall be due and payable at the time when such obligations, and charges would have accrued or become due and payable under this Lease.

13.3. Termination by Government for Other Than Breach. In addition to the right to terminate the LIFOC for breach, Government is entitled to terminate the LIFOC for its convenience under the following terms and conditions:

13.3.1. Upon reasonable determination that the interim uses of Tenant under the LIFOC or the interim uses of Tenant under this Lease for the remaining duration of the Lease term are incompatible with Government's final disposal decision as embodied in the ROD, with respect to the required subsequent uses of the Premises, which subsequent uses must be effected during the balance remaining on the term of this Lease, and a finding is made that the continued use and occupation of the Premises through the end of the remaining Term cannot be permitted because of such irreconcilable incompatibility, unless the parties to this Lease make

such modifications to this Lease as are reasonably required to make the uses compatible for the period of time remaining on the Lease term.

13.3.2. In the event of a National Emergency as declared by the President or the Congress of the United States and Government makes a reasonable determination that such National Emergency requires the use by the United States of America of the Premises, or such National Emergency otherwise necessitates the use of the Station and such use will materially interfere with Tenant's use under the LIFOC or any tenant's use of the Premises.

13.3.3. In the event of a termination for Government's convenience as set forth in the LIFOC, Landlord, as Tenant under the LIFOC, is to be provided with no less than thirty (30) days written notice of such termination and shall immediately provide Tenant with a copy of any notification it receives from Government relative to such termination. Landlord shall meet and confer with Tenant and Government to determine what is a reasonable time for Tenant to vacate the Premises, considering the factors of the nature of the exiting uses of Tenant, the consequences which would be affected if such termination is required and the losses and penalties which would be engendered if such termination is required. Landlord shall provide Tenant with as long and reasonable time as are under the facts and circumstances acceptable to Government relative to such termination. In the event of such termination, Tenant and Landlord, as Tenant under the LIFOC, shall have only such remedies as are otherwise available under the law with respect to compensation from Government for such termination. Tenant shall not seek and shall not have any claim against Landlord for any such termination for convenience by Government.

14. **VACATION OF PREMISES.** In the event environmental contamination is discovered on the Premises which creates, in Government's determination, an imminent and substantial endangerment to human health or the environment which necessitates evacuation of Premises, then notwithstanding any other termination rights and procedures contained in this Lease, Government may require Landlord to require that Tenant vacate the Premises immediately upon notice from Government of the existence of such a condition. The Government shall not be liable for the exercise of authority, which is in conformity with this subsection, except as detailed in Section 15 of the LIFOC. Government's exercise of this right herein to order the Premises immediately vacated does not alone constitute a termination of the LIFOC, but such right may be exercised in conjunction with any other termination rights provided for in the LIFOC or by law.

15. **INDEMNIFICATION BY TENANT.**

15.1. **Indemnification By Tenant of Landlord and Government.** Tenant shall indemnify, defend and save Landlord and Government harmless and shall pay all costs, expenses and reasonable attorneys' fees for all trial and appellate levels and post judgment proceedings in connection with any fines, suits, actions, damages, liability, causes of action of every nature whatsoever arising or growing out of, or in any manner connected with, the occupation or use of the Premises by Tenant and Tenant's employees, agents, servants, guests, invitees, contractors or sublessees. These include, but are not limited to, any fines, claims, demands and causes of action of every nature whatsoever which may be made upon, sustained, or incurred by Landlord and/or Government by reason of any breach, violation, omission or non-performance of any term, covenant or condition hereof on the part of Tenant or Tenant's employees, agents, servants, guests, invitees and sublessees. However, this indemnity shall not extend to damages due to the sole fault or negligence of Government or Landlord or their contractors. This covenant shall survive the termination of this Lease.

15.2. **Waiver.** Landlord shall not be liable to Tenant and Tenant hereby waives all claims against Landlord or its affiliates for any injury or damage to any person or property occurring or incurred in connection with or in any way relating to the Premises, the Building or the Station from any cause. Without limiting the foregoing, neither Landlord nor any of its affiliates shall be liable for and there shall be no abatement of rent for (i) any damage to Tenant's property stored with or entrusted to affiliates of Landlord, (ii) loss of or damage to any property by theft or any other wrongful or illegal act, or (iii) any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water or rain which

may leak from any part of the Premises or Station or from the pipes, appliances, appurtenances or plumbing works therein or from the roof, street or subsurface or from any other place or resulting from dampness or any other cause whatsoever or from the acts or omissions of other tenants, occupants or other visitors to the Premises or Station or from any other cause whatsoever, (iv) any diminution or shutting off of light, air or view by any structure which may be erected on lands adjacent to the Premises, or (v) any latent or other defect in the Premises or the Station. Tenant agrees that in no case shall Landlord ever be responsible or liable on any theory for any injury to Tenant's business, loss of profits, loss of income or any other form of consequential damage. Tenant shall give prompt notice to Landlord in the event of (a) the occurrence of a fire or accident in the Premises or in the Station, or (b) the discovery of any defect therein or in the fixtures or equipment thereof.

16. INSURANCE.

16.1. Tenant's Insurance. Tenant shall procure and maintain for the duration of the Lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Tenant's operation and use of the leased premises. The cost of such insurance shall be borne by the Tenant. Tenant shall maintain the following types of insurance with limits no less than the following as set forth below.

16.1.1. Commercial General Liability Coverage:

\$2,000,000 per occurrence for bodily injury, personal injury and property damage. The policy shall be endorsed to provide Fire Legal Liability or Damage to Rented Premises coverage, as well as for Products and Completed Operations;

16.1.2. Automobile Liability Coverage:

Coverage for owned, hired, leased and rented vehicles, with limits of not less than \$1,000,000.00 for combined bodily injury and property damage, on a per occurrence basis;

16.1.3. Property Insurance Coverage:

Coverage against all risks of loss (excluding flood and earthquake). Coverage shall include full replacement cost with no coinsurance penalties, and coverage shall extend to include any tenant improvements or betterments. The Landlord shall be listed on all settlement checks as the Loss Payee; and

16.1.4. Workers Compensation Coverage:

As required by law, with Employer's Liability coverage with limits of not less than \$1,000,000.

16.2. Subrogation Waiver. Tenant agrees that in the event of loss due to any of the perils for which it has agreed to provide comprehensive general and automotive liability insurance, Tenant shall look solely to its insurance for recovery. Tenant hereby grants to the Landlord, on behalf of any insurer providing insurance to either Tenant or Landlord with respect to the services of Tenant herein, a waiver of any right to subrogation which any such insurer of said Tenant may acquire against Landlord by virtue of the payment of any loss under such insurance. Tenant's insurance carriers shall provide endorsements to the insurance policies accordingly.

16.3. Additional Insured. The Alameda Reuse and Redevelopment Authority, the City of Alameda, Alameda Municipal Power, City of Alameda Housing Authority, Community Improvement Commission, the City Council, its Boards, Commissions, Officers, Employees, Agents and Volunteers, PM Realty Group, the United States Navy and any other party designated by Landlord (as determined in Landlord's sole discretion), and at Landlord's request any mortgagee of Landlord, shall be named as an additional insured under all insurance coverage's, except on worker's compensation and professional liability insurance policies. The naming of an additional insured shall not affect any recovery to which such additional insured would be

entitled under this policy if not named as such additional insured. An additional insured named herein shall not be held liable for any premium, deductible portion of any loss, or expense of any nature on this policy or any extension thereof. Any other insurance held by an additional insured shall not be required to contribute anything toward any loss or expense covered by the insurance provided by this policy.

16.4. Notice of Cancellation. Tenant's insurance policies shall be endorsed to require the insurer to provide the Landlord with at least thirty days' written Notice of Cancellation.

16.5. Sufficiency of Insurance. The insurance limits required by the Landlord are not represented as being sufficient to protect Tenant. Tenant is advised to consult Tenant's insurance broker to determine adequate coverage for Tenant. Tenant's insurance policies shall be endorsed stipulating that Tenant's insurance is primary, and that the Landlord's self-insurance program and excess insurance policies shall not be called upon to contribute to a loss that should otherwise be paid by the Tenant's insurer.

16.6. Self-Insurance and Deductibles. Tenant's self-insurance programs and insurance deductibles or self-insurance retention's are subject to the approval of the Landlord's Risk Manager.

16.7. Insurer Acceptability. Tenant's insurers must be domiciled in the United States of America. They must meet a minimum A.M. Best & Co. rating of A:VII and a Standard and Poors Rating (if rated) of at least BBB. In the event that a proposed insurance company is not rated by A.M. Best & Co. or Standard and Poors, said insurance carrier must be domiciled in the State of California and approved by the Landlord's Risk Manager.

17. DESTRUCTION OF BUILDINGS

17.1 Partial Destruction. In the event of a partial destruction of the building containing the Premises during the Term of this Lease from any cause, Landlord may elect to (in its sole discretion) repair the same, provided such repair can reasonably be made within one hundred eighty (180) days from the happening of such destruction under applicable laws and regulations. During such period, Tenant shall be entitled to a proportionate reduction of Rent to the extent such repairs unreasonably interfere with the business carried on by Tenant in the Premises. If Tenant fails to remove its goods, wares or equipment within a reasonable time and as a result the repair or restoration is delayed, or if such damage or destruction is caused primarily by the negligence or willful act of Tenant, or its employees, invitees or agents, there shall be no reduction in rent during such delay. In the event that (i) Landlord elects not to make such repair, or (ii) such repair cannot reasonably be made within one hundred eighty (180) days from the happening of such destruction under applicable laws and regulations, Landlord shall have the right to terminate this Lease by notifying Tenant in writing.

17.2 Total Destruction. A total destruction of the building containing the Premises shall terminate this Lease. A total destruction of such building means the cost of repairing such building exceeds seventy-five percent (75.00%) of the replacement cost of such building.

18. LABOR PROVISIONS.

18.1. Equal Opportunity. During the Term of this Lease, and with respect only to employment or employees at the Premises, Tenant agrees as follows:

18.1.1. Tenant will not discriminate against any employee of Tenant or applicant for employment because of race, color, religion, sex, or national origin. The employees of Tenant shall be treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, selection for training, including apprenticeship. Tenant agrees to post in conspicuous places, notices to be provided by the applicable government agencies, setting forth the provisions of this nondiscrimination provision.

18.1.2. Tenant will, in all solicitations or advertisements for employees placed by or on behalf of Tenant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

18.1.3. Tenant will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice to be provided by Government, advising the labor union or worker's representative of Tenant's commitments under this Equal Opportunity Clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

18.1.4. Tenant will comply with all provisions of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and of the rules, regulations, and relevant orders of the Secretary of Labor of the United States of America.

18.1.5. Tenant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and by the rules, regulations, and orders of the Secretary of Labor or pursuant thereto, and will permit access to its books, records, and accounts by Government and the Secretary of Labor for purposes of investigating to ascertain compliance with such rules, regulations, and orders.

18.1.6. In the event of Tenant's noncompliance with the Equal Opportunity Clause of this Lease or with any said rules, regulations, or orders, this Lease may be canceled, terminated or suspended in whole or in part and Tenant may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

18.1.7. Tenant will include the above provisions in every Lease or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, so that such provisions will be binding upon each sublessee or vendor. Tenant will take such action with respect to any sublessee or purchase order as Government may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event Tenant becomes involved in, or is threatened with, litigation with the sublessee or vendor as a result of such direction by Government, Tenant may request the United States to enter into such litigation to protect the interests of the United States.

18.2. Convict Labor. In connection with the performance of work required by this Lease, Tenant agrees not to employ any person undergoing a sentence of imprisonment at hard labor.

19. **SUBMISSION OF NOTICES.** All notices, demands, requests, consents, or approvals which may or are required to be given by either party to the other shall be in writing and shall be deemed given when sent by United States Certified or Registered Mail, postage prepaid, or by reputable overnight delivery service or personal delivery as follows:

19.1. If for Tenant, addressed to Tenant at the Building, or at such other place as Tenant may from time to time designate by notice to Landlord.

19.2. If for Landlord, addressed to Landlord at:

City of Alameda
Attn: City Manager
Alameda City Hall

2263 Santa Clara Avenue
Alameda, CA 94501-4566
Telephone: (510) 748-4505
Facsimile: (510) 748-4504

With a copy to:

Commanding Officer
Southwest Division
Engineering Field Division
Naval Facilities Engineering Command
1220 Pacific Highway
San Diego, CA 92132-5189
Facsimile: (619) 532-3830

19.3. If to Tenant, addressed to Tenant at:

Faction Brewing Company LLC
72 Glen Avenue
Oakland, CA 94611
Attention: Claudia Pamparana and Rodger Davis
Telephone: (415) 823-7916 (Claudia Pamparana)
Telephone: (510) 589-2910 (Rodger Davis)
Facsimile: (510) N/A

19.4. Notwithstanding the addresses provided in subsections 19.1 through 19.3 of this section, any party may from time to time designate an alternate and/or additional address by notice.

20. **AUDIT.** This Lease shall be subject to audit by Landlord and by any and all cognizant Government agencies. The Tenant shall make available to such agencies for use in connection with such audits all records, which it maintains with respect to this Lease and copies of all reports required to be filed hereunder. The Tenant will make these materials available for a period of three years after termination or expiration of this Lease.

21. **AGREEMENT.** This Lease agreement shall not be modified unless in writing and signed by both parties. No oral statements or representation made by, for, or on behalf of either party shall be a part of this Lease. Should a conflict arise between the provisions of this Lease and any exhibit hereto, or any other agreement between Landlord and Tenant, the provisions of this Lease shall take precedence.

22. **FAILURE TO INSIST ON COMPLIANCE.** The failure of Landlord to insist, in any one or more instances, upon performance of any of the terms, covenants, or conditions of this Lease shall not be construed as a waiver or relinquishment of Landlord's right to the future performance of any such terms, covenants, or conditions and Tenant's right to the future performance of any such terms, covenants, or conditions and Tenant's obligations in respect of such future performance shall continue in full force and effect.

23. **DISPUTE RESOLUTION.** Any disputes arising under this Lease that involve or relate to Government or Government's interpretation of the LIFOC that are subject to resolution under the Contracts Disputes Act, 431 U.S.C. section 601 et seq. pursuant to the provisions of section 23 of the LIFOC shall be resolved under that Act. All other disputes that may arise under this Lease shall be resolved in accordance with the provisions of the laws of the State of California.

24. **COVENANT AGAINST CONTINGENT FEES.** Tenant warrants that no person or agency has been employed or retained to solicit or secure this Lease upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial agencies maintained by Tenant for the purpose of securing business. For breach or violation of this warranty, Landlord shall have the right to annul this Lease without liability or in its discretion to require Tenant to pay, in addition to the rental or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

25. **OFFICIALS NOT TO BENEFIT.** No member of or delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this Lease or to any benefit to arise therefrom, but this proviso shall not be construed to extend to this Lease if made with a corporation for its general benefit.

26. **LIENS.** The Tenant shall promptly discharge or cause to be discharged any valid lien, right in claim, or demand of any kind on the Premises, except one in favor of Government, or Landlord, which at any time may arise or exist with respect to the Premises or materials or equipment furnished therefor, or any part thereof, and if the same shall not be promptly discharged by Tenant, or should Tenant be declared bankrupt or make an assignment on behalf of creditors, or should the leasehold estate be taken by execution, Landlord reserves the right to take immediate possession without any liability to Tenant or any subtenant thereof. If Tenant breaches the foregoing, Tenant and any subtenant thereof shall be responsible for any costs incurred by Government in securing clear title to its property.

27. **TAXES.** Tenant shall pay all Taxes (as hereinafter defined) levied or imposed against the Premises during the Term. Taxes shall mean all taxes, assessments and governmental charges, whether federal, state, county or municipal, and whether general or special, ordinary or extraordinary, foreseen or unforeseen, imposed upon the Rent, the Premises, the Building, any possessory interest therein, or their operation, whether or not directly paid by Landlord. Taxes shall not include income taxes, excess profit taxes, franchise taxes, or other taxes imposed or measured on or by the income of Landlord from the operation of the Premises; provided, however, that if, due to a future change in the method of taxation or assessment, any income, profit, franchise or other tax, however designated, shall be imposed in substitution, in whole or in part, for (or in lieu of) any tax, assessment or charge which would otherwise be included within the definition of Taxes, such other tax shall be deemed to be included within Taxes as defined herein to the extent of such substitution. There shall be added to Taxes the expenses of any contests (administrative or otherwise) of Taxes incurred during the taxing year, but only to the extent such contests result in a reduction of Taxes for such year or any other year during the Term. Tenant shall pay to the appropriate governmental authority any use, possessory interest, and/or occupancy tax applicable to the Premises. In the event that Landlord is required by law to collect such tax, Tenant shall pay such use and occupancy tax to Landlord as Additional Rent within ten days of demand and Landlord shall remit any amounts so paid to Landlord to the appropriate governmental authority.

27.1. The interest created by this Lease may at some time be subject to property taxation under the laws of the State of California. If property taxes are imposed, the party in whom the possessory interest is vested may be subject to the payment of the taxes levied on such interest. This notice is included in this Lease pursuant to the requirements of section 107.6 (a) of the Revenue and Taxation Code of the State of California.

27.2. Tenant shall pay the Taxes directly imposed upon it in accordance with the instructions of the taxing entity. Tenant shall pay the Taxes originally imposed upon Landlord, upon Landlord's election, either (i) annually within thirty (30) days after the date Landlord provides Tenant with a statement setting forth in reasonable detail such Taxes (which statement shall not be provided to Tenant more than sixty (60) days before such Taxes are due), or (ii) monthly in advance based on estimates provided by Landlord based upon the previous year's tax bill.

27.3. All Taxes originally imposed upon Landlord and payable by Tenant with respect to the Premises shall be prorated on a per diem basis for any partial tax year included in the Term. Tenant's obligation to pay Taxes during the last year of the Term shall survive the termination of this Lease.

28. **ADMINISTRATION.** Except as may be otherwise provided in the LIFOC or this Lease, Government shall, under the direction of the Command described in addendum (a) to the LIFOC, have complete charge of the administration of the LIFOC and any interests Government has under this Lease, and shall exercise full supervision and general direction thereof insofar as the interests of Government are affected.

29. **SURRENDER.** Upon the expiration of this Lease or its prior termination by Tenant, Tenant shall quietly and peacefully remove itself and its property from the Premises and surrender the possession thereof to Landlord. The Landlord or Government may, in its discretion, declare any property which has not been removed from the Premises upon termination provided for above, as abandoned property upon an additional thirty (30) calendar days' notice.

30. **QUIET POSSESSION.** Upon Tenant paying the Rent reserved hereunder and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the entire Term hereof, subject to all the provisions of this Lease.

31. **CERTAIN RIGHTS RESERVED TO LANDLORD.** Landlord reserves the following rights:

31.1. To hold copies of all keys and passkeys to the Premises, other than to vaults, safes, or restricted areas within the Premises.

31.2. On reasonable prior written notice to Tenant, no less than 48 hours in advance, to show the Premises to prospective tenants during the last nine months of the Term, and to any prospective purchaser, mortgagee, or assignee of any mortgage or ground lease on the Premises and to others having a legitimate interest in the Premises at any time during the Term.

31.3. At any time in the event of an emergency, and otherwise at reasonable times, to take any and all measures, including making any inspections, repairs, alterations, additions, and improvements to the Premises, as may be necessary or desirable for the safety, protection, or preservation of the Premises, or Landlord's interests, or as may be necessary or desirable in the operation or improvement of the Premises, or in order to comply with all laws, orders, and requirements of governmental or other authorities, using reasonable efforts not to interfere with the use and occupancy of the Premises by Tenant. Landlord shall not be in default hereunder nor have any liability to Tenant, nor shall Tenant have any right to terminate this Lease or claim an offset against or reduction in Rent payable hereunder, due to any damage, annoyance or inconvenience resulting from any such inspections, repairs, alterations, additions or improvements, or the failure of Landlord to make any such inspections, repairs, alterations, additions or improvements; provided however that Landlord shall be liable for its gross negligence or willful misconduct. Tenant shall reasonably cooperate with Landlord or Landlord's agents or contractors in carrying out any such inspections, repairs, alterations, additions or improvements.

32. **COVENANTS OF TENANT**

32.1. **Use of the Premises.** Tenant shall not make or permit to be made any use of the Premises or any part thereof (i) which would directly or indirectly violate any federal, state or local law, ordinance, rule or governmental regulation; (ii) which would invalidate or unreasonably increase the premium cost of any policy of insurance carried on the Premises or covering its operation (unless such increase is paid for by Tenant); or (iii) which will suffer or permit the Premises or any part thereof to be used in any manner or permit anything to be brought into or kept therein which, in the reasonable judgment of Landlord, shall unreasonably impair or interfere with any of the services required to be performed by Landlord, if any, for the Premises.

32.2. **Locks.** Tenant shall not change any existing locks, or attach any additional locks or similar devices to any door or window, change any locks, without providing to Landlord one set of keys therefore. All keys must be returned to Landlord at the expiration or termination of this Lease.

32.3. Overloading. Tenant shall not overload any floor.

32.4. Machinery. Tenant shall not install or operate any machinery, refrigerating or heating device or air-conditioning apparatus in or about the Premises which would impose unreasonable substantial additional loads on the facilities of the buildings.

32.5. No Obstruction. The exits, entrances, elevators and stairways of the Buildings shall not be obstructed by Tenant or used for any purpose other than for ingress to and egress from the Premises. Tenant and its employees or invitees shall not go upon the roof of the Building without Landlord's prior consent.

32.6. No Animals. Tenant shall not permit any animals, except those required to be allowed by law, such as guide dogs, to be brought in or kept in or about the Premises without Landlord's prior written consent.

32.7. Applicable Rules and Regulations. Tenant shall comply with all Federal, State and local laws, regulations and standards that are applicable or may become applicable to Tenant's activities on the Premises, including those rules and regulations promulgated by Landlord pursuant to Section 35 of this Lease. These include, but are not limited to, laws and regulations on the environment, construction of facilities, health, safety, food service, water supply, sanitation, use of pesticides, and licenses or permits to do business (e.g., wetlands [EO 11990] and floodplains [EO 11988], Section 106 consultation under the National Historic Preservation Act and air quality conformity determinations under the Clean Air Act). Tenant is responsible for obtaining and paying for permits required for its operations under the Lease.

32.8. Outside Storage Prohibited. Outside storage or activities are not permitted unless expressly authorized in writing by Landlord. Any outside storage authorized by Landlord shall be properly screened.

33. **DEFAULT**. It shall constitute an event of default ("**Event of Default**") under this Lease if any of the events describes in the following subsections occurs.

33.1. Tenant fails to pay when due Base Rent, Additional Rent, or other amounts due hereunder and such failure continues for a period of five (5) days after the due date.

33.2. Tenant assigns or sublets, or purports to assign or sublet the Premises or any part thereof other than in the manner and upon the conditions set forth herein.

33.3. Tenant fails to perform or observe any of its other obligations, covenants, or agreements hereunder within ten (10) working days after written notice of any such failure has been given by or on behalf of Landlord, or, if more than ten (10) working days is required to cure such failure, within said ten (10) working days, Tenant shall advise Landlord in writing of Tenant's intended course of action to cure and the estimated date as to when said action will be completed, and if Tenant fails to commence such cure as promptly as practical as stated in its notice to Landlord and thereafter diligently to pursue such cure and thereafter fails to diligently pursue such a cure and complete such cure within a reasonable time thereafter, or within the period of time as may be otherwise required under the LIFOC.

33.4. Tenant liquidates its business, becomes insolvent, makes an assignment for the benefit of creditors, files or has filed against it a petition of bankruptcy, bill in equity, or other proceedings for the appointment of a receiver or other custodian for its property, or if proceedings for reorganization or composition with creditors under any law are instituted by or against Tenant or if any levy or sale or execution of any kind is made upon or of any property of Tenant in the Premises.

33.5. Tenant abandons or vacates the Premises or Tenant removes or attempts to remove or manifests an intention to remove Tenant's goods or property from or out of the Premises otherwise than in the ordinary and usual course of business.

33.6. Tenant fails to vacate the Premises at the end of the Term of this Lease unless this Lease is otherwise renewed or extended.

34. **LANDLORD'S REMEDIES**

34.1. If an Event of Default hereunder shall have occurred, Landlord may, at its option, exercise any one or more of the following remedies:

34.1.1. Terminate Tenant's right to possession of the Premises by written notice by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall be entitled to recover from Tenant:

(1) the worth at the time of the award of any unpaid rent which had been earned at the time of such termination; plus

(2) the worth at the time of the award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss which Tenant proves could have been reasonably avoided; plus

(3) the worth at the time of the award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss which Tenant proves could be reasonably avoided; plus

(4) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom (including, without limitation, the cost of recovering possession of the Premises, expenses of reletting including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and real estate commissions actually paid and that portion of the leasing commission paid by Landlord and applicable to the unexpired portion of this Lease); plus

(5) such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable California law.

As used in Subsections (1) and (2) above, the "**worth at the time of the award**" shall be computed by allowing interest at the lesser of ten percent (10%) per annum, or the maximum rate permitted by law per annum. As used in Subsection (3) above, the "**worth at the time of award**" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

34.1.2. Continue this Lease in full force and effect, and the Lease will continue in effect, as long as Landlord does not terminate Tenant's right to possession, and Landlord shall have the right to collect Rent when due. During the period Tenant is in default, Landlord may enter the Premises and relet them, or any part of them, to third parties for Tenant's account. Tenant shall be liable immediately to Landlord for all costs Landlord reasonably incurs in reletting the Premises, including, without limitation, brokers' commissions, expenses of remodeling the Premises required by the reletting, and like costs. Reletting can be for a period shorter or longer than the remaining term of this Lease. Tenant shall pay to Landlord the Rent due under this Lease on the dates the Rent is due, less the rent Landlord receives from any reletting. In no event shall Tenant be entitled to any excess rent received by Landlord. No act by Landlord allowed by this paragraph shall terminate this Lease unless Landlord notifies Tenant in writing that Landlord elects to terminate this Lease. After Tenant's default and for as long as Landlord does not terminate Tenant's right to possession of the Premises, if Tenant obtains Landlord's consent, Tenant shall have the right to assign or sublet its interest in this Lease, but Tenant shall not be released from liability.

34.1.3. Cause a receiver to be appointed to collect Rent. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate the Lease.

34.1.4. Cure the default at Tenant's cost. If Landlord at any time, by reason of Tenant's default, reasonably pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be due immediately from Tenant to Landlord at the time the sum is paid, and if paid at a later date shall bear interest at the lesser of ten percent (10.00%) per annum, or the maximum rate an individual is permitted by law to charge from the date the sum is paid by Landlord until Landlord is reimbursed by Tenant. The sum, together with interest on it, shall be additional Rent.

34.2. The foregoing remedies are not exclusive; they are cumulative, in addition to any remedies now or later allowed by law, to any equitable remedies Landlord may have, and to any remedies Landlord may have under bankruptcy laws or laws affecting creditors' rights generally. The waiver by Landlord of any breach of any term, covenant or condition of this Lease shall not be deemed a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition. Acceptance of Rent by Landlord subsequent to any breach hereof shall not be deemed a waiver of any preceding breach other than a failure to pay the particular Rent so accepted, regardless of Landlord's knowledge of any breach at the time of such acceptance of Rent. Landlord shall not be deemed to have waived any term, covenant or condition unless Landlord gives Tenant written notice of such waiver.

34.3. No early expiration or termination of this Lease (except as expressly provided herein) and no repossession of the Premises or any part thereof shall relieve Tenant of its liabilities and obligations to pay Rent hereunder, all of which shall survive such expiration, termination or repossession, and Landlord may, at its option, sue for and collect all Rent and other charges due hereunder at any time as when such charges accrue.

34.4. In the event that Landlord commences suit for the repossession of the Premises, for the recovery of Rent or any other amount due under the provisions of this Lease, or because of the breach of any other covenant herein contained on the part of Tenant to be kept or performed, and a breach shall be established, Tenant shall pay to Landlord all expenses incurred in connection therewith, including reasonable attorneys' fees. In the event that Tenant commences suit because of the breach of any covenant herein contained on the part of Landlord to be kept or performed, and a breach shall be established, Landlord shall pay to Tenant all expenses incurred in connection therewith, including reasonable attorneys' fees.

35. **SEVERABILITY**. If any of the provisions of this Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such provision or provisions to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and every provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

36. **HOLDING OVER**. Should Tenant hold over and remain in possession of the Premises after the expiration of this Lease, without the written consent of Landlord, such possession shall be as a month-to-month tenant. Unless Landlord agrees otherwise in writing, Base Rent during the hold-over period shall be payable in an amount equal to one hundred fifty percent (150.00%) of the Base Rent paid for the last month of the term hereof until Tenant vacates the Premises and the Security Deposit shall increase to an amount equal to the increased monthly Base Rent. All other terms and conditions of this Lease shall continue in full force and effect during such hold-over tenancy, which hold-over tenancy shall be terminable by either party delivering at least one (1) month's written notice, before the end of any monthly period. Such hold-over tenancy shall terminate effective as of the last day of the month following the month in which the termination notice is given.

37. **[Intentionally deleted]** .

38. ESTOPPEL CERTIFICATES AND FINANCIAL STATEMENTS

38.1. Estoppel Certificate. Tenant shall, at any time and from time to time, upon not less than ten (10) days' prior request by Landlord, execute, acknowledge and deliver to Landlord, or to such other persons who may be designated in such request, a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications) and, if so, the dates to which the rent and any other charges have been paid in advance, and such other items requested by Landlord, including without limitation, the lease commencement date and expiration date, rent amounts, and that no offsets or counterclaims are present. It is intended that any such statement delivered pursuant to this Paragraph may be relied upon by any prospective purchaser or encumbrancer (including assignee) of the Premises.

38.2. Financial Statements. Upon the request of Landlord, Tenant shall deliver to Landlord such financial information regarding Tenant, as may reasonably be required to establish Tenants' creditworthiness. All financial information provided by Tenant to Landlord shall be held in confidence and may not be used or disclosed by the recipient except for the purpose of determining Tenants' creditworthiness in connection with Tenants' obligations under this Lease.

39. SHORT FORM OF LEASE. Tenant agrees to execute, deliver and acknowledge, at the request of Landlord, a short form of this Lease satisfactory to counsel for Landlord, and Landlord may in its sole discretion record this Lease or such short form in the County where the Premises are located. Tenant shall not record this Lease, or a short form of this Lease, without Landlord's prior written consent.

40. SIGNS. Tenant shall not place any sign upon the Premises without Landlord's prior written consent (all such signage shall comply with Landlord's signage design criteria, as such exists from time to time). In addition, the style, size, materials and attachment method of any such signage shall be subject to Landlord's prior written consent. The installation of any sign on the Premises by or for Tenant shall be subject to the provisions of this Lease. Tenant shall maintain any such signs installed on the Premises. Unless otherwise expressly agreed herein, Landlord reserves the right to install, and all revenues from the installation of, such advertising signs on the Premises, including the roof, as do not unreasonably interfere with the conduct of Tenant's business.

41. RULES AND REGULATIONS. Tenant shall faithfully observe and comply with the nondiscriminatory rules and regulations that Landlord shall from time to time promulgate. Landlord reserves the right from time to time to make all nondiscriminatory modifications to said rules. The additions and modifications to those rules shall be binding upon Tenant upon delivery of a copy to them to Tenant (a copy of the present Rules and Regulations is attached hereto as Exhibit H). Landlord shall use its reasonable efforts to enforce compliance with such rules, but shall not be responsible to Tenant for the nonperformance of any of said rules by other tenants or occupants.

42. LIMITATION ON LIABILITY. In consideration of the benefits accruing hereunder, Tenant and all successors and assigns covenant and agree that, in the event of any actual or alleged failure, breach or default hereunder by Landlord: (1) Tenant's sole and exclusive recourse shall be against Landlord's interest in the Hangar 22 and Tenant shall not have any right to satisfy any judgment which it may have against Landlord from any other assets of Landlord; (2) no member, partner, stockholder, director, officer, employee, beneficiary or trustee (collectively, "**Partner**") of Landlord shall be sued or named as a party in any suit or action (except as may be necessary to secure jurisdiction over Landlord); (3) no service of process shall be made against any Partner of Landlord (except as may be necessary to secure jurisdiction over Landlord); (4) no Partner of Landlord shall be required to answer or otherwise plead to any service of process; (5) no judgment will be taken against any Partner of Landlord; (6) any judgment taken against any Partner of Landlord may be vacated and set aside at any time nunc pro tunc; (7) no writ of execution will ever be levied against the assets of any Partner of Landlord; and (8) these covenants and agreements are enforceable both by Landlord and also by any Partner of Landlord.

43. **ATTORNEYS' FEES.** If Tenant or Landlord shall be in breach or default under this Lease, such party (the "**Defaulting Party**") shall reimburse the other party (the "**Non-Defaulting Party**") upon demand for any costs or expenses that the Non-Defaulting Party incurs in connection with any breach or default of the Defaulting Party under this Lease, whether or not suit is commenced or judgment entered. Such costs shall include legal fees and costs incurred for the negotiation of a settlement, enforcement of rights or otherwise. Furthermore, if any action for breach of or to enforce the provisions of this Lease is commenced, the court in such action shall award to the party in whose favor a judgment is entered, a reasonable sum as attorneys' fees and costs. The losing party in such action shall pay such attorneys' fees and costs. Tenant shall also indemnify Landlord against and hold Landlord harmless from all costs, expenses, demands and liability Landlord may incur if Landlord becomes or is made a party to any claim or action (a) instituted by Tenant against any third party, or by any third party against Tenant, or by or against any person holding any interest under or using the Station by license of or agreement with Tenant; (b) for foreclosure of any lien for labor or material furnished to or for Tenant or such other person; (c) otherwise arising out of or resulting from any act or transaction of Tenant or such other person; or (d) necessary to protect Landlord's interest under this Lease in a bankruptcy proceeding, or other proceeding under Title 11 of the United States Code, as amended. Tenant shall defend Landlord against any such claim or action at Tenant's expense with counsel reasonably acceptable to Landlord, or at Landlord's election, Tenant shall reimburse Landlord for any legal fees or costs Landlord incurs in any such claim or action.

44. **COUNTERPARTS.** This Lease may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Each party may execute a facsimile counterpart signature page to be followed by an original counterpart. Each such facsimile counterpart signature page shall constitute a valid and binding obligation of the party signing such facsimile counterpart.

45. **EXECUTION.** Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or an option for lease, and it is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant.

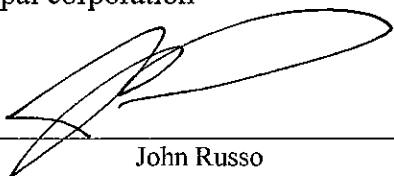
46. **DEVELOPMENT OF STATION.** Tenant acknowledges that, without any form of representation or warranty, Landlord (or its successor) may cause certain redevelopment activities to occur at the Station which may or may not include areas in or about the Premises. As a material inducement for Landlord to enter into this Lease, Tenant agrees not to take any actions, oral or in writing, in opposition to such activities (or the planning thereof) by Landlord (or its successor).

IN WITNESS WHEREOF, Landlord and Tenant have respectively signed and sealed this Lease as of the day and year first above written.

LANDLORD:

CITY OF ALAMEDA, a charter city and municipal corporation

By



John Russo
City Manager

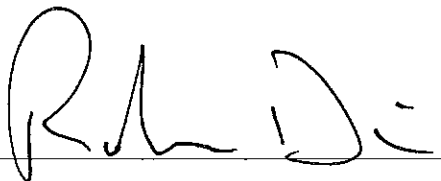
Date:

8/27/12

TENANT

FACTION BREWING COMPANY LLC,
a California limited liability company

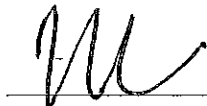
By



Name:

Rodger Davis

RECOMMENDED FOR APPROVAL:



Narette Mocanu

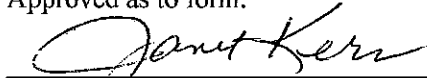
Title:

Owner / Managing Member

Date:

08/21/2012

Approved as to form:



Janet Kern, General Counsel



Claudia Pamparana
Owner / Managing Member

EXHIBITS

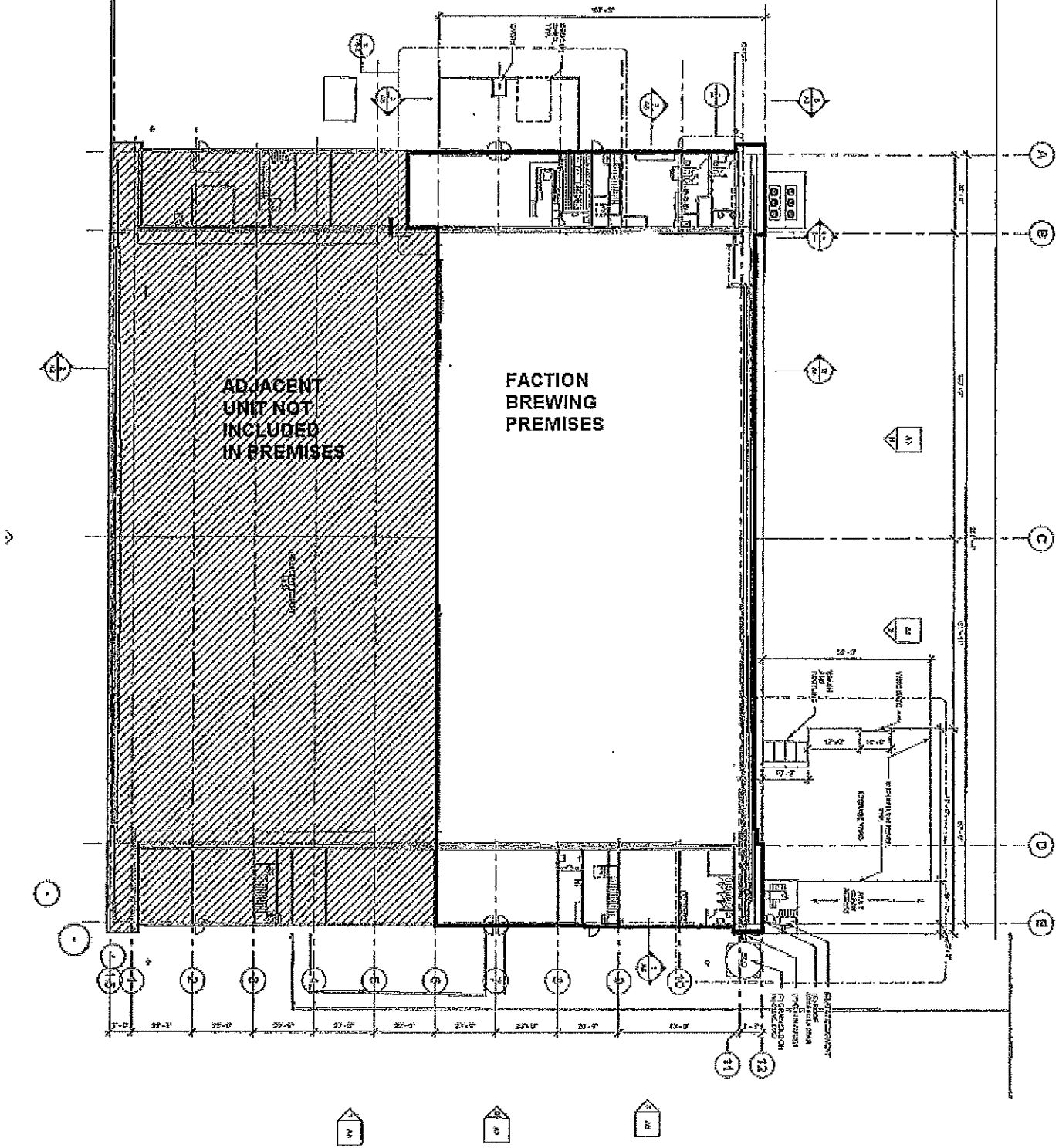
- Exhibit A-1 – Premises (Ground Floor)
- Exhibit A-2 – Premises (Second Floor)
- Exhibit A-3 – Land
- Exhibit A-4 – Parking
- Exhibit B – LIFO
- Exhibit C - [Intentionally deleted]
- Exhibit D – Declaration of Lease Commencement
- Exhibit E – Historic Preservation Agreement
- Exhibit F – Environmental Questionnaire
- Exhibit G – Rules and Regulations

EXHIBIT B

LIFO

[Attached]

**EXHIBIT A-1
PREMISES (Ground Floor)**



FACTION BREWING COMPANY

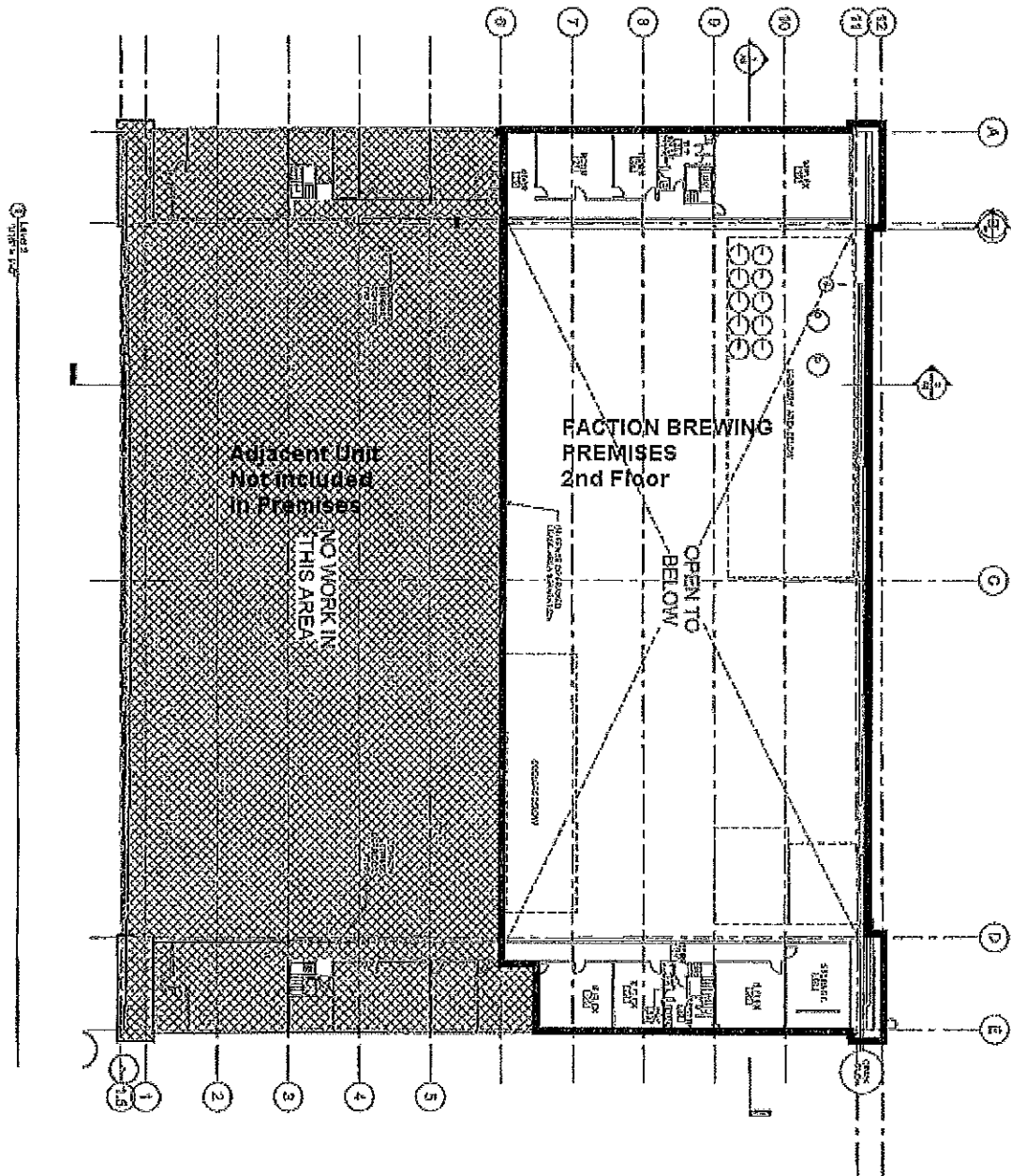
2204 MONROE STREET, HAYWARD, CA
ALAMOSA, CA

SLM | Structural
2204 Monroe Street
Hayward, CA 94541
Office: (510) 885-1111
Fax: (510) 885-1112
www.slm.com

LEVEL 1

A5

**EXHIBIT A-2
PREMISES (2nd Floor)**



SLIM
2010-2011
ALABAMA, CA, 94501
505-444-4444
www.slim.com

FACTION BREWING COMPANY

22 N. HAY STREET, SUITE 100
ALABAMA, CA 94501

Project: **SLIM**
Sheet: **201**

Owner: **SLIM**
Architect: **SLIM**
Engineer: **SLIM**
Contractor: **SLIM**

LEVEL 2

2010-2011
ALABAMA, CA, 94501
505-444-4444
www.slim.com

A6

EXHIBIT A-3
LAND

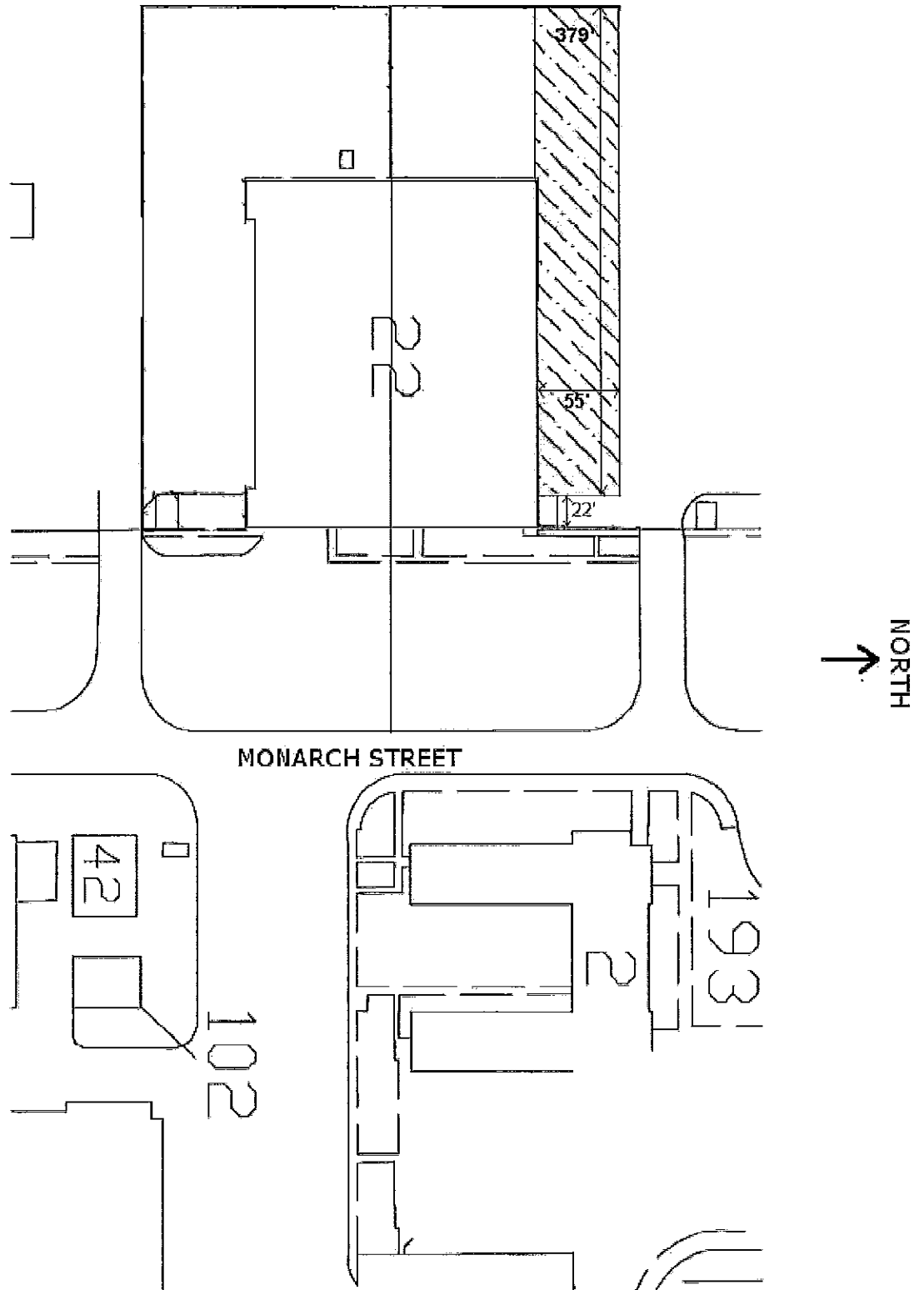
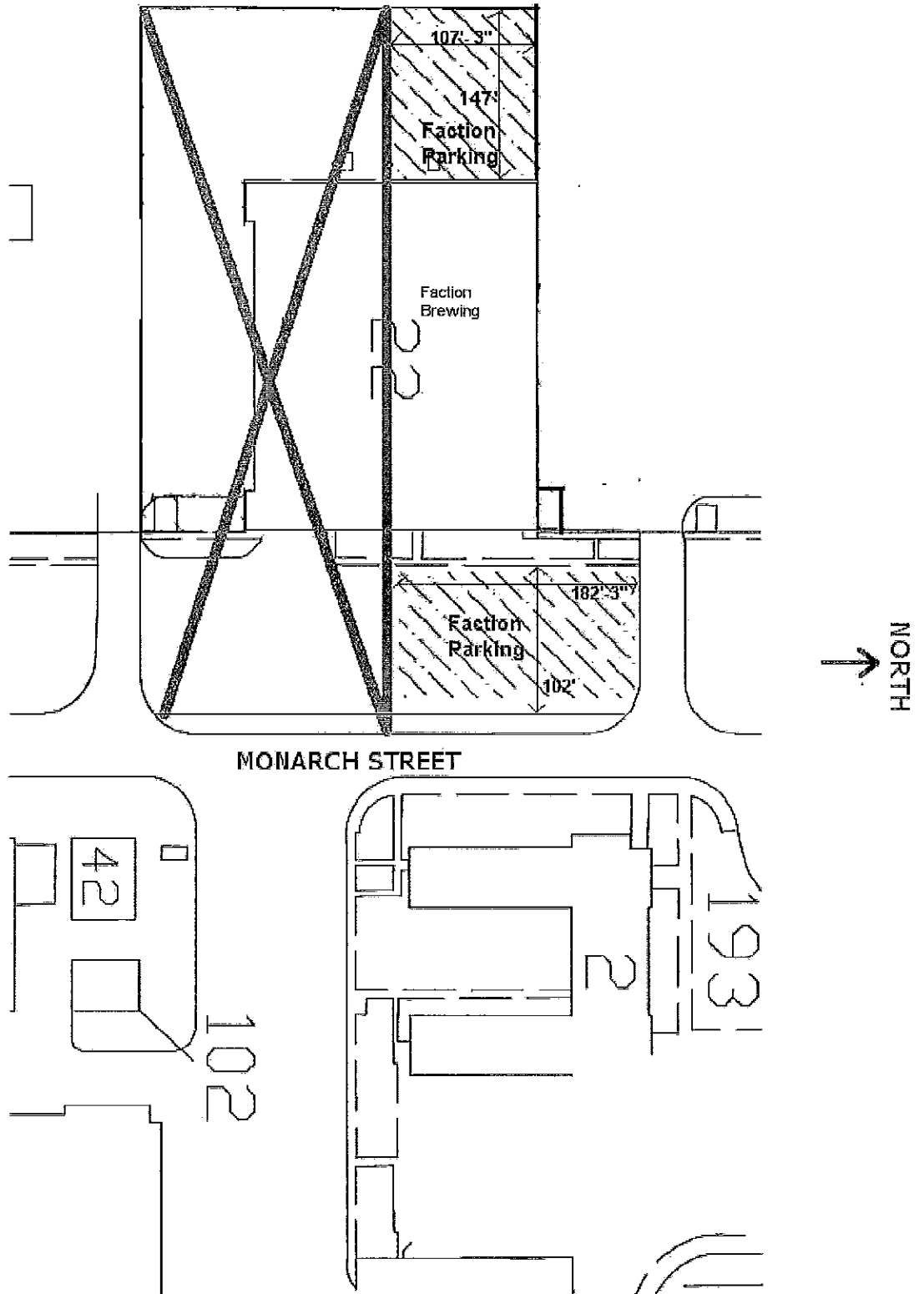


EXHIBIT A-4
PARKING



**AMENDMENT NO. 2
TO THE
LEASE IN FURTHERANCE OF CONVEYANCE
BETWEEN
THE UNITED STATES OF AMERICA
AND THE
ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY
FOR THE
FORMER NAVAL AIR STATION ALAMEDA**

THIS AMENDMENT NO. 2 to the *Lease in Furtherance of Conveyance* is entered into this 30th day of MARCH, 2009 by and between **THE UNITED STATES OF AMERICA** acting by and through the Secretary of Navy (Government) and **THE ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY (LESSEE)** recognized as the local redevelopment authority by the Office of Economic Adjustment on behalf of the Secretary of Defense. Government and Authority may also be referred to collectively as the Parties. This Amendment No. 2 supersedes and replaces all changes made to the Lease through Amendment No. 1, executed on 28 November 2000.

RECITALS

WHEREAS, the Government is the owner of certain real and personal property commonly referred to as the former Naval Air Station Alameda (NAS Alameda) which was closed as a military installation and is subject to disposal pursuant to, and in accordance with, the Defense Base Closure and Realignment Act of 1991, as amended (Public Law no. 101-510); and

WHEREAS, prior to the conditions for a deed transfer being met, the Parties entered into a Lease in Furtherance of Conveyance granting the Authority immediate possession of portions of the NAS Alameda; and

WHEREAS, the Parties desire to amend Paragraphs 1, 17, and 19 of the Lease, all as set forth below.

NOW THEREFORE, in consideration of the forgoing premises and the respective representations, agreements, covenants and conditions herein set forth, and other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

AGREEMENTS

Paragraph 1 Leased Premises:

Delete Paragraph 1.1 in its entirety and replace it with the following:

Government does hereby lease, rent, and demise to Lessee, and Lessee does hereby hire and rent from Government, those parcels of real property as identified on the Revised Exhibit "A", dated 2008-06-03, attached hereto and made a part of this lease, together with all personal property thereon, all of which remains as originally identified in Exhibit "F" to the EDC MOA, along with improvements thereon including elements of Government owned utility systems within the Premises and serving the Premises, all hereinafter called the "Leased Premises", and with the right of ingress and egress to said Leased Premises.

Delete Paragraph 1.3 in its entirety and replace it with the following:

The Government reserves the right to continued use of those portions of the Leased Premises identified as follows: (a) approximately 4,600 sf of space, on the second floor Northwest corner, within Building 114, including the adjacent restrooms and the associated courtyard for the non-exclusive use by Government. (ROICC) (b) the first floor of building 112, and approximately 6000 sf of fenced area on the North side of said building 112; (c) Building 338 C; Building 338B; Building 309; Building 400 the second and third floors; and Building 5.

Insert as new paragraph 1.4, the following:

The following buildings are scheduled for environmental investigation and each is currently occupied by a tenant pursuant to a sub-lease with Lessee with current sub-lease expiration dates as shown. For buildings 44, 66, and 113, the Lessee may extend each such sub-lease on a month to month basis with each to expire not later than May 31, 2009 with all premises to be vacant on that date. Upon May 31, 2009, for buildings 44, 66, and 113, and September 30, 2010 for building 163, or upon the earlier termination of any such sub-lease, each building shall then be reserved exclusively for use by the Government until the environmental investigation relating to that building is complete. At that time should the building be deemed safe for tenant occupancy and use, this Lease in Furtherance of Conveyance will be modified to place the building in the possession of Lessee, otherwise each such building shall remain reserved exclusively for Government use. These buildings, the current tenants and their current sub-lease expiration dates are as follows:

<u>Building and Tenant</u>	<u>Current Sub-Lease Expiration</u>
Building 44 - Mariuz Lewandoski-dba-Woodmasters	12-31-08
Building 66 - Nelson's Marine, Inc.	02-28-09
Building 113 - HESCO	04-30-09

The use of all buildings reserved for Government use shall be provided to the Government without payment of rent for the term of this Lease. The Government will relinquish possession of the above identified space to Lessee at such time as Government no longer requires use of such space.

In addition, That area shown on Revised Exhibit "A", denominated as Seaplane Lagoon, including water, land and piers, shall be removed from the LIFO and no longer available for Sub-Lease by the Lessee, subject however to a temporary "right of access" for boat launching and recovery hereby granted to Nelson Marine in connection with, and for the duration of, their current lease with Lessee said "Right of Access" shall consist of an area of water 100 feet wide as measured from the North edge of Pier # 1, as depicted on revised Exhibit "A". Nelson Marine shall be responsible for marking the designated area in a manner acceptable to the Government.

Paragraph 17 Insurance:

Delete Paragraph 17.4.1 in its entirety and replace it with the following:

Comprehensive commercial general liability insurance, in the amount of \$2,000,000 per occurrence with respect to personal injury or death, and \$1,000,000 per occurrence with respect to property damage.

Paragraph 19 Submission of Notices:

Delete Paragraph 1.9 in its entirety and replace it with the following:

Notices shall be sufficient under this Lease if made in writing and to the following addressees:

If to Authority Executive Director
 Alameda Reuse and Redevelopment Authority
 Alameda City Hall
 2263 Santa Clara Avenue
 Alameda, CA 94501-4456
 (Facsimile: 510-748-4504)

with a copy to: General Counsel
 Alameda Reuse and Redevelopment Authority
 Alameda City Hall
 2263 Santa Clara Avenue
 Alameda, CA 94501-4456
 (Facsimile: 510-748-4691)

and to: George R. Schlossberg, Esq.
 Kutak Rock

1101 Connecticut Avenue, N.W.
10th Floor
Washington D.C.
(Facsimile: 202 828-2488)

If to Government: Director
Base Realignment and Closure
Program Management Office
1455 Frazee Road, Suite 900
San Diego, CA 92108-4310
(Facsimile: 619 532-0940)

Except as set forth herein, and unless specifically modified by this Amendment No.2, all terms and conditions contained in the Lease shall remain binding upon the Parties and their respective successors and assigns as set forth in the Lease.

IN WITNESS WHEREOF, the Parties hereto have duly executed this Amendment No.2 to the Lease in Furtherance of Conveyance as of the day and year first above written.

UNITED STATES OF AMERICA,
acting by and through the Department of Navy.

By: 
WILLIAM R. CARSILLO
Real Estate Contracting Officer

ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY,

By: 
DAVID BRANDT
Acting Executive Director

APPROVED AS TO FORM:

By: 
TERESA HIGHSMITH
City Attorney



RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Alameda Reuse & Redevelopment Authority
950 West Mall Square
Alameda, CA 94501
Attention: Executive Director

Recorded for the Benefit of
The City of Alameda
Pursuant to Government
Code Section 6103



2005168942

04/28/2005 09:37 AM

OFFICIAL RECORDS OF ALAMEDA COUNTY
PATRICK O'CONNELL
RECORDING FEE: 0.00



17 PGS

Amendment No. 1
to the
Lease in Furtherance of Conveyance
between
The United States of America
and
The Alameda Reuse and Redevelopment Authority
for
The former Naval Air Station Alameda

**AMENDMENT NO. 1
TO THE
LEASE
IN FURTHERANCE OF CONVEYANCE
BETWEEN
THE UNITED STATES OF AMERICA
AND
THE ALAMEDA REUSE AND REDEVELOPMENT
AUTHORITY
FOR
THE FORMER NAVAL AIR STATION ALAMEDA**

USE AND DISCLOSURE OF DATA

The data in this proposal shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed in whole or in part for any purpose other than to evaluate the proposal; provided, that if a contract is awarded to this offeror as a result of or in connection with the submission of these data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the contract. This restriction does not limit the Government's right to use information contained in the data if it is obtainable from another source without restriction. The data subject to this restriction are contained in Pages 1-4.

AMENDMENT NUMBER 1

AMENDMENT NO. 1
TO THE
LEASE
IN FURTHERANCE OF CONVEYANCE
BETWEEN
THE UNITED STATES OF AMERICA
AND
THE ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY
FOR
THE FORMER NAVAL AIR STATION ALAMEDA

THIS AMENDMENT NO. 1 to the *Lease in Furtherance of Conveyance Between the United States of America and the Alameda Reuse and Redevelopment Authority for the Former Naval Air Station Alameda* ("Lease") is entered into on this 28th day of November 2000 by and between THE UNITED STATES OF AMERICA, acting by and through the Secretary of the Navy ("Government"), and THE ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY ("Authority"), recognized as the local redevelopment authority by the Office of Economic Adjustment on behalf of the Secretary of Defense. Government and Authority are sometimes referred to herein collectively as the "Parties."

RECITALS

WHEREAS, the Government is the owner of certain real and personal property commonly referred to as the former Naval Air Station Alameda, ("NAS Alameda") which was closed as a military installation and is subject to disposal pursuant to and in accordance with the Defense Base Closure and Realignment Act of 1991, as amended (Pub. L. No. 101-510);

WHEREAS, the Authority and Government have agreed upon a method of conveyance of said property as set forth in the Economic Development Conveyance Memorandum of Agreement ("EDC MOA") dated June 6, 2000;

WHEREAS, prior to the conditions for a deed transfer being met, the Parties entered into the Lease granting the Authority immediate possession of all or portions of the NAS Alameda;

WHEREAS, the Authority desires to amend the lease to change certain insurance requirements of its contractors or sublessees.

NOW THEREFORE, in consideration of the foregoing premises and the respective representations, agreements, covenants and conditions herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AMENDMENT NUMBER 1

AGREEMENTS

Article 1. Insurance

Paragraph 17.4.1 of the Lease is hereby amended to change the amount of comprehensive general liability insurance, which the Authority is obligated to require its contractors or sublessees to carry, with respect to personal injury or death, from \$5,000,000.00 per occurrence to \$3,000,000.00 per occurrence and with respect to property damage from \$3,000,000 per occurrence to \$1,000,000 per occurrence.

Article 2. Survival and Benefit

a. Unless defined separately, the terms used in this Amendment No. 1 shall be the same as used and defined in the Lease.

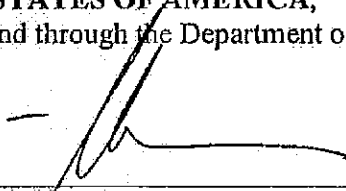
b. Except as set forth herein, and unless modified specifically by this Amendment No. 1, all terms and conditions contained in the Lease shall remain binding upon the Parties and their respective successors and assigns as set forth in the Lease.

[SIGNATURE PAGES FOLLOW]

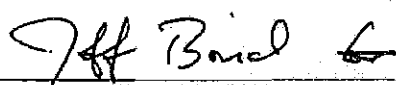
AMENDMENT NUMBER 1

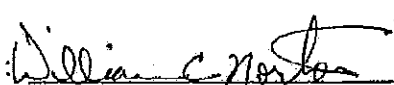
1 IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment No.
2 1 to the Lease as of the day and year first above written.
3
4

5 UNITED STATES OF AMERICA,
6 acting by and through the Department of the Navy,
7
8
9

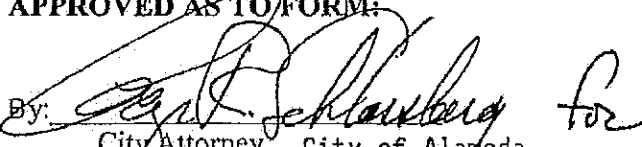
10 By: 
11 WILLIAM R. CARSILLO
12 Real Estate Contracting Officer
13
14
15
16

17 ALAMEDA REUSE & REDEVELOPMENT AUTHORITY
18
19

20 By: 
21 ~~JAMES M. FLINT~~
22 ~~Executive Director~~
23
24
25

By: 
William C. Norton
Acting Executive Director

26 APPROVED AS TO FORM:
27
28
29
30

By:  for
City Attorney - City of Alameda
George R. Schlossberg

(Municipal Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of ALAMEDA

} ss.

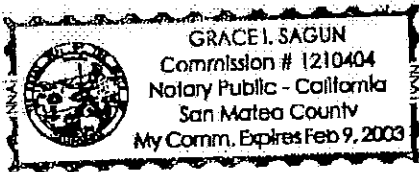
On NOV. 28, 2000
Date

, before me, GRACE I. SAGUN, NOTARY PUBLIC
Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared WILLIAM R. CARSILO
Name(s) of Signer(s)

- ☐ personally known to me
☐ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Place Notary Seal Above

WITNESS my hand and official seal.

[Signature]
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: AMENDMENT to WFOC

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: JEFF BOND, CITY ATTY

Capacity(ies) Claimed by Signer

- Signer's Name: _____
- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney In Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of ALAMEDA

} ss.

On NOV. 28, 2000, before me, GRACE I. SAGUN, NOTARY PUBLIC

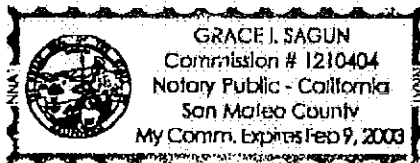
Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared JEFF BOND

Name(s) of Signer(s)

- ☐ personally known to me
☐ proved to me on the basis of satisfactory evidence

to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.



Place Notary Seal Above

WITNESS my hand and official seal.

Grace I. Sagun

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: AMENDMENT #1 to LFOC

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: WILLIAM R. CARSILO, CITY ATTY

Capacity(ies) Claimed by Signer

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney In Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

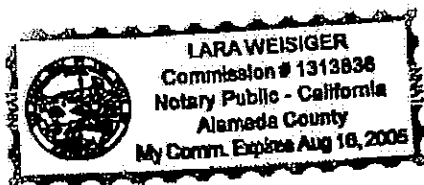
Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

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On April 27, 2005, 2005, before me, Lara Weisiger personally appeared William C. Norton, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Lara Weir

CONSENT AND SUBORDINATION

The undersigned, being a party (as set forth below) to that certain:

(a) Legally Binding Agreement and Property Lease by and among the Alameda Reuse and Redevelopment Authority, a joint powers authority formed under California law (the "ARRA"); Alameda County, through its Department of Housing and Community Development, a political subdivision of the State of California (the "County"); Alameda Point Collaborative, Inc., a California nonprofit public benefit corporation ("APC"); and Bessie Coleman Court, Inc., a California nonprofit public benefit corporation ("Bessie Coleman"), dated September 27, 2004, and recorded in the Alameda County Records on October 6, 2004 as Instrument No. 2004452007 (the "Bessie Coleman LBA");

(b) First Amendment to Legally Binding Agreement and Property Lease by and among the ARRA; the County; APC; and Bessie Coleman Court, dated September 28, 2004, and recorded in the Alameda County Records on October 6, 2004 as Instrument No. 2004452008 (the "Bessie Coleman LBA First Amendment");

(c) Estoppel Agreement and Lease Rider (Lease) by and among the ARRA, as "Landlord", Bessie Coleman, as "Lessee", and the Department of Housing and Community Development, a public agency of the State of California ("HCD"), as "Department", dated October 4, 2004, and recorded in the Alameda County Records on October 6, 2004 as Instrument No. 2004452009 (the "EHAPCD Estoppel Agreement");

(d) Department of Housing and Community Development, Emergency Housing and Assistance Program, Capital Development NOFA November 30, 2000, Regulatory Agreement, Loan Number 00-EHAPCD-015, dated September 29, 2004, by and between HCD, as "Department" and Bessie Coleman, as "Borrower", and recorded in the Alameda County Records on October 6, 2004 as Instrument No. 2004452010 (the "EHAPCD Regulatory Agreement"); and

(e) Department of Housing and Community Development, Emergency Housing and Assistance Program, Capital Development NOFA November 30, 2000, Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (Permanent Financing), Loan Number 00-EHAPCD-015, dated September 29, 2004, naming Bessie Coleman, as "Borrower", First American Title Company, as "Trustee", and HCD, as lender, and recorded in the Alameda County Records on October 6, 2004 as Instrument No. 2004452011 (the "EHAPCD Deed of Trust");

hereby acknowledge and consent to the recordation of that certain Amendment No. 1 to the Lease in Furtherance of Conveyance between the United States of America and the Alameda Reuse and Redevelopment Authority for the Former Naval Air Station Alameda, dated November 28, 2000 (the "First Amendment to LIFOC"), and agree that the Bessie Coleman LBA, Bessie Coleman LBA First Amendment, EHAPCD Estoppel Agreement, EHAPCD Regulatory Agreement, and EHAPCD Deed of Trust shall be subordinate to the foregoing First

Amendment to LIFOC; and further agree that this Consent and Subordination may be executed in one or more counterparts, and all of the counterparts shall constitute but one and the same consent and subordination, notwithstanding that all parties hereto are not signatory to the same or original counterpart:

ARRA:

Alameda Reuse and Redevelopment Authority,
a joint powers authority formed under California law

By: William C. Norton

Name: William C. Norton

Its: Acting Executive Director

Approved as to form:

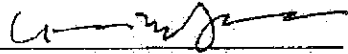
By: Teresa L. Highsmith

Name: Teresa L. Highsmith

Its: Asst. General Counsel

County:

Alameda County Housing and Community Development,
a political subdivision of the State of California

By: 

Name: Linda M. Gardner

Its: Housing Director

Approved as to form:

By: _____

Name: _____

Its: _____

APC:

Alameda Point Collaborative, Inc.,
a California nonprofit public benefit
corporation

By: _____

Name: _____

Its: _____

Bessie Coleman:

Bessie Coleman Court, Inc.,
a California nonprofit public benefit corporation

By: _____

Name: _____

Its: _____

County:

Alameda County Housing and Community Development,
a political subdivision of the State of California

By: _____

Approved as to form:

Name: _____

By: _____

Its: _____

Name: _____

Its: _____

APC:

Alameda Point Collaborative, Inc.,
a California nonprofit public benefit
corporation

By: John W. Shepherd

Name: John W. Shepherd

Its: Executive Director

Bessie Coleman:

Bessie Coleman Court, Inc.,
a California nonprofit public benefit corporation

By: _____

Name: _____

Its: _____

County:

Alameda County Housing and Community Development,
a political subdivision of the State of California

By: _____

Approved as to form:

Name: _____

By: _____

Its: _____

Name: _____

Its: _____

APC:

Alameda Point Collaborative, Inc.,
a California nonprofit public benefit
corporation

By: _____

Name: _____

Its: _____

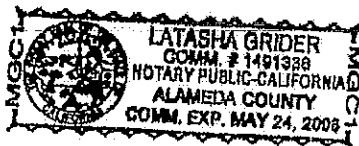
Bessie Coleman:

Bessie Coleman Court, Inc.,
a California nonprofit public benefit corporation

By: Elaine de Coligny

Name: Elaine de Coligny

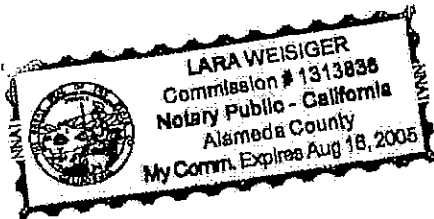
Its: Executive Director



STATE OF CALIFORNIA)
)ss.
COUNTY OF Alameda)

On April 27, 2005, before me, Lara Weisiger personally appeared William C. Norton, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

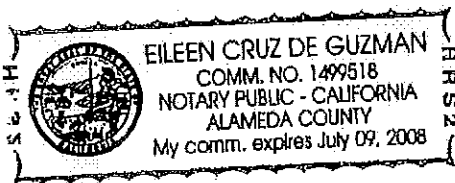
WITNESS my hand and official seal.



Lara Weiss

STATE OF CALIFORNIA)
)ss.
COUNTY OF Alameda)

On April 11, 2005, before me, Eileen C. DE GUZMAN personally appeared Linda M. Gardner personally known to me (or ~~proved to me on the basis of satisfactory~~ evidence) to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that ~~he~~/she/~~they~~ executed the same in his/~~her~~/~~their~~ authorized capacity(~~ies~~), and that by his/~~her~~/~~their~~ signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Eileen C. de Guzman

STATE OF CALIFORNIA)
 Alameda)ss.
COUNTY OF Solano)

On April 6, 2005, before me, John N. Jack Shepherd personally appeared Jack Shepherd, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Anna R. Frankel

STATE OF CALIFORNIA)
)ss.

COUNTY OF ALAMEDA

On 4/26/05, 2005, before me, LATASHA GRIDER personally appeared Elaine Develing personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

[Signature]



LEASE IN FURTHERANCE

OF CONVEYANCE

BETWEEN

THE UNITED STATES OF AMERICA

AND

THE ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY

FOR

THE FORMER NAVAL AIR STATION ALAMEDA

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A Map depicting Leased Premises

LEASE IN FURTHERANCE OF CONVEYANCE

BETWEEN

THE UNITED STATES OF AMERICA

AND

THE ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY

THIS LEASE, made this 6TH day of JUNE, 2000, by and between **THE UNITED STATES OF AMERICA**, acting by and through the Department of the Navy, herein called "**Government**", and **THE ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY**, a Joint Powers Authority established by the City of Alameda and County of Alameda under the California Joint Exercise of Powers Act as set forth in Title 1, Division 7, Chapter 5, Article 1 of the Government Code of the State of California (Government Code Section 6500 et seq.), hereinafter called the called "**Lessee**".

WITNESSETH:

WHEREAS, Government is the owner of certain real and personal property, as more particularly described in Paragraph 1, commonly referred to as the former Naval Air Station Alameda, ("**NAS Alameda**") which was closed as a military installation and is subject to disposal pursuant to and in accordance with the Defense Base Closure and Realignment Act of 1991, as amended (Pub. L. No. 101-510) and Lessee and Government have agreed upon a method of conveyance of said property as set forth in the Economic Development Conveyance Memorandum of Agreement (EDC MOA) dated

June 6, 2000; and

WHEREAS, Prior to the conditions for a deed transfer being met, immediate possession of all or portions of the NAS Alameda is granted to Lessee by this Lease; and

WHEREAS, the Secretary of the Navy, pursuant to the provisions of 10 U.S.C. § 2667 (f)(1), has determined that this Lease will facilitate state and local economic adjustment efforts pending final disposition of the real and personal property; and

WHEREAS, the Secretary of the Navy, pursuant to 10 U.S.C. § 2667 (f)(2) has determined that a public interest will be served as a result of this Lease, the fair market value of the Lease is either unobtainable or not compatible with such public benefit, and that consequently, consideration for this Lease will be at less than fair market value; and

WHEREAS, to the extent that this Lease involves storage, treatment and disposal of toxic or hazardous materials, the Secretary of the Navy has determined that the proposed use of the premises, subject to the terms and conditions of this Lease, meets the criteria of 10 U.S.C. § 2692(b)(9) and (10); and

WHEREAS, the Secretary of the Navy, after consultation with the Environmental Protection Agency Administrator has determined that the Leased Premises is suitable for lease, and the uses contemplated for the Lease are consistent with protection of human health and the environment; and

WHEREAS, the Secretary of the Navy, pursuant to the National Environmental Policy Act, has issued a Record of Decision as to the disposal and reuse of the property; and

WHEREAS, Lessee is recognized by the Secretary of the Defense, through the Office of Economic Adjustment, as the local redevelopment authority with the responsibility for the redevelopment of the NAS Alameda; and

WHEREAS, Lessee has the authority to acquire, lease and dispose of federal military installations, and Lessee desires to enter into this Lease.

NOW THEREFORE: in consideration of the terms, covenants, and conditions hereinafter set forth, Government and Lessee hereby agree as follows:

1. **LEASED PREMISES:**

1.1 Government does hereby lease, rent, and demise to Lessee, and Lessee does hereby hire and rent from Government, leased premises identified as parcels "EDC-1" through "EDC-19 and PBC 1A and PBC 1B" on Exhibit "A", attached hereto and made a part of this lease, together with all personal property identified in Exhibit "F" to the EDC MOA and improvements thereon including elements of Government-owned utility systems within the Premises and serving the Premises, hereinafter called the "Leased Premises", and with the right of ingress and egress to said Leased Premises.

1.2 The existing Large Parcel Lease (LPL) between the Government and Lessee shall terminate as of the commencement date of this Lease.

1.3 The Government reserves the right to continued use of those portions of the Leased Premises identified as follows: (a) Suite 230 located on the second floor of Building 1 containing approximately 2,068 square feet of space; (b) approximately 4,600 of space within Building 114; (c) the first floor of Building 112; (d) Buildings 338 B and C, and (e) Building 346. Such use shall be provided to the Government without payment of rent for the term of this Lease. The Government shall relinquish possession of the above identified space to Lessee at such time as Government no longer requires use of such space.

2. TERM:

2.1 The term of this lease shall be for the period of fifty (50) years commencing on the date of execution of this lease and ending on the date fifty (50) years thereafter, unless sooner terminated in accordance with the provisions of Paragraph 2.2 or Paragraph 14, Termination.

2.2 Termination Upon Tender of Deed: Ten (10) days after the Government tenders to Lessee, in accordance with the provisions of Article 3 of the EDC MOA and applicable law, a good and sufficient quitclaim deed conveying to Lessee any portion of the Leased Premises (each such portion hereinafter referred to as "Conveyed Portion"): (i) this Lease shall automatically terminate with respect to the applicable Conveyed Portion as if such date were the stated expiration date contained herein and neither party hereto shall have any further obligations under this Lease with respect to the Conveyed Portion (other than any obligations which otherwise would survive termination of this Lease); (ii) all references to the Leased Premises shall be deemed to exclude such Conveyed Portion; and (iii) this Lease shall continue in full force and effect with respect to the remainder of the Leased Premises.

3 CONSIDERATION:

3.1 As consideration for this Lease, Lessee agrees to actively market and sublease those portions of the Leased Premises which are suitable for use or occupancy by potential sublessee's. Lessee shall also provide protection and maintenance for all of the Leased Premises during the term of this Lease. As additional consideration, Lessee shall apply any revenue received from

subleasing the Leased Premises for those purposes described in the EDC MOA under the Article 6, entitled "Use of Proceeds from Sale or Lease."

3.2 Lessee is fully responsible for operation, protection, maintenance and repair of the entire Leased Premises including, but not limited to: fire fighting; general perimeter and internal security; maintenance and repair of buildings, structures, fencing, paved areas, roads, streets, sidewalks, curbs and gutters; operation, maintenance and repair of street lighting and signage and alarm systems; operation, maintenance and repair of storm sewer, sanitary sewer and potable water systems; pest control; grounds maintenance; and general administration of these services.

3.3 Lessee accepts the Leased Premises and all tangible Government property contained therein in its present state of repair and condition. The Lessee shall, at its own expense, and to its own standards, maintain the Leased Premises. All repairs, replacements, alterations, and improvements shall thereupon become part of the leased property. During the term of this agreement, Government shall have no responsibility except as otherwise described herein, financial or otherwise, with respect to protection and maintenance of the leased property.

3.4 Lessee shall be responsible for paying the cost of services incurred by Government and provided for the benefit of Lessee and sublessees including any costs incurred which are specifically attributable to an action (or inaction) of Lessee or sublessees.; however, nothing in this Lease commits Government to provide any services to the Leased Premises.

3.5 Consistent with accounting practices used by Lessee under the LPL, Lessee shall keep adequate records and books of account showing the actual cost to it of all items of labor, material, equipment, supplies, services and other items of cost incurred by it directly in the performance of any item of work or service in the nature of marketing and management; the repair, restoration, protection and maintenance of Leased Premises which is required by Paragraph 12; or otherwise approved or directed by Government. Lessee shall provide Government with access to such records and books of account and proper facilities for inspection thereof at all reasonable times.

USE OF LEASED PREMISES:

4.1 Lessee may use the Leased Premises (including the related personal property and fixtures) for the purposes set forth in the Alameda Reuse

and Redevelopment Plan subject to the uses being consistent with the National Environmental Policy Act (NEPA) Record of Decision (ROD) for the disposal and reuse of the former Naval Air Station Alameda. . Lessee and its tenants shall obtain a City of Alameda Use Permit and other applicable City permits and approvals for any intended use of the Leased Premises. The Lease may be terminated by Government as provided by the terms of the Lease pursuant to Paragraph 14, and Lessee agrees to and acknowledges such terms

4.2 Lessee shall not undertake any activity that may affect an identified historic or archeological property, including excavation, construction, alteration maintenance or repairs of Leased Premises, Historic Buildings, or sites in a manner that is inconsistent with the Memorandum of Agreement Among The United States Navy, The Advisory Council on Historic Preservation The California State Historic Preservation Officer, and the City of Alameda regarding historic properties on the former Naval Air Station Alameda, set forth as Exhibit "E" to the EDC MOA. Buried cultural materials may be present on the premises. If such materials are encountered, Lessee shall stop work immediately and notify Government.

5 SUBLETTING:

5.1 Lessee may enter into subleases. Prior Government approval is not required if the terms and conditions of the sublease comply with or are included in the terms and conditions of this Lease. In the event that the terms and conditions of the proposed sublease do not comply with or are not included in this Lease, then prior Government approval is required. Any proposed sublease which involves the use of hazardous or toxic materials, including those of an explosive, flammable or pyrotechnic nature, as provided in 10 U.S.C. § 2692, shall require prior approval. Such consent shall not be unreasonably withheld or delayed. Each sublease shall contain the environmental protection provisions set forth in Paragraph 13 herein. Under no circumstances shall Lessee assign this Lease.

5.2 Any sublease granted by Lessee shall contain a copy of this Lease as an attachment and be subject to all terms and conditions of this Lease and shall terminate immediately upon the expiration or any earlier termination of this Lease, without any liability on the part of Government to Lessee or any sublessee. Under any sublease made, with or without consent, the sublessee shall be deemed to have assumed all of the obligations of Lessee under this Lease. No sublease shall relieve Lessee of any of its obligations hereunder.

5.3 Upon its execution, a copy of the sublease shall be furnished to Government within 30 calendar days. Should a conflict arise between the provisions of this Lease and a provision of the sublease, the provisions of this Lease shall take precedence. Any sublease shall not be taken or construed to diminish or enlarge any of the rights or obligations of either of the parties under this Lease.

6. **CONDITION OF PROPERTY:**

6.1 The Joint Inspection Reports executed as part of the LPL are made a part of this Lease by reference, and shall be used to describe the condition of the Leased Premises and inventory of Government real property as of the commencement of this Lease.

6.2 Leased Premises shall be delivered to Lessee "AS IS", "WHERE IS". Government makes no warranty as to Leased Premises' usability generally or as to its fitness for any particular purpose. Any safety and/or health hazards identified shall be corrected, at Lessee's expense, prior to use and occupancy.

6.3 In the event the Lease is terminated, Lessee shall return the Leased Premises to Government in the same or better condition in which it was received, reasonable wear and tear and acts of God excepted. The Lessee is not obligated to demolish or restore improvements to the Leased Premises once those improvements have been completed.

7. **ENVIRONMENTAL BASELINE SURVEYS AND FINDINGS OF SUITABILITY TO LEASE:**

Environmental Baseline Surveys for Lease (EBSLs) and Findings of Suitability to Lease (FOSLs) are set forth as Exhibit "B" to the LPL and by reference are made part of this Lease. The EBSLs set forth the existing environmental conditions of Leased Premises as represented by the baseline surveys which have been conducted by Government. The FOSLs set forth the basis for the Government's determination that the Leased Premises are suitable for leasing. Lessee is hereby made aware of the notifications contained in the FOSLs and shall comply with lease restrictions set forth therein.

8. **ALTERATIONS:**

8.1 Lessee and sublessee(s) shall not begin excavation, construction, alteration, maintenance or repairs of the Leased Premises without the prior written consent of Government. Government will be deemed to have consented

to such excavation, construction, alteration, maintenance or repairs if a response is not received from the Government within 30 (thirty) days following receipt of the notice described in paragraph 8.2 of this Lease. All work shall be done in a workmanlike manner and be subject to the requirements of all state and local building codes. No work shall commence prior to obtaining a City of Alameda Building Permit and all other applicable City and State permits and approvals authorizing such work. Except as such written approval shall expressly provide otherwise, all work affixed to Lease Premises shall, become Government property if the Leased Premise is not conveyed to Lessee.

8.2 Lessee shall provide Government with prior written notification and a full description of all proposed excavation, construction, alteration, maintenance or repairs of the Leased Premises, including information addressing whether the proposed excavation, construction, alteration, maintenance or repairs fall within the scope of the Alameda Reuse and Redevelopment Plan, the NEPA ROD, or the Memorandum of Agreement Among The United States Navy, The Advisory Council on Historic Preservation, The California State Historic Preservation Officer, and the City of Alameda regarding historic properties on the former Naval Air Station Alameda, set forth as Exhibit "E" to the EDC MOA, or may adversely affect the environmental cleanup of Leased Premises, human health, or the environment. Such written notification shall be delivered by Lessee to Government's representative as designated in Paragraph 19 of this Lease.

8.3 All personal property and trade fixtures of Lessee or any third person may be removed and Lessee shall repair any damages to Leased Premises resulting from such removal.

9. **ACCESS BY GOVERNMENT:**

In addition to access required under Paragraph 13, at all reasonable times throughout the term of this Lease, Government shall be allowed access to Leased Premises for any purposes upon notice to Lessee. Government will give Lessee or any sublessee twenty-four (24) hour prior notice of its intention to enter Leased Premises, unless it determines the entry is required for exigent circumstances related to health, safety or security. Lessee shall have no claim against Government or any officer, agent, employee, contractor or subcontractor of Government by reason of entry by such Government officer, agent, employee, contractor or subcontractor onto the Leased Premises. All keys to the buildings and facilities occupied by Lessee or any sublessee shall be made available to Government upon request.

10. **UTILITIES AND SERVICES:**

10.1 Procurement of utilities, i.e., electricity, water, gas, steam, sewer, telephone and trash removal will be the responsibility of Lessee

10.2 Lessee shall be fully responsible for operation, maintenance, repair, replacement and administration of all elements of Government-owned utility systems within the Premises and serving the Premises. The Government in no way warrants the adequacy of any of the existing utility systems serving the Leased Premises and will not be responsible during the term of this Lease for any maintenance, alteration repair or replacement of any part of said utility systems except as may be required for execution of environmental remediation work undertaken by the Government.

10.3 The Lessee shall provide for uninterrupted continuation of electrical, water and sanitary sewer service on the Leased Premises by establishing necessary contracts with utility providers for commencement of service and billing as of the effective date of this Lease. Lessee shall be fully responsible for installing meters, and the cost and expense thereof, as may be required to monitor utilities use on the Leased Premises as a whole or by any of its sublessees individually.

11. **NON-INTERFERENCE WITH OPERATIONS:**

Lessee shall not conduct operations or make any alterations (as defined in Paragraph 8) on the Leased Premises that would interfere with or otherwise restrict operations, environmental clean up or restoration actions by Government, Environmental Protection Agency (EPA), state environmental regulators, or their contractors. Environmental clean up, restoration or testing activities by these parties shall take priority over Lessee's use of Leased Premises in the event of any conflict. Notwithstanding that priority, the Government shall make every reasonable effort to work with the Lessee and its sublessee's to develop a plan to conduct the remediation of environmental contamination, including investigation, inspections, survey and response or remedial actions, in a manner that minimizes interference with Lessee's and sublessee's use of Leased Premises. The Government shall provide reasonable and timely prior written notice of all intended Navy operations that may or will interfere with Lessee's or sublessee's use, occupancy or access to the Leased Premises. Government and Lessee agree to consult with one another on a regular basis to resolve any conflicts that may arise, between the Government's remedial efforts and Lessee's and sublessee's use of the Leased Premises, in a

mutually agreeable manner. Any work by Lessee or sublessee in the proximity of Operable Units that are part of a National Priorities List (NPL) Site may require written approval by the Government's Remedial Project Manager.

12. PROTECTION AND MAINTENANCE SERVICES:

12.1 Government shall not be required to furnish any services or facilities to Lessee or to make any repair or alteration in or to Leased Premises. Lessee hereby assumes the full and sole responsibility for the protection, maintenance (including trash and debris removal), and repair or alteration of Leased Premises, excluding properties and parcels occupied by the Government or an agent of the Government, at no cost or expense to the Government.

12.2 Lessee shall provide or cause to be provided all fire and security services necessary to assure security and safety within the Leased Premises. Any crimes or other offenses, involving damage to or theft of Government property shall be reported to the appropriate authorities for their investigation and disposition and to Government as property owner.

13. ENVIRONMENTAL PROTECTION PROVISIONS:

13.1 Lessee, sublessees and contractors shall comply with all applicable Federal, state and local laws, regulations and standards that are or may become applicable to Lessee's activities on Leased Premises.

13.2 The Lessee or any sublessee shall be solely responsible for obtaining at its cost and sole expense any environmental permits required for its operations under the Lease, independent of any existing permits held by the Government. The Lessee shall not conduct operations or activities under any environmental permit that names the Government as a secondary discharger or co-permittee. Lessee shall provide prior written notice to Government of all environmental permits and permit applications required for any of Lessee's or sublessee's operations or activities. Lessee acknowledges that the Government will not consent to being named a secondary discharger or co-permittee for any operations or activities of the Lessee or any sublessee under the Lease.

13.3 Government's rights under this Lease specifically include the right for Government officials to inspect upon reasonable notice Leased Premises for compliance with environmental, safety and occupational health laws and regulations, whether or not Government is responsible for enforcing them. Such inspections are without prejudice to the right of duly constituted enforcement

officials to make such inspections. Government normally will give Lessee or sublessee twenty-four (24) hours prior notice of its intention to enter Leased Premises unless it determines the entry is required for exigent circumstances related to health, safety, or security. Lessee shall have no claim against the Government or any officer, agent, employee, contractor or subcontractor of Government by reason of entrance by such Government officer, agent, employee, contractor or subcontractor onto the Leased Premises,

13.4 Government acknowledges that Installation has been identified as a National Priorities List (NPL) Site under the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) of 1980, as amended. Lessee acknowledges that Government has provided it with a copy of the NAS Alameda Federal Facility Agreement (FFA) entered into by the United States Environmental Protection Agency (EPA) Region, the state equivalent, and the Government. Government will provide Lessee with a copy of any amendments thereto. Lessee agrees that should any conflict arise between the terms of such agreement as it presently exists or may be amended ("FFA," "Interagency Agreement" or "IAG") and the provisions of this Lease, the terms of the FFA or IAG will take precedence. Lessee further agrees that notwithstanding any other provision of this Lease, Government assumes no liability to Lessee or its sublessees or licensees should implementation of the FFA interfere with Lessee's or any sublessee's and licensee's use of Leased Premises. Lessee shall have no claim on account of any such interference against the United States or officer, agent, employee, contractor or subcontractor thereof, other than for abatement of rent, where applicable.

13.5 Government, EPA (for NPL sites) and the State (for non-NPL sites) and their officers, agents, employees, contractors and subcontractors, have the right, upon reasonable notice to Lessee and/or any sublessee, to enter upon Leased Premises for the purposes enumerated in this subparagraph and for such other purposes consistent with any provisions of the cleanup program (including but not limited to the BRAC Cleanup Plan, IRP, FFA, or IAG):

13.5.1 to conduct investigations and surveys, including, where necessary, drilling, soil and water sampling, testpitting, testing soil borings and other activities related to the cleanup program;

13.5.2 to inspect field activities of Government and its contractors and subcontractors in implementing the cleanup program;

13.5.3 to conduct any test or survey required by EPA or applicable state equivalent relating to the implementation of the cleanup program;

13.5.4 to construct, operate, maintain or undertake any other response or remedial action as required or necessary under the cleanup program, including but not limited to monitoring wells, pumping wells and treatment facilities.

13.6 Lessee agrees to comply with the provisions of any health or safety plan in effect under the IRP or the FFA during the course of any of the above described response or remedial actions. Any inspection, survey, investigation or other response or remedial action will, to the extent practicable, be coordinated with representatives designated by Lessee and any sublessee. Lessee and sublessee shall have no claim on account of such entries against the United States or any officer, agent, employee, contractor or subcontractor thereof. In addition, Lessee shall comply with all applicable Federal, state and local occupational safety and health regulations

13.7 Lessee further agrees that in the event of any sublease of Leased Premises, Lessee shall provide to EPA and applicable state equivalent by certified mail a copy of the agreement or sublease of Leased Premises (as the case may be) within fourteen (14) calendar days after the effective date of such transaction. Lessee may delete the financial terms and any other proprietary information from the copy of any agreement of sublease furnished pursuant to this condition.

13.8 Lessee shall strictly comply with the hazardous waste permit requirements under the Resource Conservation and Recovery Act or its applicable state equivalent. Except as specifically authorized by Government in writing, Lessee must provide at its own expense such hazardous waste management facilities complying with all laws and regulations. Government hazardous waste management facilities will not be available to Lessee. Any violation of the requirements of this condition shall be deemed a material breach of this Lease.

13.9 DoD component accumulation points for hazardous and other waste will not be used by Lessee or any sublessee. Neither will Lessee or sublessee permit its hazardous wastes to be commingled with hazardous waste of DoD Component.

13.10 Lessee shall have a Government-approved plan for responding to hazardous waste, fuel and other chemical spills prior to commencement of operations on Leased Premises. Such plan shall be independent of Installation plan and, except for initial fire response and/or spill containment, shall not rely on use of Installation personnel or equipment. Should Government provide any personnel or equipment whether for initial fire response and/or spill containment, or otherwise on request of Lessee, or because Lessee was not, in the opinion of Government, conducting timely cleanup actions, Lessee agrees to reimburse Government for its costs in association with such response or cleanup.

13.11 Lessee shall not conduct or permit its sublessees to conduct any subsurface excavation, digging, drilling or other disturbance of the surface without the prior written approval of Government.

13.12 To the extent required by law and regulation, Government shall abate, remove or otherwise remedy all friable, accessible and damaged asbestos containing material (ACM), except as provided in paragraph 13.12.2 below, lead based paint (LBP), and any polychlorinated biphenyls (PCBs) from Leased Premises. The presence of known ACM, LBP or PCBs shall be fully identified in an Environmental Baseline Survey (EBS) and/or Supplemental Environmental Baseline Survey (SEBS), as set forth in Exhibit "B" to the LPL.

13.12.1 If Lessee intends to make any improvements or repairs that require the removal of asbestos, an appropriate asbestos disposal plan must be incorporated into the plans and specifications and submitted to Government. The asbestos disposal plan will identify the proposed disposal site for the asbestos, or in the event the site has not been identified, will provide for disposal at a licensed facility authorized to receive it.

13.12.2 ACM which, since the commencement of the LPL, became damaged or deteriorated through the passage of time, as the result of a natural disaster or as a consequence of Lessee's activities under this Lease, including but not limited to any emergency, will be abated by Lessee at its sole cost and expense. Notwithstanding Paragraph 13.12.1 above, in an emergency, Lessee will notify Government as soon as practicable of its emergency ACM responses. Lessee shall be responsible for monitoring the condition of existing ACM on Leased Premises for deterioration or damage and accomplishing repairs or abatement pursuant to the applicable conditions of this Lease.

13.12.3 Lessee is hereby advised that the buildings and other painted structures in the Leased Premises are potentially painted with Lead Based Paints (LBP). Such buildings and structures shall not be suitable for

occupancy for residential purposes until any inspections and abatement required by applicable law have been completed. Lessee may, at its sole cost and expense, have a State Certified LBP Inspector complete a LBP inspection and abatement and provide an abated certification to the Government, at which time with written Government approval, the specified premises can be used for residential purposes.

13.12.4 Subject to the provisions of Paragraphs 13.12.2 and 13.12.3, Lessee shall manage at its sole cost and expense any asbestos containing materials (ACM) and LBP property and comply with all applicable Federal, State and local laws.

13.15 Lessee shall indemnify and hold harmless Government from any costs, expenses, liabilities, fines or penalties resulting from discharges, emissions, spills, storage or disposal arising from Lessee's occupancy, use or operations, or any other action by Lessee or any sublessee giving rise to Government liability, civil or criminal, or any other action by Lessee or any sublessee giving rise or responsibility under Federal, state or local environmental laws. Lessee's obligations hereunder shall apply whenever Government incurs costs or liabilities for Lessee's activities or activities of any sublessee as provided hereunder. This provision shall survive the expiration or termination of this Lease.

13.16 Storage, treatment or disposal of toxic or hazardous materials on the Leased Premises is prohibited excepted as authorized by Government in accordance with 10 U.S.C. § 2692.

13.17 The responsibility of the Government to indemnify and hold harmless the Lessee and any sublessees against toxic torts and other environmental claims shall be in accordance with Public Law 102-484, Section 330, as amended

13.18 Lessee be solely responsible for any dredging and/or dredge disposal requirements associated with the berthing of vessels under this Lease, including any permits required for dredging. The Lessee shall be responsible for verifying the water depth prior to moving vessels to any berthing or pier facilities. The Lessee shall periodically verify the depth of the water and consider the effects of siltation rates to insure that vessels can be safely berthed and removed from berthing space.

13.19 Lessee and its sublessee's are prohibited from interfering with any predator management or animal control activities.

13.20 Lessee or its' sublessee shall maintain copies of any permit applications made to any Federal, State or local regulatory agencies and shall provide copies to Government on reasonable request. Lessee shall promptly notify Government of any notices of violation or noncompliance received by Lessee from any such agency, concerning environmental matters or hazardous substances or hazardous waste on, about, or pertaining to the Leased Premises.

13.21 Lessee shall be responsible for reporting, containment, removal and clean up of any land, air or water pollution that occurs on any Leased Premises as a result of Lessee or sublessee's use of the Leased Premises.

14. **TERMINATION:**

14.1 Termination by Government. The Government shall have the right to terminate this lease, at any time, (i) upon Lessee's failure to perform or fulfill any obligation, condition, term or agreement contained in this lease required on the part of the Lessee to be performed or fulfilled or, (ii) in the event that the use is incompatible with the ROD or, (iii) in the event of a national emergency as declared by the President or the Congress of the United States in accordance with the National Emergencies Act. The Government's right to terminate this Lease under subdivision (i) and (ii) above, may only be exercised if the Lessee does not cure such failure in a manner acceptable to the Government within thirty (30) days (or more if authorized in writing by the Government) after receipt of the written notice from the Government specifying the failure. Unless special circumstances justify a shorter period, the Lessee will be provided with no less than sixty (60) days notice. Unless special circumstances justify a shorter period, the Lessee will be provided with no less than thirty (30) days' notice that termination is necessary and will be provided a reasonable time to vacate the Leased Premises. In the event of termination for any reason not involving a breach by the Lessee of the terms and conditions of this lease, the Government shall make an equitable adjustment of any advance rentals paid by the Lessee hereunder. In the event that the Government shall elect to terminate this lease on account of the breach by the Lessee of any of the terms and conditions hereof, the Government shall be entitled to recover and the Lessee shall pay to the Government:

14.1.1 The reasonable costs incurred in resuming possession of the Leased Premises.

14.1.2 The costs incurred in performing any obligation on the part of the Lessee to be performed hereunder.

14.1.3 An amount equal to the aggregate of any obligations and charges assumed hereunder and not therefore paid or satisfied, which amounts shall be due and payable at the time when such Rent, obligations, and charges would have accrued or become due and payable under this lease.

15. **ENVIRONMENTAL CONTAMINATION:**

In the event environmental contamination is discovered on Leased Premises which creates, in Government's determination, an imminent and substantial endangerment to human health or the environment which necessitates evacuation of Leased Premises, and notwithstanding any other termination rights and procedures contained in this Lease, Lessee shall vacate or require any sublessee to vacate Leased Premises immediately upon notice from Government of the existence of such a condition. Exercise of this right by Government shall be without liability, except that Lessee shall not be responsible for the payment of consideration, the amount of deduction to be determined on a daily pro-rata basis, during the period Leased Premises is vacated. Government's exercise of this right herein to order the Leased Premises immediately vacated does not alone constitute a termination of the Lease, but such right may be exercised in conjunction with any other termination rights provided in this Lease or by law.

16. **NON-ENVIRONMENTAL INDEMNIFICATION BY LESSEE.**

Lessee shall indemnify, defend, and save Government harmless and shall pay all costs, expenses and reasonable attorney's fees for all trial and appellate levels and post judgment proceedings in connection with any fines, suits, actions, damages, liability, causes of action of every nature whatsoever arising or growing out of, or in any manner connected with, the occupation or use of the Leased Premises by Lessee and the employees, agents, servants, guests, invitees, contractors and sublessees of Lessee. These include, but are not limited to, any fines, claims, demands and causes of action of every nature whatsoever which may be made upon, sustained or incurred by Government by reason of any breach, violation, omission or non-performance of any term, covenant or condition hereof on the part of Lessee or the employees, agents, servants, guests, invitees and sublessees of Lessee. This indemnification also applies to claims arising out of the furnishing of any utilities or services by

Government or any interruption therein or failure thereof, whether or not the same shall be occasioned by the negligence or lack of diligence of Lessee, its officers, agents, servants, employees or sublessees. However, this indemnity shall not extend to damages due to the sole fault or negligence of Government or its contractors. This covenant shall survive the termination of this Lease.

17. **INSURANCE:**

17.1 At the commencement of this Lease, Lessee shall provide, or cause to be provided, from a reputable insurance company or companies, comprehensive general liability insurance. The insurance shall provide an amount not less than the minimum combined single limit of \$5,000,000.00 for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting therefrom, property damage or both, suffered or alleged to have been suffered by any person or persons resulting from the operations of Lessee, sublessees, contractors and invitees under the terms of this Lease. Lessee shall require its insurance company to furnish Government a copy of the policy or policies, or if acceptable to Government, certificates of insurance evidencing the purchase of such insurance. The minimum amount of liability insurance coverage is subject to revision by Government every three years or upon renewal or modification of this Lease.

17.2 As to those structures and improvements on Leased Premises constructed by or owned by Government, Lessee shall procure and maintain at Lessee's cost a standard fire and extended coverage insurance policy or policies on Leased Premises in an amount not less than \$5,000,000.00 to demolish damaged or destroyed structures and improvements, remove debris, and clear the Leased Premises. Lessee shall procure such insurance from a reputable company or companies. The insurance policy shall provide that in the event of loss thereunder, the proceeds of the policy or policies, at the election of Government, shall be payable to Lessee to be used solely for the demolition of damaged or destroyed structures and improvements, removal of debris and clearance of the Leased Premises or for repair, restoration, or replacement of the property damaged or destroyed. Any balance of the proceeds not required for such purposes shall be paid to Government. If Government does not elect, by notice in writing to the insurer within thirty (30) calendar days after the damage or destruction occurs, to have the proceeds paid to Lessee for the purposes herein above set forth, then such proceeds shall be paid to Government, provided however that the insurer, after payment of any proceeds to Lessee in accordance with the provision of the policy or policies, shall have no obligation or liability with respect to the use or disposition of the proceeds by

Lessee. Nothing herein contained shall be construed as an obligation upon Government to repair, restore or replace Leased Premises or any part thereof.

17.3 If and to the extent required by law, Lessee shall provide workmen's compensation or similar insurance in form and amounts required by law.

17.4 During the entire period this Lease shall be in effect, Lessee shall require its contractors or sublessees or any contractor performing work at Lessee's or sublessee's request on Leased Premises to carry and maintain the insurance required below:

17.4.1 Comprehensive general liability insurance, in the amount of \$5,000,000.00 per occurrence with respect to personal injury or death, and \$3,000,000.00 per occurrence with respect to property damage.

17.4.2 Workman's compensation or similar insurance in form and amounts required by law.

17.5 All insurance which this Lease requires Lessee or sublessee to carry and maintain or cause to be carried or maintained shall be in such form, for such periods of time, and with such insurers as Government may reasonably require or approve. All policies or certificates issued by the respective insurers for public liability and property insurance will name Government as an additional insured, provide that any losses shall be payable notwithstanding any act or failure to act or negligence of Lessee or Government or any other person, provide that no cancellation, reduction in amount or material change in coverage thereof shall be effective until at least thirty (30) calendar days after receipt by Government of written notice thereof; provide that the insurer shall have no right of subrogation against Government; and be reasonably satisfactory to Government in all other respects. In no circumstances will Lessee be entitled to assign to any third party, rights of action which Lessee may have against Government.

17.6 Lessee and sublessees shall deliver or cause to be delivered promptly to Government a certificate of insurance evidencing the insurance required by this Lease and shall also deliver prior to expiration of any such policy, a certificate of insurance evidencing each renewal policy covering the same risks.

18. **LABOR PROVISION:**

During the term of this Lease, Lessee agrees as follows:

18.1 Lessee will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. Lessee shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation and selection for training, including apprenticeship. Lessee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by Government setting forth the provisions of this nondiscrimination clause.

18.1.1 Lessee shall, in all solicitations or advertisements for employees placed at Leased Premises by or on behalf of Lessee, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

18.1.2 Lessee shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice to be provided by Government, advising the labor union or worker's representative of Lessee's commitments under this equal opportunity clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

18.1.3 Lessee shall comply with all provisions of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and of the rules, regulations and relevant orders of the Secretary of Labor.

18.1.4 Lessee shall furnish all information and reports required by Executive order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and of the rules, regulations and relevant orders of the Secretary of Labor or pursuant thereto, and will permit access to his books, records and accounts by Government and the Secretary of Labor for purposes of investigating to ascertain compliance with such rules, regulations and orders.

18.1.5 In the event of Lessee's noncompliance with the equal opportunity clause of this Lease or with any of said rules, regulations or orders, this lease may be canceled, terminated or suspended in whole or in part and Lessee may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, as amended by Executive order 11375 of October 13, 1967, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, or by rule, regulation or order of the Secretary of Labor, or otherwise provided by law.

18.1.6 Lessee will include the above provisions in every sublease unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, so that such provisions will be binding upon each sublessee. Lessee will take such action with respect to any sublessee as Government may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event Lessee becomes involved, or is threatened with litigation with sublessee as a result of such direction by Government, Lessee may request the United States to enter into such litigation to protect the interest of the United States.

18.2 This Lease, to the extent that it is a contract of a character specified in the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) and is not covered by the Walsh-Healy Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and exceptions of said Contract Work Hours and Safety Standards Act and to all other provisions and exceptions of said law.

18.2.1 Lessee shall not require or permit any laborer or mechanic in any workweek in which he is employed on any work under this Lease to work in excess of 40 hours in such work week on work subject to the provisions of the Contract Work Hours and Safety Standards Act unless such laborer or mechanic receives compensation at a rate not less than one and one-half times his basic rate of pay for all such hours worked in excess of 40 hours in such work week. The "basic rate of pay", as used in this clause, shall be the amount paid per hour, exclusive of Lessee's contribution or cost for fringe benefits and any cash payment made in lieu of providing fringe benefits or the basic hourly rate contained in the wage determination, whichever is greater.

18.2.2 In the event of any violation of the provision of Paragraph 18.2.1, Lessee shall be liable to any affected employee for any amounts due, and to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic employed in violation of the provisions of paragraph 18.2.1 in the sum of ten \$10.00 for each calendar day on which such employee was required or permitted to be employed on such work in excess of the standard work week of 40 hours without payment of the overtime wages required by Paragraph 18.2.1.

18.3 In connection with the performance of work required by this Lease, Lessee agrees not to employ any person undergoing a sentence of imprisonment at hard labor.

19. **SUBMISSION OF NOTICES:**

19.1 Notices shall be sufficient under this Lease if made in writing and to the following addressees:

If to Authority: James M. Flint, Executive Director
Alameda Reuse and Redevelopment
Authority Alameda City Hall
2263 Santa Clara Avenue
Alameda, CA 94501-4456
(Facsimile: 510-748-4504)

with a copy to: Carol Korade, General Counsel
Alameda Reuse and Redevelopment
Authority Alameda City Hall; Room 280
2263 Santa Clara Avenue
Alameda, California 94501-4456
(Facsimile: 510-748-4691)

and to: George R. Schlossberg, Esq.
Kutak Rock
1101 Connecticut Avenue, N.W.
10th Floor
Washington, D.C. 20036
(Facsimile: 202-828-2488)

If to Government: Commanding Officer
Southwest Division
Engineering Field Division
Naval Facilities Engineering Command
1220 Pacific Highway
San Diego, CA 92132-5189
(Facsimile: 619-532-3830)

The individuals identified above shall be the representatives of the parties and the points of contact during the period of this Lease.

19.2 From time to time during the lease term, Lessee may designate one or more additional parties (each, an "Additional Notice Party" and collectively the "Additional Notice Parties") to receive a copy of every notice sent to Lessee hereunder. Such designation shall be made in writing in accordance with Section 19.1 above, and shall include the name of the Additional Notice Party, a complete mailing address (including street address), telephone number and contact person. Following Lessor's receipt of such designation, Lessor shall cause a copy of any notice given to Lessee to be given simultaneously to all Additional Notice parties. Lessee may remove an Additional Notice Party or change an address or contact person by giving notice of the same in accordance with Section 19.1 above.

20. **AUDIT:**

This Lease shall be subject to audit by any and all cognizant Government agencies. Lessee shall make available to such agencies for use in connection with such audits all records, which it maintains with respect to this Lease and copies of all reports required to be filed hereunder.

21. **AGREEMENT:**

This Lease shall not be modified unless in writing and signed by both parties. No oral statements or representation made by, for or on behalf of either party shall be a part of this Lease. Should a conflict arise between the provisions of this Lease and any exhibit hereto, or any other agreement between Government and Lessee, the provisions of this Lease shall take precedence.

22. FAILURE TO INSIST ON COMPLIANCE:

The failure of Government to insist, in any one or more instances, upon performance of any of the terms, covenants or conditions of this Lease shall not be construed as a waiver or relinquishment of Government's right to the future performance of any such terms, covenants or conditions and Lessee's obligations in respect to such future performance shall continue in full force and effect.

23. DISPUTES:

23.1 This lease is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613) (the Act).

23.2 Except as provided in the Act, all disputes arising under or relating to this lease shall be resolved under this clause.

23.3 "Claim", as used in this clause, means a written demand or written assertion by Lessee or Government seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of lease terms, or other relief arising under or relating to this Lease. A claim arising under this Lease, unlike a claim relating to this Lease, is a claim that can be resolved under a lease clause that provides for the relief sought by the claimant. However, a written demand or written assertion by Lessee seeking the payment of money exceeding \$100,000 is not a claim under the Act until certified as required by subparagraph 23.4 below. A voucher, invoice or other routine request for payment that is not in dispute when submitted, is not a claim under the Act. The submission may be converted to a claim under the Act, by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time. "Command" used in this clause means the Command described in Addendum (a).

23.4 A claim by Lessee shall be made in writing and submitted within six (6) years after accrual of the claim, to the Command, for a written decision. A claim by the Government against Lessee shall be subject to a written decision by the Command.

23.4.1 Lessee shall provide the certification specified in subparagraph 23.4.3 of this clause when submitting any claim:

- (a) Exceeding \$100,000; or

(b) Regardless of the amount claimed, when using:

- (1) Arbitration conducted pursuant to 5 U.S.C. 575-580; or
- (2) Any other alternative means of dispute resolution (ADR)

technique that the agency elects to use in accordance with the Administrative Dispute Resolution Act (ADRA).

23.4.2 The certification requirement does not apply to issues in controversy that have not been submitted as all or part of a claim.

23.4.3 The certification shall state as follows: "I certify that the claim is made in good faith; that the supporting data are accurate and complete to the best of my knowledge and belief; that the amount requested accurately reflects the contract adjustment for which Lessee believes Government is liable; and that I am duly authorized to certify the claim on behalf of Lessee."

23.4.4 The certification may be executed by any person duly authorized to bind Lessee with respect to the claim.

23.5 For Lessee claims of \$100,000 or less, the Command, must, if requested in writing by Lessee, render a decision within 60 calendar days of the request. For Lessee-certified claims over \$100,000, the Command, must, within 60 calendar days, decide the claim or notify Lessee of the date by which the decision will be made.

23.6 The Command's, decision shall be final unless Lessee appeals or files a suit as provided in the Act.

23.7 At the time a claim by the Lessee is submitted to Command or a claim by Government is presented to Lessee, the parties, by mutual consent, may agree to use ADR. When using arbitration conducted pursuant to 5 U.S.C. 575-580, or when using any other ADR technique that the agency elects to employ in accordance with the ADRA, any claim, regardless of amount, shall be accompanied by the certification described in Paragraph 23.4.3 of this clause, and executed in accordance with Paragraph 23.4.4 of this clause.

23.8 Government shall pay interest on the amount found due and unpaid by Government from (1) the date the Command receives the claim (properly certified if required), or (2) the date payment otherwise would be due, if that date is later, until the date of payment. With regard to claims having defective

certifications, as defined in FAR 33.201, interest shall be paid from the date that the Command initially receives the claim. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury, as provided in the Act, which is applicable to the period during which the Command receives the claim and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim.

23.9 Lessee shall proceed diligently with the performance of Lease, pending final resolution of any request for relief, claim, appeal or action arising under Lease, and comply with any decision of the Command.

24. COVENANT AGAINST CONTINGENT FEES:

Lessee warrants that no person or agency has been employed or retained to solicit or secure this Lease upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial agencies maintained by Lessee for the purpose of securing business. For breach or violation of this warranty, Government shall have the right to annul this Lease without liability or in its discretion, to require Lessee to pay, in addition to the rental or consideration, the full amount of such commission, percentage, brokerage or contingent fee.

25. OFFICIALS NOT TO BENEFIT:

No member of or delegate to Congress or Resident Commissioner, shall be admitted to any share or part of this Lease or to any benefit to arise therefrom, but this provision shall not be construed to extend to this Lease if made with a corporation for its general benefit.

26. LIENS:

Lessee shall promptly discharge or cause to be discharged any valid lien, right in rem, claim or demand of any kind, except one in favor of Government, which at any time may arise or exist with respect to the Leased Property or materials or equipment furnished therefor, or any part thereof, and if the same shall not be promptly discharged by Lessee, or should Lessee or sublessee be declared bankrupt or make an assignment on behalf of creditors, or should the leasehold estate be taken by execution, Government reserves the right to take immediate possession without any liability to Lessee or any sublessee. Lessee and any sublessee shall be responsible for any costs incurred by Government in securing clear title to its property.

27. **TAXES:**

Lessee shall pay to the proper authority, when and as the same become due and payable, all taxes, assessments and similar charges which, at any time during the term of this Lease, may be imposed upon Lessee with respect to Leased Premises. Title 10 United States Code, Section 2667(e) contains the consent of Congress to the Taxation of Lessee's interest in Leased Premises, whether or not the Leased Premises are in an area of exclusive federal jurisdiction. Should Congress consent to taxation of Government's interest in the property, this Lease will be renegotiated.

28. **SUBJECT TO EXISTING AND FUTURE EASEMENTS AND RIGHTS-OF-WAY:**

This Lease is subject to all outstanding easements and rights-of-way for location of any type of facility over, across, in and upon Leased Premises or any portion thereof and to the right of Government to grant such additional easements and rights-of-way over, across, in and upon Leased Premises as it shall determine to be in the public interest; provided that any such additional easement or right-of-way shall be conditioned on the assumption by the grantee thereof of liability to Lessee for such damages as Lessee shall suffer for property destroyed or property rendered unusable on account of the grantee's exercise of its rights thereunder. There is hereby reserved to the holders of such easements and rights-of-way as are presently outstanding or which may hereafter be granted, to any workers officially engaged in the construction, installation, maintenance, operation, repair or replacement of facilities located thereon, and to any Federal, state or local official engaged in the official inspection thereof, such reasonable rights of ingress and egress over Leased Premises as shall be necessary for the performance of their duties with regard to such facilities

29. **INGRESS-EGRESS :**

Government will be granted reasonable access to Leased Premises under this Lease. Such access will be coordinated with Lessee.

30. **ADMINISTRATION:**

Except as otherwise provided for under this Lease, Government shall, under the direction of the Command described in addendum (a), have complete charge of the administration of this Lease, and shall exercise full supervision and general direction thereof insofar as the interests of Government are affected.

31. **SURRENDER:**

If Leased Premises is not conveyed to Lessee at time of termination of Lease, Lessee shall quietly and peacefully remove itself and its property from Leased Premises and surrender the possession thereof to Government. Government may, in its discretion, declare any property which has not been removed from Leased Premises upon expiration or termination provided for above, as abandoned property upon an additional 30 calendar days notice.

32. **INTEREST:**

32.1 Notwithstanding any other provision of this Lease, unless paid within thirty (30) calendar days, all amounts that become payable by Lessee to Government under this Lease (net any applicable tax credit under the Internal Revenue Code) shall bear interest from the date due. The rate of interest will be the Current Value of Funds rate published by the Secretary of Treasury pursuant to 31 U.S.C. 3717 (Debt Collection Act of 1982).

32.1.1 Amounts shall be due upon the earliest of:

32.1.1(a) the date fixed pursuant to this Lease,

32.1.1(b) the date of the first written demand for payment, consistent with this Lease, including demand consequent upon default termination,

32.1.1(c) the date of transmittal by Government to Lessee of a proposed supplemental agreement to confirm completed negotiations fixing the amount,

32.1.1(d) if this Lease provides for revision of prices, the date of written notice to Lessee stating the amount of refund payable in connection with a pricing proposal or in connection with a negotiated pricing agreement not confirmed by Lease supplement.

33. **AVAILABILITY OF FUNDS:**

The Government's obligations under this Lease are subject to the availability of funds appropriated for such purposes. Nothing in this Lease shall be interpreted to require obligations or payments by Government which are in violation of the Anti-Deficiency Act (31 USC 1341).

34. **APPLICABLE RULES AND REGULATIONS:**

Lessee and any sublessees shall comply with all Federal, State and local laws, regulations and standards that are applicable or may become applicable to Lessee's or sublessee's activities on the Leased Premises. These include, but are not limited to, laws and regulations on the environment, construction of facilities, health, safety, food service, water supply, sanitation, use of pesticides, and licenses or permits to do business (e.g., wetlands [EO 11990] and floodplains [EO 11988], Section 106 consultation under the National Historic Preservation Act and air quality conformity determinations under the Clean Air Act). Lessee and any sublessee are responsible for obtaining and paying for permits required for its operations under the Lease.

35. **STORAGE:**

: Any Government property which must be removed to permit exercise of the privilege granted by this Lease shall be stored, relocated or removed from the site and returned to a specified location designated by Government within the confines of the Installation, upon termination of this Lease, at the sole cost and expense of Lessee.

- [Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have duly executed this Lease as of
the day and year first above written.

As Government

UNITED STATES OF AMERICA,
acting by and through the Department of the Navy,

By: 

WILLIAM R. CARSILLO
Real Estate Contracting Officer

As Lessee

ALAMEDA REUSE & REDEVELOPMENT AUTHORITY

By: 

JAMES M. FLINT
Executive Director

APPROVED AS TO FORM:

By: 
Att. City Attorney

(Municipal Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

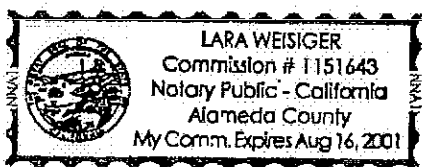
State of California

County of Alameda

On June 6, 2000 before me, Lara Weisiger, Notary Public

personally appeared James M. Flint

☒ personally known to me – OR – ☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Lara Weisiger
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Individual
- ☐ Corporate Officer
- Title(s): _____
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney-in-Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer's Name: _____

- ☐ Individual
- ☐ Corporate Officer
- Title(s): _____
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney-in-Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Alameda

On June 6, 2000 before me, Lara Weisiger, Notary Public

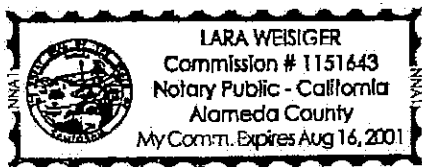
Date

Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared William R. Carrillo

Name(s) of Signer(s)

☐ personally known to me – OR – ☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Lara Weisiger
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

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- ☐ Attorney-in-Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

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OF SIGNER
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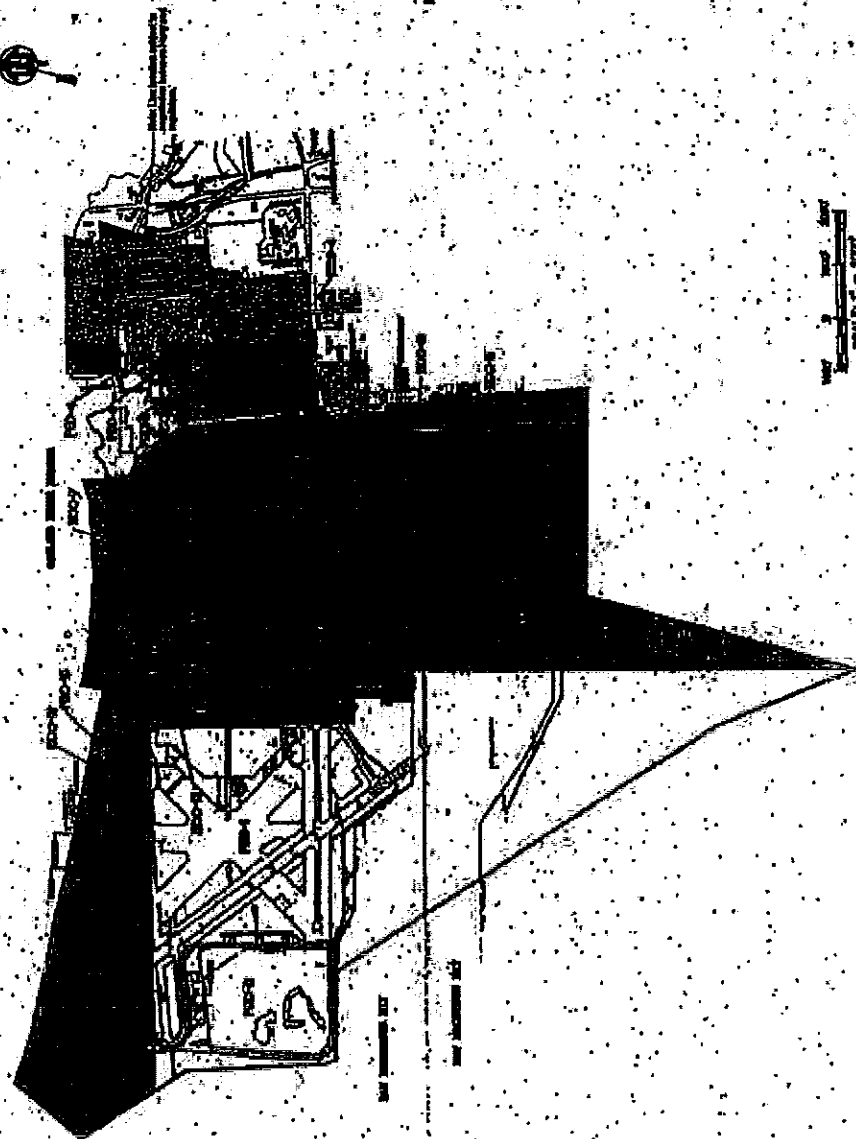
Signer's Name: _____

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- ☐ Attorney-in-Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

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OF SIGNER
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ALAMEDA FORT TRANSFER AND DISPOSAL PARCELS



क्या है

PUBLIC EVENT CONFERENCE
ECONOMIC DEVELOPMENT TRANSFER
FEDERAL TRANSFER
TRANSFER TO CITY
SPECIAL LITERATURE TRANSFER TO CITY
UNDERGROUND TUNNEL TIME (HST) LOCATION
UNDERGROUND TUNNEL TIME (HST) LOCATION
PUL/PANEL SWL LOCATION
OFF (CONDUCTOR ADDRESS/AGE POINT) SITE
TUNE-LINE LOCATION
RELAYED USE/AGE or
INACTIVE USE/AGE REQUIRED FOR
REMOVAL BY DECEMBER 1981 OF
RANDOMIZED USE/AGE SCHEDULED FOR
RANDOMIZED USE/AGE IN THE CLOSED
SCHEDULED USE/AGE IN THE CLOSED
IN PLACE

ALAMEDA, CALIFORNIA

FIGURE 1
TRANSFER AND DISPOSAL PARCELS

Tutro Tech Ed Inc.

Docu- ment	Area	Crust	Gravel	Shells	Sea urchins	Star fish	Crustaceans	Other	Notes
EDC-1	POSET	40.37	No	No	No	No	No	No	No cultivated EDCs. A portion of parcel was converted to field (planted and returned to Navy. Currently listed on an R site, but the Public Action RSD is anticipated.
EDC-2	POSET	130.02	No	No	No	No	No	No	EDC markers. Vascular, possibly some sediment restrictions, but no restrictions on ability to dredge. (Groundwater Monitoring Group sampling issue). Station unknown.
EDC-3	POSET	110.78	No	Yes	No	No	No	No	No cultivated EDCs.
EDC-4	POSET	73.28	Yes	Yes	Yes	No	No	No	Anticipated dredging restriction E, to be anticipated with ARRA.
EDC-5	POSET	302.18	Yes	Yes	Yes	No	No	No	The cultivated area (EDC 105) were covered out of EDC-5 and combined with EDC-4. Groundwater D may extend from EDC 5, 8 and 10. Potential dredging restriction E, to be anticipated with ARRA.
EDC-6	POSET	3.31	No	Yes	Yes	No	No	No	EDC marker was located, but has been removed, not relocated and contaminated. Potential dredging restriction E, to be anticipated with ARRA.
EDC-7	POSET	4.09	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-8	POSET	5.09	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-9	POSET	60.44	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-10	POSET	60.04	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-11	POSET	11.28	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-12	POSET	60.03	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-13	POSET	13.04	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-14	POSET	14.06	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-15	POSET	7.26	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-16	POSET	1.30	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-17	POSET	14.26	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-18	POSET	14.07	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-19	POSET	2.88	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-20	POSET	60.07	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-21	POSET	14.18	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-22	POSET	23.36	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-23	POSET	47.06	Yes	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-24	POSET	1.40	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-25	POSET	67.3	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-26	POSET	4.06	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-27	POSET	4.01	Yes	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-28	POSET	180.49	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.
EDC-29	POSET	147.3	No	Yes	Yes	No	No	No	Groundwater D, Potential dredging restriction E, to be anticipated with ARRA.

Notes:

- Marsh Crust is not technically to be considered an Institutional Control. A local Ordinance is anticipated base wide, and modified later by amendment to remove any areas "clean" or determined when development occurs.
- Ground water restrictions will apply to all IR sites except 15 and 16.
- UST and fuel lines -- "No" indicates that no known UST was present within the parcel as transfer date for "Yes" presumes that the parcel is transferred with TPH cleanup following under an MOA between Navy and ARRA.
- There may be difficulty cleaning up to residential standards of this parcel.

EXHIBIT C

[Intentionally deleted]

EXHIBIT D

DECLARATION OF LEASE COMMENCEMENT

This is to confirm that the Commencement Date, as defined in Section 2.2 of the attached lease, for the property commonly known as Building 22, and containing approximately 32,500 square feet pursuant to the lease dated August 16, 2012 the **CITY OF ALAMEDA**, a charter city and municipal corporation ("**Landlord**") and **FACTION BREWING COMPANY LLC** a California limited liability company ("**Tenant**") is, for all purposes, agreed to be _____, 20__, and the Expiration Date of the Lease is agreed to be _____, 20__.

LANDLORD:

CITY OF ALAMEDA, a charter city and municipal corporation

By _____

John Russo
City Manager

Date: _____

8/27/12

TENANT

FACTION BREWING COMPANY LLC, a California limited liability company

By _____

Name: _____

Rodger Davis

Title: _____

Owner / Managing Member

Date: _____

08/21/2012

RECOMMENDED FOR APPROVAL:

Nanette Mocanu

Approved as to form:

Janet Kern, General Counsel

Claudia Pamparana

Claudia Pamparana

Owner / Managing Member

EXHIBIT E

HISTORIC PRESERVATION AGREEMENT

[Attached]

Memorandum of Agreement

Among

The United States Navy, The Advisory Council on Historic Preservation and The California State Historic Preservation Officer Regarding the Layaway, Caretaker Maintenance, Leasing, and Disposal of Historic Properties on the Former Naval Air Station, Alameda, California

WHEREAS, the Department of the Navy (Navy) has been directed to close, layaway, place in caretaker maintenance, and subsequently lease, sell, transfer, or otherwise dispose of properties at the former Naval Air Station (NAS), Alameda by the Base Realignment and Closure Act, as amended in 1993, and this undertaking will affect buildings and structures within the NAS Alameda Historic District, a property eligible for inclusion in the National Register of Historic Places (Register); and

WHEREAS, the south jetty of the Oakland Inner Harbor Jetties and Federal Channel Historic District, a property determined to qualify for listing on the National Register by the Army Corps of Engineers in consultation with the California State Historic Preservation Officer (SHPO), is on land under the jurisdiction and control of the former NAS Alameda; and

WHEREAS, the NAS Alameda Historic District and the south jetty of the Oakland Inner Harbor Jetties and Federal Channel Historic District are historic properties located within the limits of the City of Alameda (City), a Certified Local Government under Section 101(c) of the National Historic Preservation Act (Act), as amended; and

WHEREAS, the Navy has consulted with the Advisory Council on Historic Preservation (Council) and the California SHPO pursuant to 36 CFR Part 800, regulations implementing Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470f); and

WHEREAS, upon disposal of the historic properties from the Navy to a non-federal entity, any Federal jurisdiction ceases and the jurisdiction of the historic property reverts exclusively to the City, and therefore, the City was invited to participate in the development of this agreement and has been invited to concur;

NOW, THEREFORE, the Navy, the Council and the California SHPO agree the layaway, caretaker maintenance, lease, sale, transfer, and disposal of the property included in the NAS Alameda Historic District and that portion of the Oakland Inner Harbor Jetties and Federal Channel Historic District shall be implemented in accordance with the following stipulations in order to take into account the effect of the undertaking on historic properties.

Stipulations

The Navy will ensure that the following measures are carried out:

Memorandum of Agreement
NAS Alameda Historic District
Page 2

1. National Register Nomination.

The Navy shall prepare the National Register Nomination Form for the NAS Alameda Historic District and submit it to the Keeper of the National Register within one year from the date of execution of this agreement.

2. Historic Artifacts and Records.

a. The Navy has collected the items in the Naval Historical Center's (NHC) inventory of historic artifacts and other historically significant materials from the former NAS and Naval Air Depot, Alameda and secured them in temporary storage in Building 29 at NAS Alameda.

b. The items collected in 2.a. above that are listed on the NHC's inventory (APPENDIX A) will remain Navy property under the jurisdiction and control of the Director of the Naval Historical Center, Washington Naval Yard, District of Columbia, and will be placed either on permanent loan with a museum(s) on Alameda or in the greater San Francisco Bay area, or will be transported to other appropriate institutions where they will be permanently curated.

c. The Navy has coordinated the disposal of NAS Alameda's records, drawings, plans, and photographs with and transferred them to the National Archives Pacific-Sierra Region, San Bruno, CA.

3. Layaway and Caretaker Maintenance.

a. Prior to layaway and placement of historic properties into a caretaker maintenance status, the Navy shall follow the "Maintenance and Repair Guidelines for the NAS Alameda Historic District" (APPENDIX B) regarding routine repair and maintenance of historic properties within the NAS Alameda Historic District, and all actions taken in accordance with APPENDIX B may proceed without further consultation with SHPO or Council, except as specified in that document.

b. Until disposal or transfer, as the contributing historic properties are vacated, the Navy shall layaway and provide caretaker maintenance of the historic properties at the minimum levels described in APPENDIX C.

c. Prior to initiating any action which would irreversibly alter, damage or demolish a contributing historic building or structure which has been classified for Layaway Level 6 (No Reuse Likely) the Navy shall contact the Pacific-Great Basin Service Center, NPS, San Francisco, California to determine what level and kind of recordation is required for the property. Unless otherwise agreed to by NPS, the Navy shall ensure that all documentation is complete and accepted by the Historic American Buildings Survey/Historic American Engineering Record (HABS/HAER) prior to any irreversible alteration or demolition, and that copies of the documentation are provided to the California SHPO, the City and the Alameda library and historical museum(s).

4. Leasing of Historic Properties.

a. Prior to the transfer, sale or conveyance by some other means from the control and jurisdiction of the Navy, the Navy may enter into interim leases which will permit tenants to adaptively reuse contributing properties within the NAS Alameda Historic District, provided that the lease agreements require tenants to follow APPENDIX B in maintaining or adapting these historic properties for use.

b. The Navy shall inspect the leased contributing historic properties semi-annually to ensure that the conditions of APPENDIX B are followed in maintaining or adapting the historic property for other uses and shall take appropriate remedial action to assure compliance with APPENDIX B where deviations are observed. Appropriate remedial action shall include notification of SHPO and Council.

c. Where the City of Alameda requires modification to those buildings listed as contributing to the NAS Alameda Historic District to meet Fire-Safety or Americans with Disabilities Act requirements as a condition of occupancy, the Navy shall encourage the tenant or prospective subtenant to have the required modifications designed by an architect trained and experienced in the rehabilitation of historic buildings using the State Historical Building Code, Part 8, Title 24 of the California Code of Regulations.

d. To avoid intrusiveness and inappropriate signing within the Historic District tenants shall be required to follow the policy included in APPENDIX D governing the size, location, color, and lettering style of new signs to be installed within the Historic District.

5. Long Term Preservation Planning.

a. The Navy shall make an application to the City Council to place that portion of the Oakland Inner Harbor Jetties and Federal Channel Historic District on its "Historic Buildings Study List" and afford it the protection provided to listed properties.

b. The Navy has prepared a *Guide to Preserving the Character of the Naval Air Station Alameda Historic District* to assist the City and its Historical Advisory Board in administering the Historic District in accordance with the City's Building and Housing Ordinance Article VII, Historical Preservation, 13-21, "Preservation of Historical Monuments."

c. Within a calendar year from the execution of this agreement the City shall adopt an amendment to its Building and Housing Ordinance Article VII, Historical Preservation, 13-21, "Preservation of Historical Monuments" to include review of exterior modifications to historic structures consistent with the Secretary of the Interior's *Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings*, and shall designate the NAS Alameda Historic District a Historical Monument and afford it all the protection and privileges provided such designated properties pursuant to the City's historic preservation ordinance.

Memorandum of Agreement
NAS Alameda Historic District
Page 4

d. The City will ensure that the Alameda Historical Advisory Board shall continue in its present role as described in the Alameda Ordinance 13-21, Preservation of Historical Monuments, increasing its area of responsibility to include the NAS Alameda Historic District.

e. When title to property located within the NAS Alameda Historic District, and that on which the South Jetty of the Oakland Inner Harbor Jetties and Federal Channel Historic District is located, is transferred from the Navy to a non-federal entity all undertakings affecting these properties will be administered exclusively in accordance with City codes and ordinances.

f. The City shall apprise prospective Historic District tenants and property owners of the financial tools and economic incentives that are available, including but not limited to the State Historical Building Code and Federal and State tax incentives, for the preservation and adaptive rehabilitation of historic properties.

g. Within 30 calendar days of execution of this agreement City shall seek the assistance of the National Trust for Historic Preservation for guidance on marketing the historic properties in the NAS Alameda Historic District.

6. Document Review and Comment.

The California SHPO shall be afforded thirty (30) days after receipt to comment on any documentation submitted by the Navy as a result of consultation efforts or otherwise the result of implementation of this agreement. Should the California SHPO decline to participate or fail to respond within thirty (30) days to a written request for comments, the Navy shall continue to consult with the Council to complete its responsibilities for the specific action.

7. Annual Report and Review.

On or before December 15 of each year, until the terms of this agreement have been fulfilled, or title to the historic properties have been transferred to non-federal entities, the Navy shall provide an annual report to the Council, California SHPO, and City addressing following topics:

- a. status of the curation of artifacts,
- b. identification of historic properties leased, transferred or conveyed to others,
- c. status of the City's efforts to market and preserve the historic properties, and
- d. list and explain any problems or unexpected issues encountered during the previous year.

8. Resolving Objections.

a. Should any party to this agreement object to any action carried out or proposed by the Navy with respect to the implementation of this agreement, the Navy shall consult with the objecting party to resolve the objection. If, after entering into such consultation, the Navy determines that the objection cannot be resolved through consultation directly with the objecting party, the Navy shall forward all relevant documentation to the Council, including the Navy's proposed response to the objection. The Council shall exercise one of the following options within 30 calendar days of receipt of all pertinent documentation:

(1) advise the Navy in writing that the Council concurs with the Navy's proposed response and final decision, if so indicated, whereupon the Navy shall respond to the objecting party in writing; or

(2) provide the Navy with written recommendations and/or comments, which the Navy shall take into account in reaching its final decision regarding its response to the objection in accordance with 36 CFR 800.6; or

(3) notify the Navy in writing that the Council shall provide written comments within a specified time frame pursuant to 36 CFR 800.6. The resulting comments shall be taken into account by the Navy in accordance with 36 CFR 800.6(c).

Should the Council fail to exercise one of the above options within 30 calendar days after receipt of all pertinent documentation, the Navy may assume the Council concurrence in the Navy's proposed response. In considering any party's comments, the Navy shall take into account any recommendation or comment with reference only to the subject of the objection. The Navy's responsibility to carry out all actions under this agreement that are not the subject of the objection shall remain unchanged and shall be executed accordingly.

b. At any time during implementation of the stipulations of this agreement, should an objection(s) pertaining to this agreement be raised by a member of the public, the Navy shall notify in writing the signatory parties to this agreement and take the objection into account. The Navy shall consult with the objector and, if requested by the objector, consult with any or all of the signatory parties to this agreement with respect to the objection.

9. Amendments.

Any party to this agreement may propose, in writing, to the Navy that the terms and/or stipulations of this agreement be amended. The Navy shall consult with the other parties to this agreement to consider such an amendment. 36 CFR 800.5 shall govern the execution of any such amendment once agreed upon by all parties.

10. Anti-Deficiency Act.

a. All requirements set forth in this agreement requiring the expenditure of Navy funds are expressly subject to the availability of appropriations and the requirements of the Anti-Deficiency Act (31 U.S.C. Section 1341). No obligation undertaken by the Navy under the terms of this Agreement shall require or be interpreted to require a commitment to expend funds not appropriated for a particular purpose.

b. If the Navy cannot perform any obligation set forth in this agreement because of the unavailability of funds, the Navy, California SHPO, City, and Council intend that the remainder of the agreement be executed. Any obligation under the agreement which cannot be performed because of the unavailability of funds must be renegotiated between the Navy, California SHPO, City and Council.

Execution of this agreement by the Navy, Council, and California SHPO, and subsequent implementation of its terms, shall be evidence that the Navy has afforded the Council an opportunity to comment on the Navy's undertakings and its effects on historic properties in accordance with Section 106 of the National Historic Preservation Act and its implementing regulations contained in 36 CFR Part 800.

UNITED STATES NAVY, NAVAL FACILITIES ENGINEERING COMMAND, ENGINEERING FIELD
ACTIVITY WEST, SAN BRUNO, CA.

BY: G. J. Buchanan Date: SEP 01 1999
Print Name & Title of Signer: G. J. Buchanan, CAPT USN CEC, Commanding Officer

CALIFORNIA STATE HISTORIC PRESERVATION OFFICER

BY: Paul Abeyta Date: 9/30/99
Print Name & Title of Signer: Paul Abeyta Acting SHPO

ADVISORY COUNCIL ON HISTORIC PRESERVATION

BY: John M. Fowler Date: 10/5/99
Print Name & Title of Signer: JOHN FOWLER, EXECUTIVE DIRECTOR

CONCUR:
CITY OF ALAMEDA

BY: James M. Flint Date: 9-24-99
Print Name & Title of Signer: JAMES M. FLINT, CGM MANAGER

Approved as to Form
CITY ATTORNEY

By: William R. H. Smith
Asst. Assistant City Attorney

Recommended for Approval:

James M. Flint

APPENDICES

APPENDIX A - Naval Historical Center Curator Accession/Catalog July 2, 1997

APPENDIX B - Maintenance and Repair Guidelines for Naval Air Station Alameda
Historic District

APPENDIX C - Layaway and Caretaker Maintenance Standards

APPENDIX D - Sign Procedures

NAVAL HISTORICAL CENTER CURATOR BRANCH INVENTORY REPORT				NAVY DEPARTMENT CURATOR ACCESSION NUMBER 97-61-	
				DATE	
COMMAND/ACTIVITY NAME				NAVAL AIR STATION	
				ALAMEDA, CA	
				LOCATION: NAS ALAMEDA BUILDING 29	
NAVY DEPARTMENT CURATOR CATALOG NUMBER	DIMENSIONS			ITEM NAME/DESCRIPTION	REMARKS
N	36	26		SIGN, INFORMATION, "PROTECTIVE CLOTHING"	
D	15. 5	8.7 5	7.5	SHIELD, PROTECTIVE, FACE,	MFR WILLSON
P	22. 5	17. 5		SIGN, INFORMATION, SECURITY, KGB	MADE OF PAPER
Q	22. 5	17. 5		SIGN, INFORMATION, SECURITY, KGB	MADE OF PAPER
R	14	7.5	1	SIGN, DOOR, NAVOCEANCOMDET, OIC	BLACK WITH GOLD LETTERING
S	20	9.5	6.5	SET, WIND MEASURING, AN/PMQ-1C	SN 2D1
T	13. 25	7.5	7.2 5	INTERCOM UNIT, DESK, WESTERN ELECTRIC TELETALK	
U	13. 25	7.5	7.2 5	INTERCOM UNIT, DESK, WESTERN ELECTRIC TELETALK	NUMBER 6 ON OBVERSE SIDE
V	13. 5	6.5	5	INTERCOM UNIT, DESK, VOYCALL	NUMBER 2 ON BOTTOM SIDE
W	23. 5	11. 25	12	MACHINE, MIMEOGRAPH, HAND POWERED	FROM NADEP BUILDING 167
X	8.7 5	4.5	7	ANALYZER, TRANSISTOR, MODEL 900	
Y	12	5	1.5	GAUGE, PRESSURE, 160LBS	NAS ALAMEDA CALIBRATION LAB
Z	24	15	7.2 5	KIT, CHAPLAIN, COMBINATION, PROTESTANT/CATHOLIC	NAS ALAMEDA CHAPEL

ENCLOSURE (1)

EXHIBIT A-3
LAND

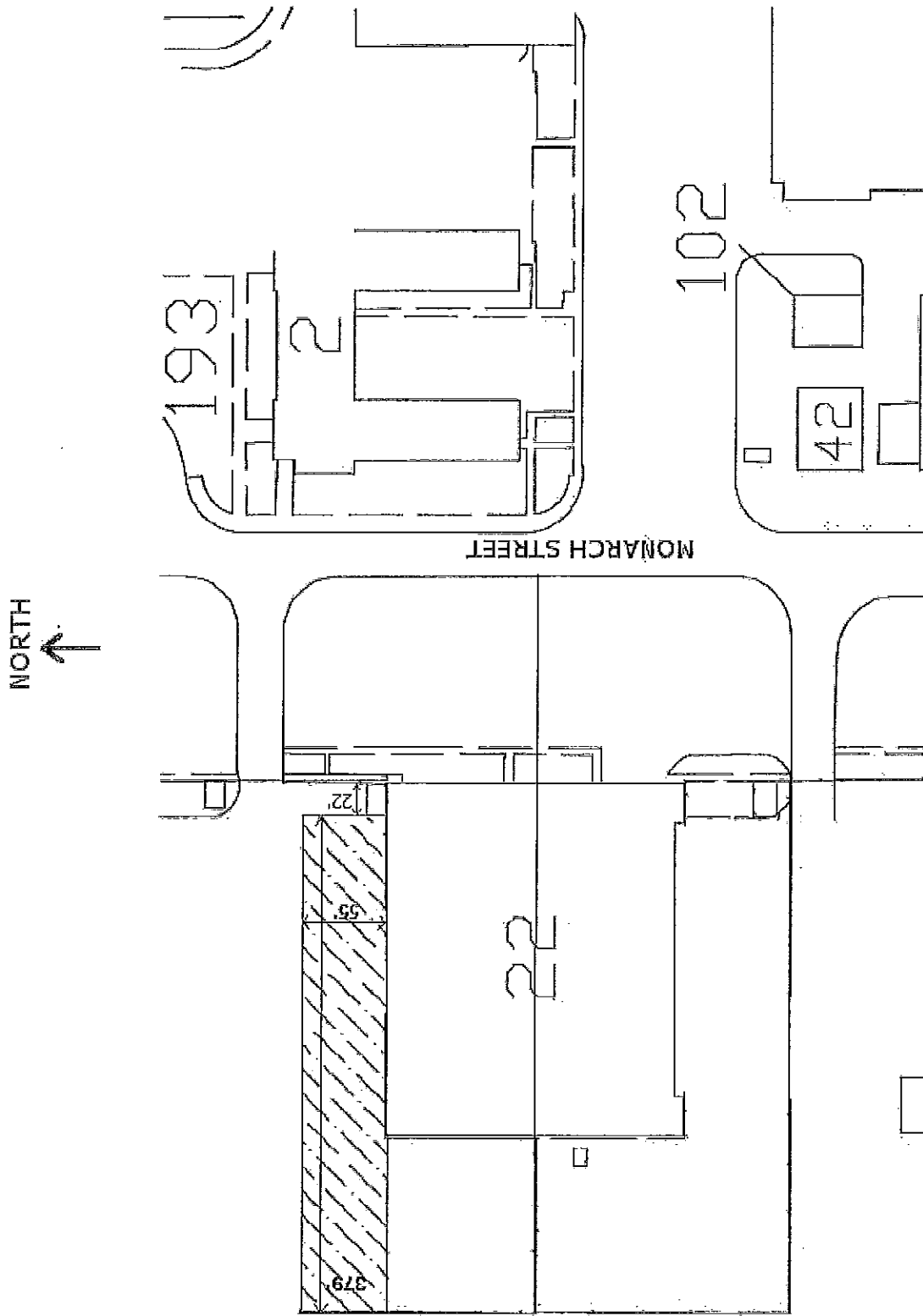


EXHIBIT A-3
LAND

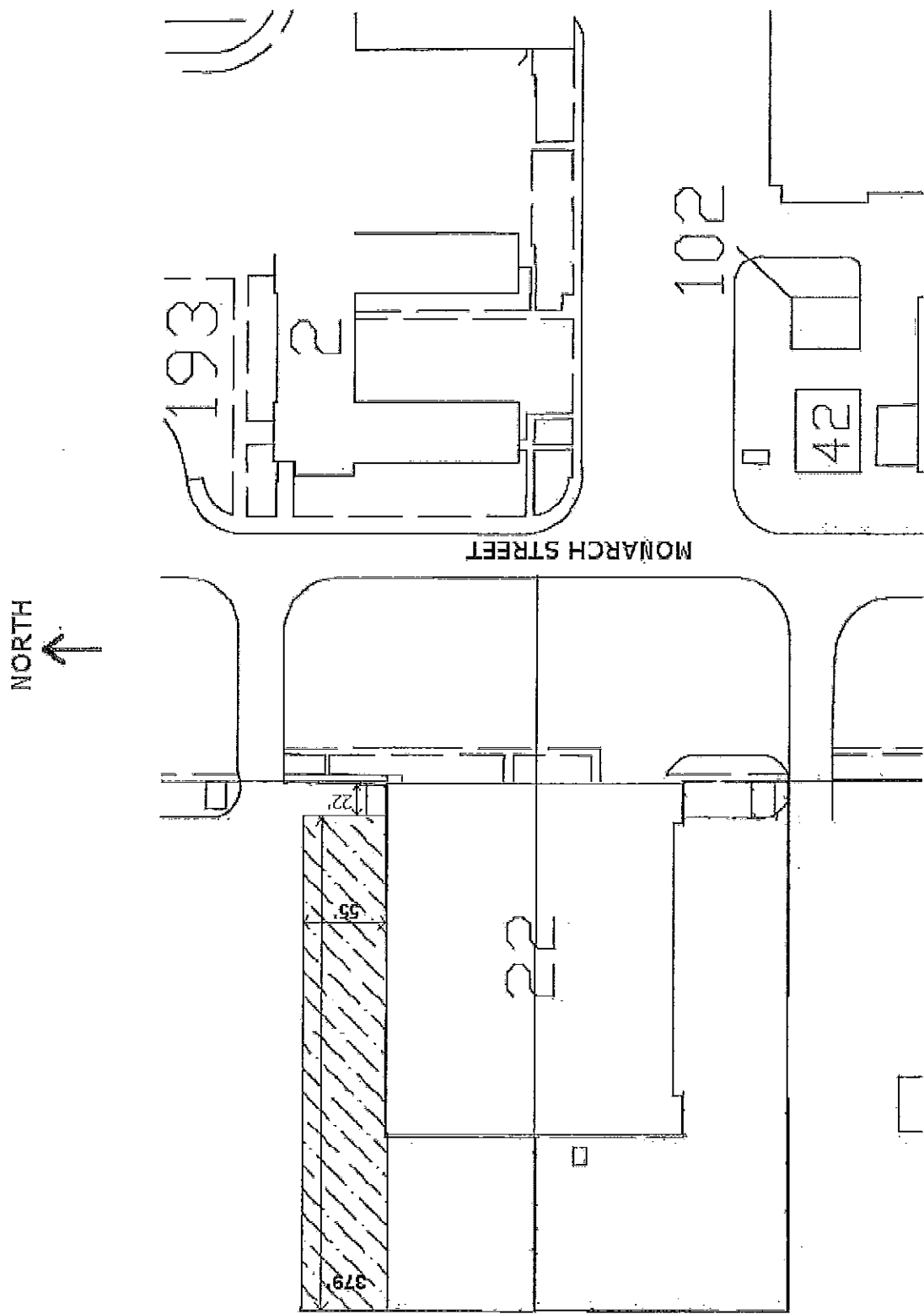
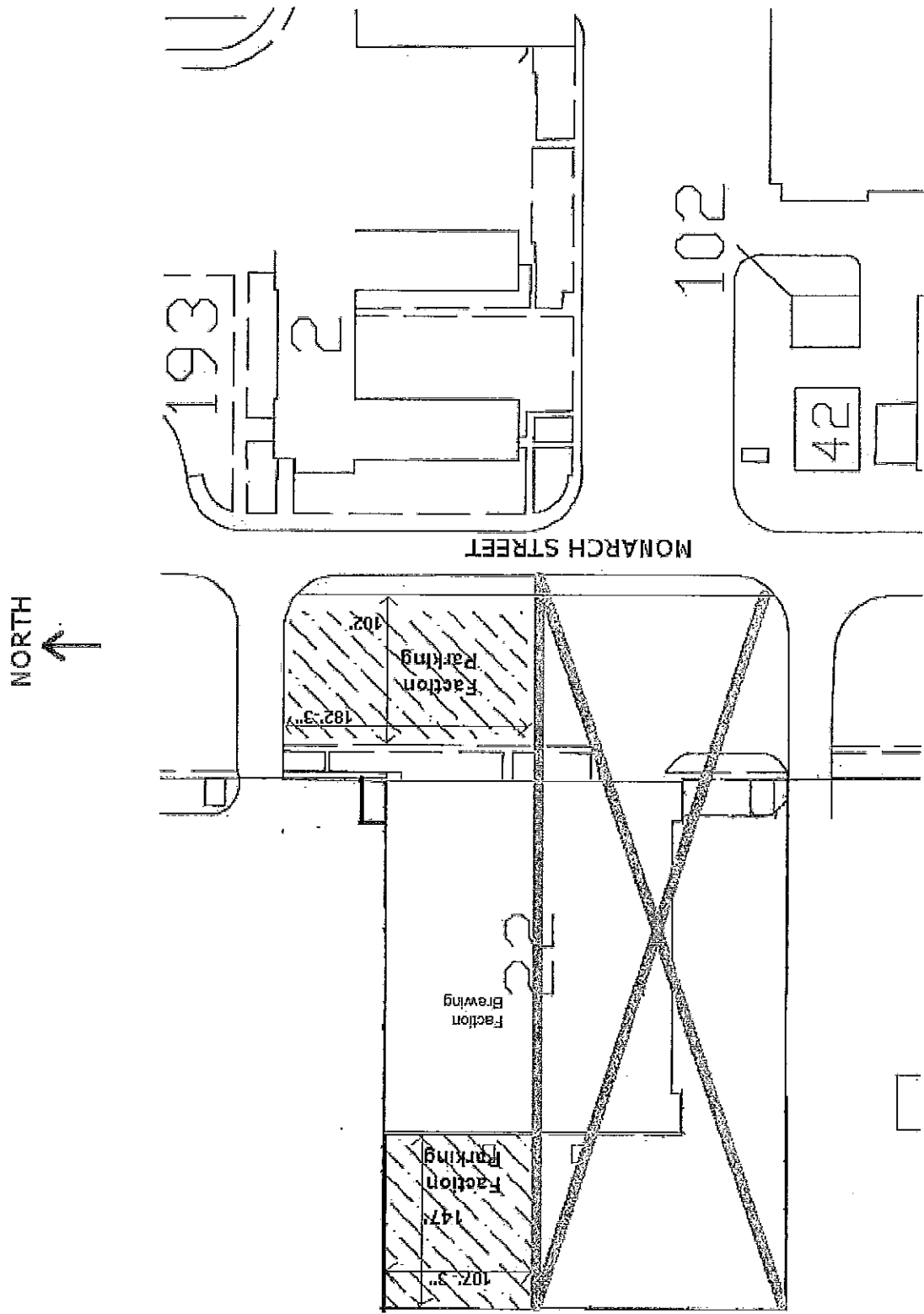
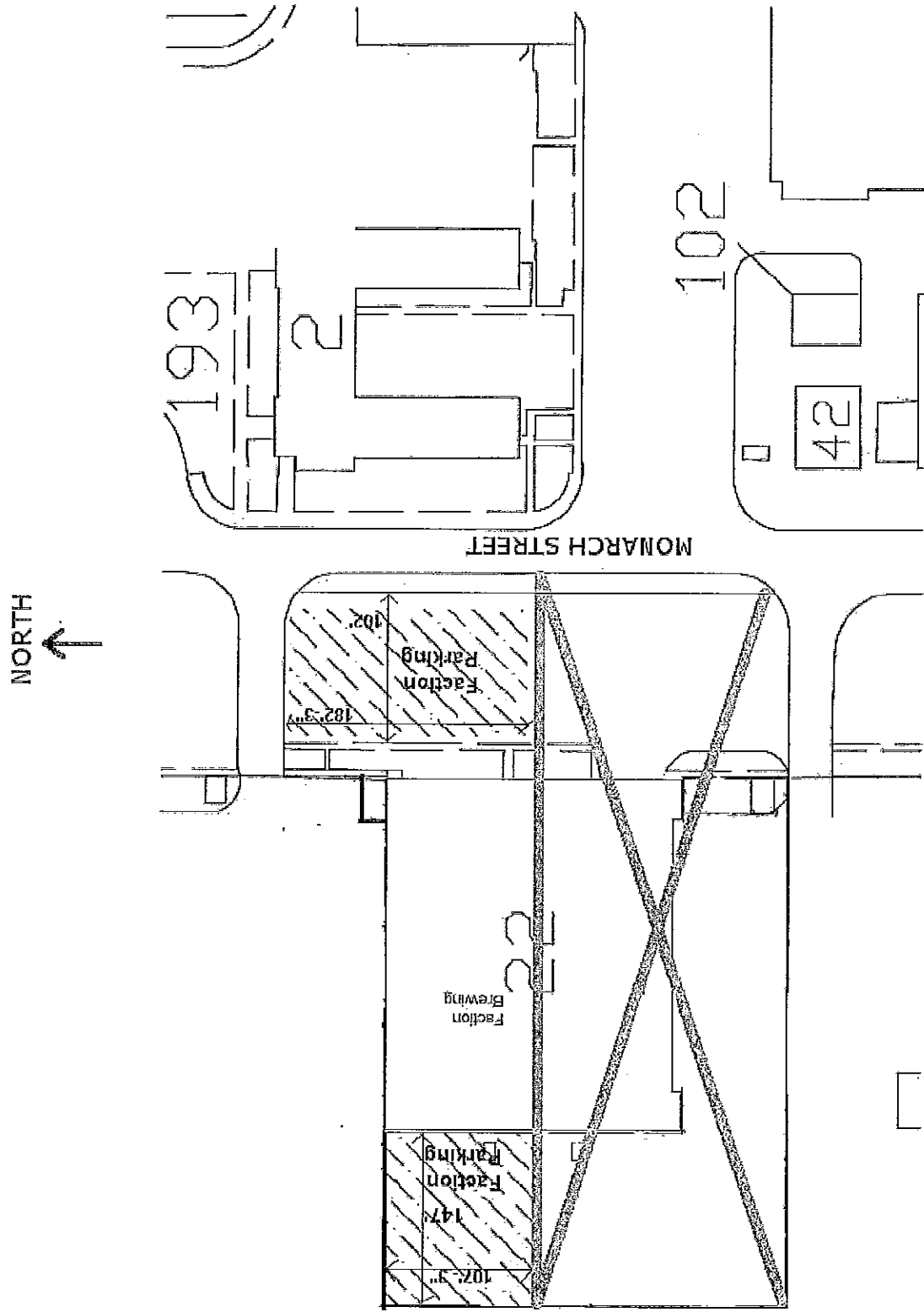


EXHIBIT A-4 PARKING



EHXIBIT A-4
PARKING



NAVAL HISTORICAL CENTER CURATOR BRANCH INVENTORY REPORT				NAVY DEPARTMENT CURATOR ACCESSION NUMBER 97-61-	
				DATE	
COMMAND/ACTIVITY NAME				NAVAL AIR STATION	
				ALAMEDA, CA	
				LOCATION: NAS ALAMEDA BUILDING 29	
NAVY DEPARTMENT CURATOR CATALOG NUMBER	DIMENSIONS			ITEM NAME/DESCRIPTION	REMARKS
AA	18. 25	17	8	KIT, CHAPLAIN, USN, JEWISH FAITH	METAL CONTAINER
AB	48	36		FLAG, CHAPLAIN, USN, JEWISH FAITH	NYLON WITH FRINGE
AC	62. 5	45. 5		FLAG, ORGANIZATIONAL, USN, WAVES	NAVAL STATION TREASURE ISLAND
AD	48	24		SIGN, INFORMATION, AIR TERMINAL, "GATE 1"	FROM AIR TERMINAL
AE	12. 25	11. 25	5	HELMET, PROTECTIVE, COMBAT, M1917	SN ZA178
AF	18. 5	16	2	PLAQUE, COMEMORATIVE, NADEP BILLIONTH WIF DOLLAR, C 1972	
AG	7	4	1.7 5	SET, DRILL BIT, 1/16TH TO 1/2 IN	BLANK BITS / NARTU
AH	97. 25	31	1	DISPLAY BOARD, RUBBER PRODUCTS	NAVAL AVIATION DEPOT
AI	59	36	4.5	DISPLAY BOARD, COMMAND	SIMA SAN FRANCISCO
AJ	8.7 5	5	1.2 5	WING FITTING ASSEMBLY	FOR A-3 SERIES AIRCRAFT
AK	23. 5	4	6.5	FLAP SUPPORT ASSEMBLY	FOR A-3 SERIES AIRCRAFT
AL	14. 25	6	7.7 5	FAN DISK ASSEMBLY, TF34 ENGINE	FOR S-3 SERIES AIRCRAFT
AM	13	6.2 5	5.5	CLOSING ARM, LANDING GEAR DOOR	FOR S-3 SERIES AIRCRAFT
AN	11. 5	8	.75	HINGE, CANOPY BREAK AWAY	FOR S-3 SERIES AIRCRAFT

ENCLOSURE (1)

NAVAL HISTORICAL CENTER CURATOR BRANCH INVENTORY REPORT				NAVY DEPARTMENT CURATOR ACCESSION NUMBER 97-61-	
				DATE	
COMMAND/ACTIVITY NAME				NAVAL AIR STATION	
				ALAMEDA, CA	
				LOCATION: NAS ALAMEDA BUILDING 29	
NAVY DEPARTMENT CURATOR CATALOG NUMBER	DIMENSIONS			ITEM NAME/DESCRIPTION	REMARKS
AD	13. 5	6.2 5	7.5	GYRO ASSEMBLY, WEAPON CONTROL, AIRCRAFT	FOR A-3 AND A-4 SERIES AIRCRAFT
AP	7.7 5	7	.5	FLOOR SECTION, AIRCRAFT	FOR P-3 SERIES AIRCRAFT
AQ	15	7	2.5	DIE, STAMP, MACHINE MOUNTED	
AR	20	11	2	PLAQUE, AWARD, BENEFICIAL SUGGESTION	NAS OVERHAUL AND REPAIR DEPT
AS	25. 5	9		DISPLAY, TOOL CHIT	
AT	9.5	6		METER, FREQUENCY, CALIBRATION, SN 2684	FOR SHRIKE MISSILE
AU	12	8.7 5	11	TEST SET, TORPEDO, HEAT AND CONTROL SYSTEM	FOR MK 44, MK 48, AND MK 48
AV	8.7 5	4		SIGN, LICENSE, "JAPANESE HUNTING"	MADE BY O&R DEPT C WWII
AW	5	3.7 5		SIGN, PERMIT, PARKING, SN 18501	NADEP
AX	5	3.7 5		SIGN, PERMIT, PARKING, SN 18502	NADEP
AY	5	3.7 5		SIGN, PERMIT, PARKING, SN 18503	NADEP
AZ	5	3.7 5		SIGN, PERMIT, PARKING, SN 19000	NADEP

ENCLOSURE (1)

NAVAL HISTORICAL CENTER CURATOR BRANCH INVENTORY REPORT				NAVY DEPARTMENT CURATOR ACCESSION NUMBER 97-61-	
				DATE	
COMMAND/ACTIVITY NAME				NAVAL AIR STATION	
				ALAMEDA, CA	
				LOCATION: NAS ALAMEDA BUILDING 29	
NAVY DEPARTMENT CURATOR CATALOG NUMBER	DIMENSIONS			ITEM NAME/DESCRIPTION	REMARKS
BA	5.7 5	6.5	1	PATTERN, MOLD, INSIGNIA	NADEP ALAMEDA
BB	10	10	1.7 5	PATTERN, MOLD, INSIGNIA	NADEP ALAMEDA
BC	7.5	7	2	PATTERN, MOLD, INSIGNIA	USN MASTER MACHINIST ASSOC.
BD	10	3.5	7.2 5	KIT, HOLE BORING / CUTTER	
BE	12. 75	11	1.5	PANEL, PATCH, ELECTRONIC	FOR PROGRAMMING MACHINERY
BF	28. 5	22	13	CONSOLE, COMPUTER, C-3 DATA SYSTEMS	FOR WORK MANAGEMENT
BG	18	17. 75	.5	PLAQUE, COMMEMORATIVE	IN MEMORY OF BMC RAYMOND BAKER
BH	19	12	.75	PLAQUE, AWARD, SAFETY. C 1989	NAVAIRSYSCOM / NADEP. ALAMEDA
BI	3.7 5	4	.25	PLAQUE, COMMEMORATIVE	A&R / NADEP 1941 -1997
BJ	27	3.5	3.5	BILLET, ALUMINUM	FOR FORGE OPERATIONS
BK	27	3.5	3.5	BILLET, ALUMINUM	FOR FORGE OPERATIONS
BL	44	14	8	LADLE, FORGE	
BM	46. 25	7	.5	SIGN, PATTERN SHOP	
BN	83. 5	22. 75	3	CRADLE, FORGE METAL POT	

ENCLOSURE (1)

NAVAL HISTORICAL CENTER CURATOR BRANCH INVENTORY REPORT				NAVY DEPARTMENT CURATOR ACCESSION NUMBER 97-61-	
				DATE	
COMMAND/ACTIVITY NAME				NAVAL AIR STATION	
				ALAMEDA, CA	
				LOCATION: WAS ALAMEDA BUILDING 29	
NAVY DEPARTMENT CURATOR CATALOG NUMBER	DIMENSIONS			ITEM NAME/DESCRIPTION	REMARKS
BO	37	3	1.5	TONGS, FORGE	
BP	50. 25	57	2	PLAQUE INSIGNIA, UNIT	NAVAL AIR REWORK FACILITY
BO	11. 25	14. 75		POT, METAL FORGE	FOR MOLTEN METAL
BR	11. 5	8	2	SET, MICROMETER	FOR MEASURING WEAR
BS	45. 5	19	15	MASK ASSEMBLY, PROTECTIVE	FOR AIRCRAFT CHEMICAL WASHDOWN
BT	60	6.5		PLAQUE, INSIGNIA, UNIT	WAS ALAMEDA
BU	66. 5	54		FLAG, ORGANIZATIONAL, UNIT	NAVAIRSYSCOM
BV	36	24	.75	PLAQUE, COMMAND, UNIT	NARDAC SAN FRANCISCO
BW	28. 25	22. 5	38. 5	CART, TOOL, MECHANIC, SN BSM-625	NADEP ALAMEDA
BX	70	6.5	12. 25	DISPLAY, PRODUCT, INSTRUMENT BEARINGS	REWORKED AT NADEP ALAMEDA
BY	96. 75	62. 75	40	DIORAMA, INSTALLATION	NAVAL AVIATION DEPOT
BZ	24. 5	20. 25	1.7 5	PLAQUE, AWARD, SAFETY, C 1974	NARF ALAMEDA
CA	16. 75	13. 75	1	PLAQUE, AWARD, SAFETY, C1972	NAVAL AVIATION DEPOT

ENCLOSURE (1)

NAVAL HISTORICAL CENTER CURATOR BRANCH INVENTORY REPORT				NAVY DEPARTMENT CURATOR ACCESSION NUMBER 97-61-	
				DATE	
COMMAND/ACTIVITY NAME				NAVAL AIR STATION	
				ALAMEDA, CA	
				LOCATION: NAS ALAMEDA BUILDING 29	
NAVY DEPARTMENT CURATOR CATALOG NUMBER	DIMENSIONS			ITEM NAME/DESCRIPTION	REMARKS
CB	3.7 5	4	1.2 5	PLAQUE, COMMEMORATIVE	A&R / NADEP ALAMEDA 1941-1997
CC	3.7 5	4	1.2 5	PLAQUE, COMMEMORATIVE	A&R / NADEP ALAMEDA 1941-1997
CD	2	15. 25		FLASHLIGHT, HAND, US, MX-993/U	USED BY TAXI GROUND CREW / WITH CONE SHIELD
CE	2	15. 25		FLASHLIGHT, HAND, US, MX-993/U	USED BY TAXI GROUND CREW / WITH CONE SHIELD
CF	2	8		FLASHLIGHT, HAND, US, MX-993/U	USED BY GROUND CREW
CG	61. 5	58	.5	MAT, DECK, QUARTERDECK, UNIT	CBU 416
CH	56	12. 5	.25	SIGN, ORGANIZATIONAL, "S-3 FLIGHT SYSTEMS"	NADEP CODE 94424 (S-3 FLIGHT SYSTEMS)
CI	8	6	3.2 5	TEST SET, BOMB RACK	NADEP
CJ	10. 25	3		CLOCK, WALL, US, 24-HOUR	NAS ALAMEDA AIR TERMINAL
CK	28	9	11. 5	BOMB RACK, EJECTOR, US, AERO 20B SN 486	CUTAWAY TRAINING AID
CL	34	12	7.5	BOMB RACK, EJECTOR, US, AERO 7A-5 SN 158	
CM	4	4		SIGN, ORGANIZATIONAL, "P-3C. UPDATE III"	NADEP ALAMEDA/PLACED IN COMPLETED AIRCRAFT
CN	11. 5	13. 5		BUCKET, SAND, FIRE PROTECTION	FROM BLDG 5 / USED TO FIGHT MAGNESIUM FIRES

ENCLOSURE (1)

NAVAL HISTORICAL CENTER CURATOR BRANCH INVENTORY REPORT				NAVY DEPARTMENT CURATOR ACCESSION NUMBER 97-61-	
				DATE	
COMMAND/ACTIVITY NAME				NAVAL AIR STATION	
				ALAMEDA, CA	
				LOCATION: NAS ALAMEDA BUILDING 29	
NAVY DEPARTMENT CURATOR CATALOG NUMBER	DIMENSIONS			ITEM NAME/DESCRIPTION	REMARKS
CO	22. 75	10. 25	17. 75	INFLATOR/MONITOR, AIRCRAFT TIRE SN LQB0018	
CP	10. 25	10	7	CARBURETOR, AIRCRAFT ENGINE	
CO	20	14. 5	16	TEST SET, FLAP ACTUATOR, AIRCRAFT	
CR	1.2 5	.25		COIN, COMMEMORATIVE, NAS ALAMEDA	25TH ANNIVERSARY
CS	5	2		TICKET, CLAIM CHECK, BAGGAGE, SN 28263	GENERAL PURPOSE
CT	5	2		TICKET, CLAIM CHECK, BAGGAGE, SN 28262	GENERAL PURPOSE
CU	5	2		TICKET, CLAIM CHECK, BAGGAGE, SN 15799	NAS MIRAMAR
CV	5	2		TICKET, CLAIM CHECK, BAGGAGE, SN 15800	NAS MIRAMAR
CW	55. 25	43	2	PAINTING, OIL, USS SAMUEL GOMPERS (AD 37)	ARTIST: GIORGINA CANDELARIA C 1989. INCLUDES USS SPRUANCE DD963 AND DD975
CX	60. 5	41	4	PAINTING, OIL, BATTLE OF MANILA BAY SN1090	ARTIST: F. BAUER C 1910

ENCLOSURE (1)

NAVAL HISTORICAL CENTER CURATOR BRANCH INVENTORY REPORT				NAVY DEPARTMENT CURATOR ACCESSION NUMBER 97-61-	
				DATE	
COMMAND/ACTIVITY NAME				NAVAL AIR STATION	
				ALAMEDA, CA	
				LOCATION: NAS ALAMEDA BUILDING 29	
NAVY DEPARTMENT CURATOR CATALOG NUMBER	DIMENSIONS			ITEM NAME/DESCRIPTION	REMARKS
CY	13. 75	13. 25	2	BOARD, SWITCH/INDICATOR, ELETRONIC	FORGE SHOP SAMPLE
CZ	13. 5	13	2	BOARD, SWITCH/INDICATOR, ELECTRIC	FORGE SHOP SAMPLE
DA	19. 5	10	14	CASE, BISCUIT, SURVIVAL RATION, US, CIVIL DEFENSE	CIVIL DEFENSE ITEM
DB	19. 5	16. 75	10. 75	TEST SET, US. AIRCRAFT FIRE CONTROL SYSTEM SN AV020	USED WITH THE A-6 SERIES AIRCRAFT
DC	24	13. 25	17	TEST SET, TRANSISTOR, TYPE 575 SN 011057	USED IN SHOP TESTS FOR TRANSISTORS
DD	23	17		VEST, AVIATION, GROUND CREWMANS, LARGE	FROM AIR TERMINAL
DE	23	17		VEST, AVIATION GROUND CREWMAN'S, LARGE	FROM AIR TERMINAL
DF	9.5	10	5.5	HELMET, FLIGHT DECK CREWMAN'S	FROM AIR TERMINAL / MARKED "D./HUGO BARNEY"
DG	9.5	10	5.5	HELMET, FLIGHT DECK CREWMAN'S	FROM AIR TERMINAL / MARKED "BUSH"
DH	7.5	4.5	5.5	PROTECTOR, FOOT / TOE (1 PAIR)	FROM AIR TERMINAL

ENCLOSURE (1)

NAVAL HISTORICAL CENTER CURATOR BRANCH INVENTORY REPORT				NAVY DEPARTMENT CURATOR ACCESSION NUMBER 97-61-	
				DATE	
COMMAND/ACTIVITY NAME				NAVAL AIR STATION	
				ALAMEDA, CA	
				LOCATION: NAS ALAMEDA BUILDING 29	
NAVY DEPARTMENT CURATOR CATALOG NUMBER	DIMENSIONS			ITEM NAME/DESCRIPTION	REMARKS
DI	10. 5	5.5		PATCH, ORGANIZATIONAL	MARKED "N.A.S. ALAMEDA / AIR TERMINAL"
DJ	10. 5	5.5		PATCH, ORGANIZATIONAL	MARKED "N.A.S. ALAMEDA / AIR TERMINAL"
DK	38	14	37. 5	SIDEBOARD, QUARTERDECK, SHIP'S	FROM USS SAMUEL GOMPERS (AD 37)
DL	38	14	37. 5	SIDEBOARD, QUARTERDECK, SHIP'S	FROM USS SAMUEL GOMPERS (AD 37)
DM	36	29. 5	39	MACHINE, PUNCH CARD, COMPUTER, IBM MODEL 29	WITH INSTRUCTION BOOK
DN	43. 5	29. 5	48	MACHINE, SORTING, PUNCH CARD, SN 23997	FROM NAVAL AVIATION DEPOT
DO	22	16. 5	10. 5	TEST UNIT, SEARCH RADAR, GRUMMAN (CASE 1 OF 3)	FOR USE WITH AN/APQ-92 OR AN/APQ-105 RADAR (A-6 SERIES AIRCRAFT)
DP	21	18	10	TEST UNIT, SEARCH RADAR, GRUMMAN (CASE 2 OF 3)	FOR USE WITH AN/APQ-92 OR AN/APQ-105 RADAR (A-6 SERIES AIRCRAFT)
DQ	22	19	11	TEST UNIT, SEARCH RADAR, GRUMMAN (CASE 3 OF 3)	FOR USE WITH AN/APQ-92 OR AN/APQ-105 RADAR (A-6 SERIES AIRCRAFT)
DR	14. 5	24. 75		CAPSULE, TIME, COMMEMORATIVE	FROM NARF MATERIALS ENGINEERING LABORATORY DTD FEB 1986 (DO NOT OPEN UNTIL 2061) (COMMEMORATES 75TH ANNIVERSARY OF NAVAL AVIATION)
DS	36	15	41	SCALE, WEIGHT, SN 65885-190402	FROM NARF ALAMEDA

ENCLOSURE (1)

NAVAL HISTORICAL CENTER CURATOR BRANCH INVENTORY REPORT				NAVY DEPARTMENT CURATOR ACCESSION NUMBER 97-61-	
COMMAND/ACTIVITY NAME				DATE	
				NAVAL AIR STATION	
				ALAMEDA, CA	
				LOCATION: NAS ALAMEDA BUILDING 29	
NAVY DEPARTMENT CURATOR CATALOG NUMBER	DIMENSIONS			ITEM NAME/DESCRIPTION	REMARKS
DT	58	30	85. 5	LANDING GEAR ASSEMBLY, NOSE, AIRCRAFT, P-3 SERIES AIRCRAFT	SN 93431
DU	66	48	75. 25	LANDING GEAR ASSEMBLY, MAIN, AIRCRAFT, P-3 SERIES AIRCRAFT	SN 93115
DV	26. 5	38	2	PLAQUE, BUILDER'S, FACILITY	AIRCRAFT ENGINE OVERHAUL FACILITY C1953
DW	39. 25	19	8	PROPELLER, AIRCRAFT, FOR P-3 SERIES AIRCRAFT	CUTAWAY SECTION FOR TRAINING

ENCLOSURE (1)

APPENDIX B

Maintenance and Repair Guidelines for Naval Air Station Alameda Historic District

Definition of Terms:

In addition to the terms defined here, and unless otherwise indicated, all definitions given in 36 CFR § 800.2 will be accepted for the purpose of this agreement.

1. **Routine maintenance:** Routine maintenance will include only exterior maintenance and repair.
2. **Maintenance:** Maintenance is the recurring day-to-day or periodic work required to continue current use of the facility. It includes work undertaken to prevent damage or deterioration.
3. **Repair:** Repair includes overhauling, refinishing or reprocessing constituent parts or material of a facility in order to continue effective current use. It includes replacement in kind when new materials and design match existing material and design.

Actions Not Requiring Further Consultation Pursuant to the Regulations (36 CFR Part 800)

A. Structural Elements

1. Repair or replacement of siding, trim, or hardware when done in kind to match existing material and design.
2. Replacement of glass when done in kind to match existing material and design. Window panes may be double or triple glazed as long as the glazing is clear and replacement does not alter existing window material and form. This excludes the use of tinted glass, which will consultation.
3. Maintenance of features such as frames, hoodmolds, paneled or decorated jambs and moldings through appropriate surfaces treatments such as cleaning, rust removal, limited paint removal, and re-application of protective coating systems.
4. Repair or replacement of doors, when done in kind to match existing material and design.
5. Repair or replacement of roofs or part of a roof that are deteriorated, when done in kind to match existing material and design. Adequate anchorage for roofing material to guard against wind damage an moisture penetration shall be provided.
6. Repair or replacement of porches and stairs when done in kind to match existing material and design.
7. Repair of window frames by patching, splicing, consolidating, or otherwise reinforcing or replacing in kind those parts that are either extensively deteriorated or are missing. The same configuration of pane will be retained.

B. Surfaces

1. Painting exterior surfaces when the new paint matches the existing or original color. If the existing paint color is desirable and the original color is now known, the color should be in keeping with approved historic color schemes. Damaged or deteriorated paint may be removed to next sound layer by hand scraping or hand sanding. Abrasive methods, such as sandblasting or waterblasting, are not allowed.

APPENDIX C

LAYAWAY AND CARETAKER MAINTENANCE STANDARDS

Layaway Level 1 (property remains in continuous use): Operational facilities, systems and equipment shall be maintained at normal operational levels. All services, including, but not limited to, installed utilities, mechanical systems, grounds maintenance, interior and exterior structural finishes and systems shall continue in operation. Maintenance of historic properties will be carried out in accordance with the terms of **APPENDIX B, Maintenance and Repair Guidelines for NAS Alameda Historic District.**

Layaway Level 2 (property expected to be reused within 6 months of operational closure): Maintenance shall be performed to maintain the structural integrity, weather tightness and utility systems of the facility to limit deterioration. Water shall be periodically turned on to faucets, toilets, urinals, etc., to keep drain traps "wet." Appliances shall be winterized and unnecessary electrical shall be de-energized. Heating/air conditioning will be turned off except where heating/air conditioning is required to maintain the mechanical systems in working order, for humidity control and to prevent freezing. Historic properties previously heated/air conditioned will be inspected on a regular basis for mildew, mold and other evidence of deterioration. Where deterioration is observed appropriate measures will be taken to arrest the deterioration and prevent reoccurrence. Maintenance of historic properties will be carried out in accordance with the terms of **APPENDIX B, Maintenance and Repair Guidelines for NAS Alameda Historic District.**

Layaway Level 3 (property expected to be reused within 6-24 months of operational closure): Same as Level 2 except that the heating/air-conditioning will be turned off. Historic properties previously heated/air conditioned will be inspected on a regular basis for mildew, mold and other evidence of deterioration. Where deterioration is observed appropriate measures will be taken to arrest the deterioration and prevent reoccurrence. Maintenance of historic properties will be carried out in accordance with the terms of **APPENDIX B, Maintenance and Repair Guidelines for NAS Alameda Historic District.**

Layaway Level 4 (potential reuse of property is beyond 24 months of operational closure): Same as Level 2 except that no heat or air conditioning will be provided and all utilities will be turned off. Water lines and fire suppression systems will be drained. Sewer traps shall be routinely filled with a non-toxic antifreeze or other methane gas suppression system. Passive ventilation shall be used to control humidity. Scheduled inspections shall be made to detect any damage from mold or mildew. Where damage is observed appropriate measures will be taken to arrest deterioration and prevent its reoccurrence. Maintenance of historic properties will be carried out in accordance with the terms of **APPENDIX B, Maintenance and Repair Guidelines for NAS Alameda Historic District.**

Layaway Level 5 (leased facility): Utilities shall be provided to the lessee on a fee basis. Lessee will provide for and fund maintenance, repair or services to the property(s). Maintenance of historic properties will be carried out in accordance with the terms of **APPENDIX B, Maintenance and Repair Guidelines for NAS Alameda Historic District.**

Layaway Level 6 (no reuse envisioned; abandoned in place): The property, related systems and equipment shall be closed and secured. Windows and entrances shall be locked (or boarded up as necessary). Maintenance work shall be restricted to the prevention of unauthorized entry to the facility or grounds immediately adjacent. Basic entomology services shall be continued to the grounds surrounding the facility. Only conditions adversely affecting public health, the environment and public safety shall be corrected. All utilities shall be shut off or disconnected.

APPENDIX D
Sign Procedures

RECEIVED
MAR 26 1998
APPA
CITY OF ALAMEDA

CITY OF ALAMEDA PLANNING BOARD
RESOLUTION NO. PB-98-8

A RESOLUTION OF THE PLANNING BOARD OF THE CITY OF ALAMEDA APPROVING
A SIGN PROGRAM FOR ALAMEDA POINT (THE FORMER ALAMEDA NAVAL AIR
STATION)

WHEREAS, Alameda Naval Air Station closed in May of 1997; and

WHEREAS, Alameda Naval Air Station is under an interim leasing program between the
Navy, the Alameda Reuse and Redevelopment Authority and the City of Alameda; and

WHEREAS, a portion of the base has been determined to be eligible for the National
Register of Historic Places as an Historic District and thus, given federal protections; and

WHEREAS, the interim leasing area needs sign control to protect the historic character
of the base; and

WHEREAS, the subject property is designated Federal Facilities on the General Plan
Diagram; and

WHEREAS, the subject property is located in an M-2-G, General Industrial
(Manufacturing) Zoning District with a Special Government Combining District; and

WHEREAS, the Board held a public hearing on this application on August 11, 1997, and
examined pertinent maps, drawings, and documents; and

WHEREAS, the Board made the following findings:

1. The proposed Sign Program is consistent with the General Plan, since it implements policy 3.3.d which states: New construction, redevelopment and alterations should be compatible with historic resources in the immediate area.
2. The proposed Alameda Point Sign Program will not adversely affect other property in the vicinity since it does not propose any construction, but only proposes standards for any signs to be placed within the former Alameda Naval Air Station (Alameda Point.)
3. Signs allowed under the Sign Program are of a suitable design for the historic district and the safety restrictions of the unique street configuration of the base.
4. The standards in the proposed Alameda Point Sign Program are more appropriate for signage in Alameda Point than the City's Sign Regulations because they

recognize the consistency of the building sizes, design, and unique streetscape. Alameda Municipal Code Sign Regulations Section 30-6.3b2 provide the authority to adopt an individual sign program for specific areas.

THEREFORE BE IT RESOLVED that the proposal is Categorical Exempt under CEQA Guidelines, Section 15305 - Minor alterations to land use limitations; and

THEREFORE BE IT FURTHER RESOLVED that the Planning Board of the City of Alameda hereby approves the Alameda Point Sign Program, pursuant to Alameda Municipal Code Sign Regulations Section 30-6.3b2, and subject to the following conditions:

1. Signs within Alameda Point shall follow standards found in Exhibit A, "Standards and Procedures for Signs within Alameda Point", dated February 1998. The area subject to the Sign Program is delineated in Exhibit B.
2. If substantial redevelopment of Alameda Point occurs, the Planning Board can adopt a new sign program that would supersede this Sign Program.

NOTICE. No judicial proceedings subject to review pursuant to California Code of Civil Procedure Section 1094.5 may be prosecuted more than ninety (90) days following the date of this decision or decision on any appeal plus extensions authorized by California Code of Civil Procedure Section 1094.6.

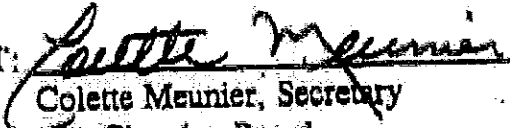
PASSED AND ADOPTED by the Planning Board of the City of Alameda on the 26th day of January, 1998 by the following vote:

AYES: (6) Thomas, Bard, Gottstein, Harris, Johnson, Piziali

NOES: (0)

ABSENT: (1) Rossi

ATTEST:


Colette Meunier, Secretary
City Planning Board

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EXHIBIT A

CITY OF ALAMEDA INTERIM STANDARDS AND PROCEDURES FOR SIGNS WITHIN ALAMEDA POINT

February 1998

I. Purpose of the Standards and Procedures

The purpose of these standards and procedures is threefold. First, they establish the City's interim signage requirements for Alameda Point (the former Alameda Naval Air Station.) Second, they are consistent with the preservation of Alameda Point's unique historic resources and character and existing physical development characteristics. Third, they provide tenants and interim lessees with clear requirements for signage and permit processing. Unless specified herein all signage shall comply with the City of Alameda's Sign Regulations.

II. Existing Signs

Existing signs shall not be removed from any building or area or altered unless such removal or alteration is approved through a sign permit issued by the Planning Director. For a sign to be removed or altered, it must meet the following criteria:

- A. The sign does not contribute to the historic character of the building or the area.
- B. The sign is irrelevant to the present or proposed use of the building or area. Examples of this criteria include signs that identify a former tenant or use or that refer to the prior caretaker status of the building.
- C. The sign is not the building number or area identification sign, unless it will be replaced with an in-kind sign.
- D. The sign's removal or alteration will not irreversibly damage the building or area. Any damage to a building or area resulting from the removal or alteration of a sign shall be repaired immediately by the tenant to meet the approval of the City Planning Director. Any alteration required to remove a sign must meet the Planning Director's approval.
- E. The altered sign meets the standards in Section III, "New Signs".

The existing free-standing changeable copy sign located at the terminus of Atlantic Avenue at Ferry Point Drive may be used only by the City of Alameda for informational purposes.

III. New Signs

A. General Standards

1. The purposes of signage in Alameda Point are to direct traffic to buildings and areas and to identify buildings and areas, and the businesses located within. Signs shall not advertise products or services unless the product or service is part of a business's name.
2. The sign copy on an individual sign face shall be limited to the name of the business, the street address and/or building number, and two design features, such as logos, figures, or symbols.
3. All signs shall respect the architectural character of Alameda Point, being Streamline Moderne or Art Deco style generally, characterized by sans serif lettering and stylized forms where possible. The guide produced by the Navy for design review, "Layman's Guide to Buildings Preserving the Character of the Naval Air Station Alameda Historic District", shall be used in reviewing each proposal. It is available for review at the City Planning Department.
4. Signs shall be compatible with the building to which they are attached. Size, height, location and material shall strongly relate to building design and style. Colors shall be compatible with the building's colors.
5. Signs shall comply with all applicable requirements of the City of Alameda Sign Ordinance, including the requirement of a building permit.
6. Signs shall not remove, alter or irreversibly damage distinctive materials, features, finishes and construction techniques or examples of craftsmanship.

B. Materials

1. Sign materials shall be consistent with the materials and characteristics of the historic architectural styles. Appropriate materials may include painted or engraved wood and dimensional letters of cast or fabricated metal or painted plastic. For buildings within the Hangar Area, the preferred signage is the large painted-on wall sign on the side or front corner of the building in order to be consistent with the historic district, within the standards contained in Section D., below. Areas outside the historic district are not restricted to this type of sign. Wall mounted signs should not project more than 6' from the wall.
2. Cabinet type signs with plastic faces are not allowed.

C. Prohibited Signs

In addition to those signs prohibited by Section 30-6.5 of the City of Alameda's Sign Ordinance, the following signs are not permitted at Alameda Point:

1. Any signs attached to trees, rocks, utility poles, street signs, except for public utility, traffic, or safety identification or information;
2. Any signs that constitute a traffic safety hazard, and
3. Freestanding signs, including monument style signs, except lawn signs as defined in section D.4, and only within the Historic District.
4. Signs that are affixed to or painted on a fence, except for unenclosed uses that are not associated with a building or where a building is located more than 100 feet from a street.

D. Building Signs

Building tenants may be only identified with wall signs, window signs, awning signs, or a combination of these three types. The exception to this standard is for historic residential units, for the Officers's Club, the Chapel, and for certain other historic structures fronting on the mall (Buildings 1, 16, 18, 60, and 94). These buildings shall be identified only with small, freestanding lawn signs. Descriptions of these types of signs, specific standards for each, and the amounts of allowable sign area are as follows:

1. Wall Signs

A wall sign is permanently affixed parallel to a wall or printed on the wall of a building. Painted, engraved, or sandblasted signs and signs with individual letters are preferred. Exposed neon signage and internally illuminated pan channel letters are allowed except along the frontages of the historic buildings listed above.

2. Window Signs

Any sign, picture, symbol, or combination thereof placed in a window is considered to be a window sign, as defined in the City of Alameda Sign Ordinance. Individual letters are preferred. Exposed neon signage is allowed except along the frontages of the historic structures listed above. Temporary paper signs are not allowed. Window signs shall not cover more than 25 percent of the total window area of the first floor of a building. Window signs are not allowed above the first floor.

3. **Awning Signs**

An awning sign is a sign that is printed or painted on or attached to an awning, canopy, or other structural protective cover over a door, entrance, window, or outdoor service area. Backlit and illuminated awnings may be allowed. Awning signs are not allowed on single- or duplex-unit residential buildings.

4. **Lawn Signs**

A lawn sign is a freestanding sign board supported by posts at either end, without a base. Such a sign shall not exceed four feet in height. It shall be located in the lawn or landscaping in front of a building, unless an exception is granted by the Planning Director because of unique circumstances at the building site. The City will determine where a lawn sign may be located on the site based on visibility from the street and the relationship with the building. The size, spacing provisions and landscaping shall conform with Section 30-6.4.f Freestanding Signs, of City's Sign Regulations, and shall not exceed 30 square feet. No more than one freestanding sign will be allowed per lease hold. Lawn signs shall be allowed only in the historic district on existing landscaped areas.

5. **Sign Area and Number of Signs**

The amount of total allowed sign area will be based on two criteria: the original use of the building and the length of the principal building frontage adjacent to a street, as determined by the Planning Director. These criteria will be applied as follows:

a. **Residential Buildings**

For existing single-family residential buildings, which have been converted to a non-residential use, in the area between Pan Am Way and Main Street, the total allowed sign area shall not exceed one-half square foot per linear foot of principal building frontage not to exceed 15 square feet. Only one sign, either a wall sign or a lawn sign, may be permitted per building.

The former barracks buildings, numbers 2, 4, and 17, are exempt from the residential standard and should be considered under whichever of the following categories meets their proposed use. If the use continues to be residential, then these structures shall be limited to the standard for cultural buildings, below.

b. Cultural, Educational and Recreational Buildings

The total allowed sign area shall not exceed one-half square foot per linear foot of principal building frontage not to exceed 50 square feet per building, whichever is less. Only one sign may be permitted per building frontage.

c. Office, Commercial and Industrial Buildings

The total allowed sign area shall not exceed one square foot per linear foot of principal building frontage with the total sign area not to exceed the following standards, whichever is less:

- 1) For buildings under 25,000 square feet in total floor area: two signs, the total of which may not exceed 100 square feet;
- 2) For buildings between 25,000 and 100,000 square feet in total floor area: two signs, the total of which may not exceed 200 square feet; and
- 3) For buildings over 100,000 square feet in total floor area: 250 square feet on each of the following: Street frontage, and the two side faces of the building visible from the street, with the total not exceed 750 square feet.

E. Directional Signs

The City Engineer, in consultation with the City Planning Director, shall decide where and how many directional signs can be located to direct traffic to a building, set of buildings or area. This signage shall be limited to traffic terms such as "Enter" or "Exit" and shall not include any business names. The exception to this standard is the special circumstance of providing direction to a particular building or business whose location is not readily apparent from the street. A directional sign shall not exceed 4 square feet in total area. This sign area is in addition to the allowed sign area described in Section III.D, "Sign Area", when used in conjunction with a particular business.

F. Address signs

Address signs as provided on each building by the Navy or City of Alameda shall not be counted against allowable sign area. Other address signs will be counted if the tenant's name appears as part of the sign.

G. Building Markers

Building markers, which include memorial signs or tablets, names of buildings, historic significance, and date of construction, are allowed when constructed of bronze, stone, or other similar material. The maximum size is 4 square feet. This sign area is in addition to the total allowed sign area described in Section III.D, "Sign Area."

G. Banners and Art Signs

Non-commercial banners, flags, and art signs may be used temporarily for no more than 30 days to decorate the streetscape and to advertise public events and other similar special events subject to the approval of the City.

H. Temporary Signs

1. Business Identification Signs

Temporary business identification signs are allowed pending completion of the permitted permanent business identification signs. The sign may be plastic, fabric, or similar material, but not paper. It shall not exceed the sign area standards described in Section III.D, "Sign Area." The maximum time period a temporary sign may remain up is 30 calendar days.

2. Real Estate Signs

Temporary real estate signs are allowed per the City Sign ordinance.

3. Construction Signs

Building, site, and/or infrastructure construction signs are allowed up to ten days before actual work begins. Sign area shall not exceed 32 square feet per sign per building, site or project. Signs shall be removed within 10 working days after the completion of construction.

IV. Procedures

Sign permits from the City are required for the removal or alteration of existing signs and the installation of new signs except those listed as exempt in the City of Alameda Sign Ordinance.

V. Applicability

These standards and procedures shall be applicable for the term of the Interim Leasing period.

CITY OF ALAMEDA RESOLUTION NO. 13139

ADDING THE NAVAL AIR STATION ALAMEDA HISTORIC DISTRICT
TO THE CITY HISTORICAL AND CULTURAL MONUMENT LIST

WHEREAS, Section 106 of the 1966 National Historic Preservation Act requires that Federal Agencies recognize their historic properties that may be eligible for the National Register; and

WHEREAS, the Alameda Reuse and Redevelopment Authority, Alameda Point, initiated a request that the Naval Air Station Alameda Historic District (which is a National Register Eligible District) at Alameda Point (former Naval Air Station, Alameda) be designated as a City Monument; and

WHEREAS, the site is designated as Federal Facilities on the General Plan diagram; and

WHEREAS, the site is classified as M-2-G General Industrial (Manufacturing) Special Government Combining District; and

WHEREAS, this is not a project as defined by CEQA, Guidelines, Sections 15357; and

WHEREAS, based upon the evaluation contained in the *Historic Architectural Resources Inventory for Alameda NAS*, the Naval Air Station Alameda Historic District would be eligible to be designated a City Monument under two criteria: a group of structures which are associated with broad cultural, political and social history of the United States and a site which embodies the distinguishing characteristics of an architectural type which is inherently valuable for study; and

WHEREAS, the Naval Air Station Alameda Historic District would be eligible as an example of the development of U.S. Naval Bases in the San Francisco Bay Area for World War II, with 1938-1945 as the period of significance, and because the buildings have a continuity of style and a high degree of architectural integrity enhanced by the retention of landscaping and park-like open spaces; and

WHEREAS, at the February 5, 1998 meeting of the Historical Advisory Board, the Board recommended that the Naval Air Station Alameda Historic District at Alameda Point be designated a Alameda Historical Monument.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Alameda that the Naval Air Station Alameda Historic District be recognized and be added to the City Historical and Cultural Monument List.

* * * * *

Approved as to Form

CITY ATTORNEY

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Council of the City of Alameda in regular meeting assembled on the 7th day of September, 1999, by the following vote to wit:

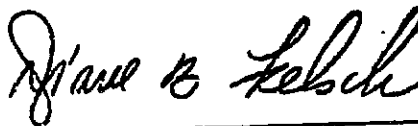
AYES: Councilmembers Daysog, DeWitt, Johnson, Kerr and Mayor Appezzato - 5.

NOES: None.

ABSENT: None.

ABSTENTIONS: None.

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the official seal of said City this 8th day of September, 1999.



Diane Felsch, City Clerk
City of Alameda

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EXHIBIT F

ENVIRONMENTAL QUESTIONNAIRE

The purpose of this form is to obtain information regarding the use, if any, of hazardous substances in the process proposed on the premises to be leased. Any such use must be approved in writing by Landlord. Prospective tenants should answer the questions in light of their proposed operations on the premises. Existing tenants should answer the questions as they relate to ongoing operations on the premises and should update any information previously submitted. If additional space is needed to answer the questions, you may attach separate sheets of paper to this form.

Your cooperation in this matter is appreciated. Any questions should be directed to, and when completed, the form should be mailed to:

PM Realty Group L.P.
Attn: Property Manager
101 West Atlantic Avenue
Alameda, California 94501
(510) 749-0304; (510) 749-1095 fax

1. General Information.

Name of Responding Company: Faction Brewing Company

Check the Applicable Status: _____

Prospective Tenant ☒ Existing Tenant ☐

Mailing Address: 72 Glen Ave Oakland, CA 94611

Contact Person and Title: Claudia Pamparana/Owner

Telephone Number: (415) 823-7916

Alameda Point Address of Proposed Premises to be Leased: _____

2501 Monarch St #22

Length of Lease Term: 5year w/ 2- 5 year options to renew

Your Standard Industrial Classification (SIC) Code Number: ? Light Industrial/ manufacturing

Describe the proposed operations to take place on the property, including principal products manufactured, services and a brief process flow description to be conducted. Existing tenants should describe any proposed changes to ongoing operations.

Brewing/manufacturing beer- Stew malt> boil liquid with hops> ferment beer> package product
Selling Beer- We will have an onsite tasting room to sell our product as well as work
with distributors

2. Use and/or Storage of Hazardous Materials.

3.2 If you have an above ground storage tank (AST), do you have a spill prevention containment and countermeasures (SPCC) plan?

Yes ☐

No ☐

Not Applicable ☒

3.3 Have any tanks, pumps or piping at you existing facilities been inspected or tested for leakage?

Yes ☐

No ☐

Not Applicable ☒

If so, attach the results.

3.4 Have any spills or leaks occurred from such tanks, pumps or piping?

Yes ☐

No ☐

Not Applicable ☒

If so, describe. _____

3.5 Were any regulatory agencies notified of any spills or leaks?

Yes ☐

No ☐

Not Applicable ☒

If so, attach copies of any spill reports filed, any clearance letters or other correspondence from regulatory agencies relating to the spill or leak.

3.6 Have any underground storage tanks, sumps or piping been taken out of service or removed at the proposed facility or facilities that you operate?

Yes ☐

No ☐

Not Applicable ☐

If yes, attach copies of any closure permits and clearance obtained from regulatory agencies relating to closure and removal of such tanks.

4. Spills.

4.1 During the past year, have any spills occurred on any site you occupy?

Yes ☐

No ☒

Not Applicable ☒

If so, please describe the spill and attach the results of any process conducted to determine the extent of such spills.

4.2 Were any agencies notified in connection with such spills?

Yes ☐

No ☐

Not Applicable ☒

If no, attach copies of any spill reports or other correspondence with regulatory agencies.

4.3 Were any clean-up actions undertaken in connection with the spills?

Yes ☐

No ☐

Not Applicable ☒

If so, briefly describe the actions taken. Attach copies of any clearance letters obtained from any regulatory agencies involved and the results of any final soil or

Is any treatment, processing and recycling of hazardous wastes currently conducted or proposed to be conducted at the premises:

Yes ☐

No ☒

If yes, please describe any existing or proposed treatment, processing or recycling methods. _____

Attach copies of any hazardous waste permits or licenses issued to your company with respect to its operations on the premises.

6. Wastewater Treatment/Discharge.

6.1 Will your proposed operation require the discharge of wastewater to (answer Yes or No to each of the following)?

No ☐ storm drain

Yes ☐ sewer

No ☐ surface water

n/a ☐ no industrial discharge

6.2 Does your business have a Sewer Use Questionnaire on file with Alameda County Sanitation District?

Yes ☐

No ☒

6.3 Is your wastewater treated before discharge?

Yes ☒

No ☐

Not Applicable ☐

If yes, describe the type of treatment conducted.

We have a company that we will work with, once we move in.

Not known exactly at this time

6.4 Does your business conduct operations outside the building or store materials outside?

Yes ☒

No ☐

Not Applicable ☐

6.5 Do you have a Storm Water Pollution Prevention Plan (SWPPP)?

Yes ☐

No ☒

Not Applicable ☐

6.6 Does your business have a General Permit for storm water discharge associated with industrial activity?

Yes ☐

No ☒

Not Applicable ☐

6.7 Does your business operate under a National Pollution Discharge Elimination System (NPDES) Permit?

Yes ☐

No ☐

Not Applicable ☒

Attach copies of any wastewater discharge permits issued to your company with respect to its operations on the premises.

8.2 Has your company ever received requests for information, notice or demand letters, or any other inquiries regarding its operations?

Yes ☐

No ☒

8.3 Have there ever been, or are there now pending, any lawsuits against the company regarding any environmental or health and safety concerns?

Yes ☐

No ☒

8.4 Has any environmental audit ever been conducted at your company's current facility?

Yes ☐

No ☒

If so, discuss the results of the audit. _____

8.5 Have there been any problems or complaints from neighbors at the company's current facility?

Yes ☐

No ☒

Please describe: _____

The undersigned hereby certifies that all of the information contained in this questionnaire is accurate and correct.

FACTION BREWING COMPANY LLC

By: Claudia Pamparana



Title: Owner

Date: 07/01/12

EXHIBIT G

RULES AND REGULATIONS

1. Landlord shall have the right to control and operate the public portions of the Building and the public facilities, as well as facilities furnished for the common use of the tenants, in such manner as it deems best for the benefit of the tenants generally. No tenant shall invite to the Premises, or permit the visit of, persons in such numbers or under such conditions as to interfere with the use and enjoyment of the entrances, corridors, elevators and facilities of the Building by other tenants.

2. Landlord reserves the right to close and keep locked all entrance and exit doors of the Building outside of normal business hours as Landlord may deem to be advisable for the protection of the property. Landlord may also require the provision of security systems or personnel to maintain security and safety within the Building.

3. Tenant shall not make any use of the Building or property which in any manner constitutes or results in any public or private nuisance within the meaning of California Civil Code Section 3479 *et seq.*

4. The entries, corridors, stairways and elevators shall not be obstructed by any tenant, or used for any other purpose than ingress or egress to and from its respective offices.

5. Freight, furniture, business equipment, merchandise and bulky matter of any description ordinarily shall be delivered to and removed from the demised Premises only in the designated freight elevator and through the service entrances and corridors, but special arrangements will be made for moving large quantities or heavy items of equipment and supplies into or out of the Building.

6. All entrance doors in the Premises shall be left locked when the Premises are not in use.

7. Tenant shall not attach or permit to be attached additional locks or similar devices to any door, transom or window of the Premises; change existing locks or the mechanism thereof; or make or permit to be made any keys for any door thereof other than those provided by Landlord, without providing to Landlord one set of keys therefore.

8. The drinking fountains, lavatories, water closets and urinals shall not be used for any purpose other than those for which they were installed.

9. No awnings or other projections over or around the windows or entrances of the Premises shall be installed by any tenant without the prior written consent of the Landlord.

10. Landlord is not responsible to any tenant for the non-observance or violation of the Rules and Regulations by any other tenant.

11. Landlord reserves the right by written notice to Tenant, to rescind, alter or waive any rule or regulation at any time prescribed for the Building when, in Landlord's reasonable judgment, it is necessary, desirable or proper for the best interest of the Building and its tenants.

12. The Tenant shall not exhibit, sell or offer for sale on the Premises or in the Building any article or thing except those articles and things essentially connected with the stated use of the Premises by the Tenant without the advance consent of the Landlord.

13. The Tenant shall never use any picture or likeness of the Building in any circulars, notices, advertisements or correspondence without the Landlord's consent

14. The Tenant shall cooperate fully with the Landlord to assure the effective operation of the Building's air conditioning system. If Tenant shall so use the Premises that noxious or objectionable fumes, vapors and odors exist beyond the extent to which they are discharged or eliminated by means of the flues and other devices contemplated by the various plans, specifications and leases, then Tenant shall provide proper ventilating equipment for the discharge of such excess fumes, vapors and odors so that they shall not enter into the air conditioning system or be discharged into other vents or flues of the Building or annoy any of the tenants of the Building or adjacent properties. The design, location and installation of such equipment shall be subject to Landlord's approval.

15. All loading and unloading of merchandise, supplies, materials, garbage and refuse shall be made only through such entryways and elevators and at such times as the Landlord shall designate. In its use of the loading areas in the basement, the Tenant shall not obstruct or permit the obstruction of said loading area and at no time shall park or allow its officers, agents or employees to park vehicles therein except for loading or unloading.

16. There shall not be used or kept anywhere in the Building by any tenant or persons or firms visiting or transacting business with a tenant any hand trucks, except those equipped with rubber tires and side guards.

17. No curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with any window or door of the Premises without the prior written consent of the Landlord.

18. No sign, advertisement notice or other lettering shall be exhibited, inscribed, painted or affixed by Tenant on any part of the outside or inside of the Premises or of the Building, without the prior written consent of Landlord. In the event of any violation of the foregoing by Tenant, Landlord may remove same without any liability, and may charge the expense incurred by such removal to Tenant.

19. The sashes, sash doors, skylights, windows and doors that reflect or admit light or air into the halls, passageways or other public places in the Building shall not be covered or obstructed by Tenant, nor shall any bottles, parcels, or other articles be placed on the window sills, or in the public portions of the Building.

20. Tenant shall not mark, paint, drill into any part of the Premises or the Building without the prior written consent of the Landlord. No boring, cutting or stringing of wires shall be permitted, except with the prior written consent of Landlord, and as Landlord may direct.

21. No animal or bird of any kind shall be brought into or kept in or about the Premises or the Building without the prior written consent of the Landlord, but in no event in violation of the federal Fish & Wildlife Biological Opinion.

22. Tenant's contractors shall, while in the Building or elsewhere in the complex of which the Building forms a part, be subject to and under the control and direction of the Tenant.

23. If the Premises is or becomes infested with vermin as a result of the use or any misuse or neglect of the Premises by Tenant, its agents, servants, employees, contractors, visitors or licensees, Tenant shall forthwith at Tenant's expense cause the same to be exterminated from time to time to the satisfaction of Landlord and shall employ such licensed exterminators as shall be approved in writing in advance by Landlord.

24. Excepting bottled water utilized by Tenant, no water cooler, air conditioning unit or system or other apparatus shall be installed or used by Tenant without the written consent of Landlord.

25. Tenant shall install and maintain, at Tenant's sole cost and expense, an adequate visibly marked (at all times properly operational) fire extinguisher next to any duplicating or photocopying machine or similar heat producing equipment, which may or may not contain combustible material, in the Premises.

26. Tenant shall not use the name of the Building for any purpose other than as the address of the business to be conducted by Tenant in the Premises, nor shall Tenant use any picture of the Building in its advertising, stationery or in any other manner without the prior written permission of Landlord. Landlord expressly reserves the right at any time to change said name without in any manner being liable to Tenant therefor.