

**FIRST AMENDMENT OF LEASE AGREEMENT BETWEEN SUNG  
HUI PASKEWITZ, TRUSTEE OF THE SUNG HUI PASKEWITZ  
LIVING TRUST, AND THE CITY OF SAN LEANDRO**  
(APN: 077-545-32-1 and 77-545-9)

This First Amendment of Lease (this "Amendment") is made and entered into this 9<sup>th</sup> day of May 2018, by and between the CITY OF SAN LEANDRO, a California charter city ("City") and Sung Hui Paskewitz, Trustee of the Sung Hui Paskewitz Living Trust, owner of Pelton Plaza Shopping Center at 100 Pelton Center Way, San Leandro, California ("Pelton"). This Amendment amends that certain lease entered into between the City and Pelton on May 2, 2016 (the "Lease"). City and Pelton are each referred to herein as a "Party" and collectively referred to as the "Parties."

**RECITALS**

- A. The City operates a public off-street parking lot in Pelton Plaza Shopping Center (the "Premises") pursuant to the Lease.
- B. The Parties desire to amend the Lease to, among other things, provide for paid parking technology within the Premises.

WHEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**AGREEMENT TO AMEND THE LEASE**

1. Section 3 of the Lease, Leased Premises, is hereby amended (with additions noted by underline and deletions noted by strikethrough) to read as follows:

**"3. Leased Premises.** Subject to the terms of this Agreement Pelton Leases the Premises to City, and City leases the Premises from Pelton to operate a public paid parking off-street parking lot. The Premises are more particularly described in Exhibit A, attached hereto and incorporated herein by this reference."

2. Section 4 of the Lease, Term, is hereby amended (with additions noted by underline and deletions noted by strikethrough) to read as follows:

**"4. Term.** The term of this Agreement commences on the Effective Date and shall remain in full force and effect for five (5) years from the Effective Date (the "Initial Term"), unless terminated by either Party. The City may terminate this Agreement, with or without cause, upon sixty (60) days' advance written notice to Pelton. During the Initial Term, Pelton may only terminate this Agreement upon an Event of Default as described in Section 14 of this Agreement. After the expiration of the Initial Term, Pelton may terminate this Agreement, with or without cause, upon sixty (60) days' advance written notice to City. Following the Initial Term, this Agreement shall

automatically extend on the annual anniversary of the Effective Date upon payment of rent pursuant to Section 6.”

3. Section 5.c of the Lease, Parking Regulations, is hereby amended (with additions noted by underline and deletions noted by strikethrough) to read as follows:

“c. Parking Regulations. Pursuant to Section 6-1-845 of the San Leandro Municipal Code, City shall adopt reasonable parking regulations to govern the use and enjoyment of the Premises. The City may adopt regulations which may include, among other things, regulations pertaining to parking time limits, installation and use of a device or devices that register the amount of time purchased for the parking of a motor vehicle, at the expiration of which the driver may be liable for a fine (“Paid Parking Technology”). The City agrees to confer with Pelton prior to implementation of changes to the parking regulations. Pelton acknowledges that the parking on the Premises shall be available to the general public without restriction and agrees that it shall only have one (1) designated permit-only parking space and one (1) limited time zone (15 minutes) parking space for drop off. Pelton agrees to not post any signage that restricts the use of any parking spaces for Pelton’s owners, agents, employees, tenants, customers, business invitees or specific members of the general public.

4. Section 5.e of the Lease, Safe Condition, is hereby amended (with additions noted by underline and deletions noted by strikethrough) to read as follows:

“e. Safe Condition. Pelton shall keep and maintain the Premises in a safe condition for the public at Pelton’s sole expense. City agrees to install, keep, maintain and repair City owned Paid Parking Technology at City’s expense.”

5. Section 5.f of the Lease, Liability for Damages to City Property, is renumbered Section 5.g, Section 5.g of the Lease, Successor in Interest, is renumbered Section 5.h, and Section 5.f of the Lease, Paid Parking Revenue, is hereby added to read as follows:

“f. Paid Parking Revenue. The City shall establish paid parking rates and hours for use of the Premises and shall receive revenue from drivers that utilize the Premises from the Paid Parking Technology (“Revenue”). Revenue shall only include revenue generated from the Paid Parking Technology and the City shall be entitled to one hundred percent (100%) of revenue obtained in any other manner. The City shall be entitled to one hundred percent (100%) of the Revenue until May 9, 2021. After May 9, 2021, Revenue shall be evenly allocated fifty percent (50%) to the City (“City Revenue”) and fifty percent (50%) to Pelton (“Pelton Revenue”). The City shall collect the Revenue and remit Pelton Revenue to Pelton on an annual basis no later than July 1<sup>st</sup> of each year. In the event that this Agreement is terminated prior to July 1<sup>st</sup>, the City shall remit Pelton Revenue to Pelton within sixty (60) days of termination of this Agreement. Pelton shall annually use \$8,000 of the Pelton Revenue to reinvest in the upkeep, maintenance, repairs and improvements of the Premises pursuant to Section 5.d of this Agreement. Any unspent portion of the annual \$8,000 share of Pelton Revenue for upkeep, maintenance, repairs and improvements to the Premises shall be used to improve tenant façades and signage. Pelton shall maintain accurate books and records for the duration of this Agreement with respect to Pelton’s use of the

Revenue and shall permit the City to audit and examine such books and records during normal business hours upon reasonable notice.”

6. Section 6 of the Lease, Rent, is hereby amended (with additions noted by underline and deletions noted by strikethrough) to read as follows:

6. **Rent.** City shall pay Pelton One Dollar (\$1.00) per year, payable within thirty (30) days of the Effective Date of this Agreement, within thirty (30) days of the annual anniversary of the Effective Date during the Initial Term, and within thirty (30) days of any extension pursuant to Section 4.

7. Section 18 of the Lease, Notice, is hereby amended (with additions noted by underline and deletions noted by strikethrough) to read as follows:

**“18. Notices.** Except as otherwise specified in this Agreement, all notices to be sent pursuant to this Agreement shall be made in writing, and sent to the Parties at their respective addresses specified below or to such other address as a Party may designate by written notice delivered to the other Party in accordance with this Section 18. All such notices shall be sent by:

- (a) personal delivery, in which case notice shall be deemed delivered upon receipt;
- (b) certified or registered mail, return receipt requested, in which case notice shall be deemed delivered two (2) business days after deposit, postage prepaid, in the United States mail;
- (c) nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) day after deposit with such courier; or
- (d) facsimile transmission, in which case notice shall be deemed delivered on transmittal, provided that a transmission report is generated reflecting the accurate transmission thereof.

**City:** City of San Leandro  
835 East 14<sup>th</sup> Street  
San Leandro CA 94577-3767

Attention: Economic Development Manager

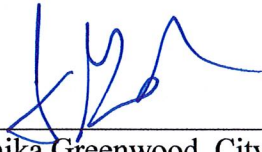
**Owner:** Sung Hui Paskewitz Living Trust  
110 Pelton Center Way  
San Leandro CA 94577-4816


Attention: Sung Hui Paskewitz and Tanya M. Paskewitz”

8. Except as expressly amended above, all covenants, terms, and provisions of the Lease shall be and remain in full force and effect.

IN WITNESS WHEREOF, THE Parties hereto have executed this Agreement the day and year first above written,

Executed as of the day first above stated:

Attest:   
\_\_\_\_\_  
Tamika Greenwood, City Clerk

City of San Leandro  
By:   
\_\_\_\_\_  
Jeff Kay, Interim City Manager

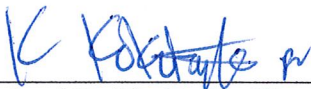
***Sung Hui Paskewitz Living Trust***

By:   
\_\_\_\_\_  
***Sung Hui Paskewitz***

***Pelton Plaza Shopping Center***

By:   
\_\_\_\_\_  
***Tanya M. Paskewitz, Property Manager***

Approved as to form:

  
\_\_\_\_\_  
Richard D. Pio Roda, City Attorney

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