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City of South San Francisco
400 Grand Ave
South San Francisco, CA 94080

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(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

**FIRST AMENDMENT
TO DEVELOPMENT AGREEMENT**

This First Amendment to Development Agreement (“First Amendment”) is entered into by and between ARE-San Francisco No. 21 LP, ARE-San Francisco No. 42 LLC (collectively known as “Developer”) and the CITY OF SOUTH SAN FRANCISCO, a municipal corporation (“City”) on this ____ day of _____, 2017.

RECITALS

A. Pursuant to the adoption of City Council Ordinance No. 1403-2009 (“DA Ordinance”), the City entered into a Development Agreement between City and ARE-San Francisco No. 21 LP, ARE-San Francisco No. 42 LLC (“Development Agreement”) for the development of an Office/R&D project at 213-221 East Grand Avenue (“Project”). The location of the Project is further described in the attached legal description as Exhibit A. The Ordinance took effect on February 13, 2009.

B. On January 11, 2017, the Developer requested a first amendment to the Development Agreement (“First Amendment”) to modify the site plan by moving the parking garage to the east side of the project site, and to request a parking reduction through an advanced Transportation Demand Management Plan.

C. On April 20, 2017, the Planning Commission adopted Resolution No. _____ recommending that the City Council (1) adopt an ordinance approving the First Amendment to the Development Agreement, and (2) adopt a resolution approving a use permit modification, parking reduction request, transportation demand management plan and design review to redesign certain Project details including modifying the site plan to move the parking garage to the east side of the Project site (“Revised Entitlements”).

D. On June 14, 2017, the City Council adopted Resolution No. _____ approving the Revised Entitlements.

E. On June 14, 2017, the City Council considered the proposed First Amendment and adopted Ordinance No. _____ approving the First Amendment.

NOW, THEREFORE, in consideration of the mutual covenants and promises of the parties herein contained, the City and Developer agree as follows:

AMENDMENT TO AGREEMENT

1. **Recitals**. The foregoing recitals are true and correct and hereby incorporated herein.
2. **Defined Terms**. All capitalized terms not defined herein shall have the meanings ascribed to them in the Development Agreement.
3. **Recital E**. Recital E of the Development Agreement is hereby amended to read as follows with additions in double underline and deletions in ~~striketrough~~:

WHEREAS, Owner has submitted a development proposal to the City that would permit the development of the Property as depicted on the 213-221 East Grand Avenue City Council plan set dated December 10, 2008, prepared by Dowler-Gruman Architects (the "Original Plan Set") (a copy of such Original Plan Set is attached hereto as Exhibit B and incorporated herein by reference), as amended by the 213-221 East Grand Avenue Use Permit Modification and Development Agreement Modification plan set dated January 10, 2017, prepared by WRNS Studio (the "Amended Plan Set") (a copy of such Amended Plan Set is attached hereto as Exhibit B-1 and incorporated herein by reference) (as amended, the "Plan Set"); and

4. **Section 3**. Section 3 of the Development Agreement is hereby amended to read as follows with additions in double underline and deletions in ~~striketrough~~:

3. **Project Description; Development Standards For Project**

The project to be developed on the Property pursuant to this Agreement (the "Project") shall consist of (i) one (1) office/ research and development building, with nine (9) floors, containing approximately 291,634 square feet, including a two (2) level ancillary tenant amenity space containing up to 8,495 square feet, (ii) a five (5) level parking garage that will accommodate ~~six hundred and sixteen (616)~~ five hundred twenty-four (524) parking spaces, (iii) surface parking that will accommodate up to ~~two hundred and ten (210)~~ one hundred ten (110) parking spaces, (iv) sixteen (16) accessible parking spaces, and (v) related improvements, all as provided in the Plan Set and as approved by the City Council.

5. **Section 35**. Section 35 of the Development Agreement is hereby amended to read as follows with additions in double underline and deletions in ~~striketrough~~:

Exhibit A-1 – Legal Description and Map of Primary Property
Exhibit A-2 – Legal Description and Map of Adjacent Property
Exhibit B – Use Permit, Including Original Plan Set and Conditions of Project Approval
Exhibit B-1 – Amended Plan Set

6. **Exhibits.** The Development Agreement is hereby amended to add the Amended Plan Set attached hereto as Exhibit B as new Exhibit B-1 to the Development Agreement.
7. **Effect of First Amendment.** Except as expressly modified by this First Amendment, the Development Agreement shall continue in full force and effect according to its terms, and Developer and City hereby ratify and affirm all their respective rights and obligations under the Development Agreement, including but not limited to Developer's indemnification obligations as set forth in Section 13 of the Development Agreement. In the event of any conflict between the First Amendment or the Development Agreement, the provisions of this First Amendment shall govern.
8. **Binding Agreement.** This First Amendment shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors in interest, and assigns of each of the parties hereto. Any reference in this First Amendment to a specifically named party shall be deemed to apply to any successor, administrator, executor, or assign of such party who has acquired an interest in compliance with the terms of this First Amendment or under law.
9. **Recordation.** The City shall record a copy of this First Amendment within ten (10) days following execution by all parties.
10. **Counterparts.** This First Amendment may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, when taken together, shall constitute the same document.
11. **California Law.** This First Amendment shall be governed by and interpreted in accordance with the laws of the State of California.
12. **Invalidity.** Any provision of this First Amendment that is determined by a court of competent jurisdiction to be invalid or unenforceable shall be deemed severed from this First Amendment, and the remaining provisions shall remain in full force and effect as if the invalid or unenforceable provision had not been a part hereof.
13. **Headings.** The headings used in this First Amendment are for convenience only and shall be disregarded in interpreting the substantive provisions of this First Amendment.

IN WITNESS WHEREOF, this First Amendment has been entered into by and between Developer and City as of the date and year first above written.

[SIGNATURES ON THE FOLLOWING PAGE]

CITY OF SOUTH SAN FRANCISCO

By:
Name:
Title:
Date:

ARE-SAN FRANCISCO NO. 21, LLC,
a California Limited Partnership

By: ARE-SAN FRANCISCO NO. 21 GP, LLC,
a Delaware limited liability company, General Partner

By: Alexandria Real Estate Equities, L.P.,
a Delaware limited partnership, Managing Member

By: ARE-QRS CORP.,
a Maryland corporation, General Partner

By: _____
Name: _____
Title: _____
Date: _____

ARE-SAN FRANCISCO NO. 42, LLC,
a Delaware limited liability company

By: Alexandria Real Estate Equities, L.P.,
a Delaware limited partnership, Managing Member

By: ARE-QRS CORP.,
a Maryland corporation, General Partner

By: _____

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

By: _____
Jason Rosenberg,
City Attorney

ATTEST:

By: _____
Krista J. Martinelli, City Clerk

EXHIBIT A

Legal Description

Exhibit B

Amended Plan Set

2820151.1