Chief Executive Office.

**COUNTY OF LOS ANGELES**
Kenneth Hahn Hall of Administration
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**CHIEF EXECUTIVE OFFICER**
Joseph M. Nicchitta

"To Enrich Lives Through Effective and Caring Service"

September 01, 2026

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AMENDED AND RESTATED JOINT OCCUPANCY AND TRANSFER AGREEMENTS, PURCHASE AND SALE AGREEMENT OF PANHANDLE PROPERTY, TERMINATION OF JOINT POWERS AUTHORITY OF PARKING STRUCTURE, AND PARKING STRUCTURE OPERATING AND USE AGREEMENT FOR THE PASADENA COURTHOUSE (FIFTH DISTRICT) (3-VOTES)**

## SUBJECT

The recommended actions will approve (i) the Amended and Restated Joint Occupancy Agreement (ARJOA) between the County of Los Angeles (County) and the Judicial Council of California (JCC) for the Pasadena Courthouse located at 300 East Walnut Street (with an alternate address of 200 North Garfield), Pasadena (Pasadena Courthouse), (ii) Amended and Restated Transfer Agreement (ARTA) between the County and JCC for the Pasadena Courthouse, (iii) the Purchase and Sale Agreement and Joint Escrow Instructions (PSA) between the County and the City of Pasadena (City) for the County's interest in a certain portion of the land of approximately 7,290 square feet real property on the eastern side of the parking structure land, as more particularly described in Exhibit B of the PSA, referred to as the Panhandle Property, and a 30 percent interest in the parking structure located at 240 Ramona Street, Pasadena, which contains 963 parking spaces (Parking Structure), (iv) the Termination Agreement regarding Joint Powers Agreement for the Pasadena Courthouse Parking Structure (JPA Termination) between the County and the City, and (v) the Pasadena Courthouse Parking Structure Operating and Use Agreement (Parking Agreement) between the County, the City and JCC (Parties).

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the recommended actions are not a project under the California Environmental Quality Act (CEQA) or are exempt for the reasons stated in this Board letter and in the record of the proposed activity.

2. Approve and authorize the Chief Executive Officer, or his designee, to execute the ARJOA and ARTA for the Pasadena Courthouse between the County and JCC (Enclosure A), which incorporates and acknowledges the City's parking share and excludes the Parking Structure from the Transfer Agreement (TA).

3. Approve and authorize the Chief Executive Officer, or his designee, to execute the PSA between the County and the City (Enclosure B), for the sale of 30 percent of the Parking Structure and the Panhandle Property and the County's remaining interest in the Panhandle Property on an as-is basis, for a total consideration of $804,222.

4. Approve and authorize the Chief Executive Officer, or his designee, to execute the JPA Termination between the County and the City (Enclosure C), which terminates a joint powers organization, which was formed for the construction and use of the Parking Structure between the County and the City, and is no longer needed since the Joint Powers Authority has served its purpose and is essentially replaced with the proposed Parking Agreement.

5. Approve and authorize the Chief Executive Officer, or his designee, to execute the Parking Agreement for the Parking Structure between the Parties (Enclosure D), which settles all past disputes by all parties related to the Parking Structure and defines each entity's rights, use and responsibility for the on-going operation of the Parking Structure.

6. Authorize the Chief Executive Officer, or his designee, to execute any other ancillary documentation necessary to effectuate the ARJOA, ARTA, PSA for the Panhandle Property, JPA Termination, Parking Agreement, and to take actions necessary and appropriate to implement all the agreements.

## PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended actions will find that their approval is not a project or is exempt from CEQA. Further, these actions settle long-standing disputes between the County, the City, and JCC, related to the Parking Structure and the Panhandle Property, and will implement an operating and use agreement that defines responsibilities and claims of all parties.

Both the County and the City agreed to the Joint Powers Agreement for the Pasadena Civic Center Parking Structure, dated November 22, 1966, and amended subsequently on October 13, 1970, and February 14, 1989 (JPA). Pursuant to the JPA, on or about November 22, 1966, the City conveyed to the Los Angeles County Employees Retirement Association (LACERA) fee title to the Parking Structure land, and LACERA thereafter caused the Parking Structure to be constructed on the Parking Structure land. The County purchased the Parking Structure and the Panhandle Property from LACERA and currently holds title to both sites, subject to the Joint Operating Agreement (JOA) with JCC, as described below. Documentation indicates the City intended to pay an option fee to own 30 percent of the Parking Structure and the Panhandle Property, but there is no record that the City paid the option fee. The County and the City have disputed the nature and rights of ownership of the Parking Structure and the Panhandle Property and have entered into a stand-still agreement as part of the 1989 Amendment No. 2 to the JPA. In 1990, the City constructed a portion of its police station on the northern and western side of the Panhandle Property, without documented permission or agreement from the County.

The County and JCC are parties to (i) that certain TA which transfers responsibility for and title to the Pasadena Courthouse and Parking Structure and (ii) that certain JOA for the Pasadena Courthouse, both dated as of October 21, 2008. Under the terms of the JOA and TA, the County and JCC completed the transfer of responsibility for the Pasadena Courthouse and the Parking Structure. Pursuant to the TA and the JOA, the County and JCC agreed to share the operation, use, maintenance, and repair of the Parking Structure in accordance with their respective pro-rata ownership interests in the Pasadena Courthouse. The County and JCC shares under the original JOA and TA are 30.65 percent and 69.35 percent, respectively. This equates to the County and JCC having 291 and 656 parking spaces in the Parking Structure, respectively. In the meantime, the City has been using 288 parking spaces including 189 exclusive spaces in the basement of the Parking Structure for its police department without sharing any costs or revenue from the Parking Structure.

The long-standing disputes among the JCC, the County, and the City include: (i) whether the City is entitled, under the terms of the JPA, to receive from the County an undivided 30 percent interest in fee title to the Parking Structure; (ii) whether the County is obligated to convey to JCC fee simple title in and to the Parking Structure; (iii) what rights and entitlements the JCC, the County, and the City have, respectively, to receive any and all revenues that arise from operation of the Parking Structure; (iv) what obligations the JCC, the County, and the City have, respectively, to perform the operation and maintenance of the Parking Structure, and to share in payment of the costs arising from operation and maintenance of the Parking Structure; and (v) the City's encroachment of its police station on the Panhandle Property.

To resolve the over 35-year-old disputes, the City wishes to pay the option fee and purchase from the County a 30 percent ownership interest in the Parking Structure and the Panhandle Property. For consideration, the City would pay the County a purchase price of $804,222, comprised of the following: (i) stated option fee of $230,000, which would give the City a 30 percent ownership interest in the Parking Structure and the Panhandle Property, (ii) $61,722, which is an agreed upon accrued interest on the option fee, and (iii) $512,500, which is equal to 70 percent of the Panhandle Property's current appraised value. Upon completion of this sale transaction, the City would have 30 percent ownership interest in the Parking Structure and a 100 percent ownership interest in the Panhandle Property, thereby resolving the encroachment issue.

In addition, the Parking Agreement would settle all disputes between the Parties related to the Parking Structure, define each entity's rights, use and responsibility for the operation of the Parking Structure. JCC would continue to operate the Parking Structure as the managing party on behalf of the Parties and all the Parties will have shared responsibility as co-owners. The JCC ownership and cost shares of the Parking Structure would be 49 percent, which equates to JCC having 468 parking allocations. The City's ownership and cost shares of the Parking Structure would be 30 percent, which equates to the City having 288 parking allocations. The County's ownership and cost shares of the Parking Structure would be 21 percent, which equates to the County having 207 parking allocations. The JCC and the City would share parking revenue from the operation of the Parking Structure, and their revenue shares would be 87 percent and 13 percent, respectively. The County does not participate in revenue sharing because under the terms of the original JOA, JCC was entitled to receive all net revenues arising from operation of the Parking Structure, and the County received separate consideration in connection with the calculation of the State mandated annual County payment for operation and maintenance of court facilities.

With the proposed Parking Agreement in place between the Parties, the City's proposed purchase of 30 percent interest in the Parking Structure, and 100 percent of the Panhandle Property from the County, there is no longer a need for the original JPA between the County and the City; and the original JOA and TA between the County and JCC will need to be amended accordingly. Under the original JOA and TA, the City's interests in the Parking Structure, including cost and revenue shares along with the City's parking allocation were not included. Also, the title of the Parking Structure along with the Pasadena Courthouse was to be transferred from the County to JCC. Under the proposed ARJOA and ARTA, the County and JCC will agree to recognize the City's interests in the Parking Structure as mentioned above, which is consistent with the proposed Parking Agreement. In addition, the County will transfer title of only the courthouse to JCC. The County and the City will stay on the title of the Parking Structure as tenants in common, with the understanding that the County's share will be shared by the County and JCC having 70 percent and 30 percent interests, respectively. JCC will continue to manage the Parking Structure as the managing party under the terms of the proposed Parking Agreement. The JPA was originally formed for the construction and use of the Parking Structure between the County and the City; however, there is no longer a need to keep the JPA active since it has served its purpose. The proposed Parking Agreement would be the agreement that governs the operating and use of the Parking Structure. Moreover, the proposed ARJOA and ARTA will recognize the City's share of the Parking Structure, which would reduce the parking allocation to both the County and JCC. The County's total parking allocation in the Parking Structure would be reduced from 291 parking spaces to 207 parking spaces. JCC's parking allocation in the Parking Structure which is used by the Superior Court would be reduced from 656 parking spaces to 468 parking spaces.

**<u>Implementation of Strategic Plan Goals</u>**

The Countywide Strategic Plan North Star 3 – "Realize Tomorrow's Government Today" – ensures we provide an increasingly dynamic and complex environment, challenges collective abilities to respond to public needs and expectations. LA County is an innovative, flexible, effective, and transparent partner focused on advancing the common good & being fiscally responsible.

The recommended actions are also consistent with Strategic Asset Management Goal to maximize use of County space and achieve cost savings and Key Objectives No. 3. and 4. – to optimize real estate portfolio and guide strategic decision making.

The recommended actions along with the accompanying agreements mentioned above support this goal and these objectives through effective and efficient management of County assets, finally resolving these decades old disputes between the Parties, and fostering a continued relationship with our partners at the City and State.

## <u>FISCAL IMPACT/FINANCING</u>

The proposed ARJOA, ARTA, and Parking Agreement would reduce County's share of the Parking Structure from 30.65 percent to 21 percent, which would result in a corresponding decrease of about $34,000 in annual operations and maintenance costs to the County. This is an on-going estimated savings to the County. Additionally, the County would receive one-time payment of $804,222 from the City, less the County's share of escrow and closing costs.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The proposed agreements, which include ARJOA and ARTA for the Pasadena Courthouse, PSA for the Panhandle Property, JPA Termination, and Parking Agreement, once approved and executed, would resolve long-standing disputes between the Parties and provide clear direction to the future use of the Parking Structure by defining each Parties' rights, use and responsibility for the operation of the Parking Structure.  All proposed agreements have been approved as to form by County Counsel.

**ENVIRONMENTAL DOCUMENTATION**

The recommended actions would not change nor physically alter the Pasadena Courthouse and Parking Structure or its use and would only change the terms of the JOA and TA between the County and JCC, and redefine ownership interest of the Parking Structure and the Panhandle Property for previously established uses.  Therefore, approval of the proposed JOA and TA Amendments does not constitute a project under CEQA because the proposed actions are activities excluded from the definition of a project by section 21065 of the Public Resources Code and are organizational or administrative activities of government that will not result in direct or indirect physical changes in the environment, pursuant to section 15378(b) of the State CEQA Guidelines. In the alternative, the activities are statutorily exempt from CEQA, pursuant to section 15061(b)(3) because it can be seen with certainty that the activities will not have a significant adverse impact on the environment.  No changes to the facilities would be approved by the current actions.

Upon your Board of Supervisor's approval of the recommended actions, Notices of Exemption will be filed with the Registrar-Recorder/County Clerk and with the State Clearinghouse in the Governor's Office of Planning and Research, pursuant to Public Resources Code Section 21152 and will be posted to Chief Executive Office's website, pursuant to section 21092.2.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The recommended actions will not affect any current services and will not compromise or physically alter the Pasadena Courthouse, Panhandle Property, and Parking Structure.

Respectfully submitted,

Joseph M. Nicchitta

Chief Executive Officer

JMN:JG:JTC
JLC:JJC:MJC:ja

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller

Facility # 19-J1, 19-J2
County LACO #5397, 5398, 5399
Pasadena Courthouse ARJOA
300 E. Walnut Street, Pasadena, CA 91101
a.k.a. 200 N. Garfield Avenue, Pasadena, CA 91101

# AMENDED AND RESTATED JOINT OCCUPANCY AGREEMENT

**BETWEEN**

**THE JUDICIAL COUNCIL OF CALIFORNIA,**

**AND**

**THE COUNTY OF LOS ANGELES**

**FOR THE PASADENA COURTHOUSE**

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**AMENDED AND RESTATED**
**JOINT OCCUPANCY AGREEMENT FOR**
**THE PASADENA COURTHOUSE**

This Amended and Restated Joint Occupancy Agreement (this "**ARJOA**") is made and entered into by the Judicial Council of California, an entity established by the Constitution of the State of California (the "**Council**"), and the County of Los Angeles, a body corporate and politic (the "**County**"), with reference to the following:

## 1. PURPOSE

A. Capitalized terms used in this ARJOA and not otherwise defined herein shall have the meanings given to them in section 2 of this ARJOA.

B. Pursuant to the Act, on the Original Effective Date, the Council and the County entered into the Original Transfer Agreement setting forth the terms and conditions for the Transfer of Responsibility for funding and operation of the Court Facility commonly known as the Pasadena Courthouse and for conveyance to the State of California on behalf of the Council of the County's title to the Real Property.

C. On the Original Effective Date, the Council and the County also entered into the Original JOA setting forth the terms for the Parties' shared occupancy, use, and Operation of the Real Property.

D. Pursuant to the Original Transfer Agreement, the Council and the County completed the Transfer of Responsibility for the Court Facility on the Original Effective Date.

E. Sections 5.2.2 and 7.1.4 of the Original Transfer Agreement make reference to certain "issues" that were then pending between the County and the City related to the ownership of title in and to the Parking Structure Real Property and certain other adjacent property. The City claims that, on the Original Effective Date, the City was entitled to receive from the County an undivided 30.046 percent tenancy-in-common interest in the Parking Structure Real Property pursuant to documents provided to the Council by the County during the negotiation of the Original Transfer Agreement.

F. Under the Original Transfer Agreement, the Transfer of Title was intended to include both the Courthouse Real Property and the Parking Structure Real Property. Section 5.2.2 of the Original Transfer Agreement provides that the Transfer of Title is not to occur until after the County has fully and finally resolved with the City all issues related to the ownership of title in and to the Parking Structure Real Property.

G. The Council, the County, and the City have now negotiated a resolution and settlement of the "issues" referenced in sections 5.2.2 and 7.1.4 of the Original Transfer Agreement, one of which "issues" is the City's right to receive a 30.046 percent tenancy-in-common interest in fee title to the Parking Structure Real Property.

H. To settle and resolve such "issues," the Council has agreed, among other things, to waive and relinquish its right to consummate the Transfer of Title with respect to the Parking Structure Real Property (but without waiving or relinquishing any rights of the State or the Council with respect to the Transfer of Title for the Courthouse Real Property, which will still be consummated as provided for in the Original Transfer Agreement), and the Parties have agreed, among other things, to modify the Superior Court Parking and the County Parking to allow for a new allocation among the Council, the County, and the City of the parking spaces in the Parking Structure.

I. The Parties have agreed to enter into this ARJOA, which amends, restates, supersedes, and replaces the Original JOA commencing on the Amended and Restated Effective Date, for the purpose of implementing and memorializing the settlement and resolution of the "issues" referenced in section 5.2.2 and 7.1.4 of the Original Transfer Agreement.

J. On July 29, 2014, the Council amended rule 10.81 of the California Rules of Court to substitute the "Judicial Council" for the name "Administrative Office of the Courts" and the abbreviation "AOC" in all contracts, memoranda of understanding, and other legal agreements, documents, proceedings, and transactions, with no prejudice to the substantive rights of any party.

K. Effective on the Amended and Restated Effective Date, the Original JOA is amended, restated, superseded, and replaced by this ARJOA, as set forth below in this ARJOA.

## 2. DEFINITIONS

"**Act**" means, as of the Effective Date, the Trial Court Facilities Act of 2002 (Chapter 1082, Statutes of 2002), as amended by later statutes.

"**Additional Court Area Services**" has the meaning ascribed to it in section 3.2.1.2 of this ARJOA.

"**Amended and Restated Effective Date**" means the date on which this ARJOA has been signed by the last of the Parties to sign it.

"**ARTA**" means that certain document titled Amended and Restated Transfer Agreement Between the Judicial Council of California and the County of Los Angeles for the Transfer of Responsibility for and Title to the Pasadena Courthouse, of even date herewith.

"**Building**" means the building commonly known as the Pasadena Courthouse, located at 300 East Walnut Street, with an alternate address of 200 North Garfield Avenue, Pasadena, California 91101, on the Courthouse Land in which the Court Facility is located, all Building Equipment, and all connected or related structures and improvements, except that the Building does not include the Parking Structure.

"**Building Equipment**" means all installed equipment and systems that serve the Building or the Parking Structure generally, and only that plumbing that is within the walls of the Building or in the Common Area, but not those plumbing fixtures that are located in an Exclusive-Use Area. The Building Equipment does not include (i) the equipment and systems that exclusively serve the Exclusive-Use Area of only one Party; or (ii) the equipment and systems that serve only the City Exclusive Parking Area.

"**Building Software**" means any software used in connection with the Building Equipment.

"**City**" means the City of Pasadena, a municipal corporation.

"**City Equipment**" means all existing and future fixtures, equipment, systems, devices, appurtenances, and other City owned or controlled personal property located on, under, over, or within the Parking Structure Real Property (including, without limitation, that certain diesel engine-powered emergency generator and related fuel tank(s), equipment, systems, and devices) that serve any property owned or controlled by the City other than the Parking Structure Real Property.

"**City Exclusive Parking Area**" means the fenced and gated area on the first floor of the Parking Structure containing 189 parking stalls, which 189 parking stalls comprise a portion of the City Parking and are for the exclusive use of the City, together with all City Exclusive Parking Area Equipment. For clarification, the City Exclusive Parking Area does not include any: (i) Building Equipment; (ii) the foundations, exterior walls, load-bearing walls, support beams, posts and pillars, exterior windows, the roof, and/or any other structural parts of the Parking Structure Real Property; (iii) driveways, drive aisles, walkways, stairwells, and other means of access to, from, and through the Parking Structure Real Property other than those that are physically located within the fences that enclose the City Exclusive Parking Area; and (iv) Utilities and/or Utilities raceways, piping, wiring, conduits, or cables for Utilities that serve the Parking Structure Real Property generally and can be differentiated as such, whether they are physically located outside or within the fences that enclose the City Exclusive Parking Area.

"**City Exclusive Parking Area Equipment**" means all existing and future fixtures, equipment, systems, devices, appurtenances, and other City owned or controlled personal property located within, on, or adjacent to the City Exclusive Parking Area that primarily benefits or serves the City Exclusive Parking Area including, without limitation, fencing, the mechanical gate, and any and all security, life safety, and environmental protection equipment, systems, or devices.

"**City Parking**" means, with respect to the Parking Structure only, 288 parking spaces in the Parking Structure, 189 of which are located in the City Exclusive Parking Area and dedicated to the exclusive use of the City, and the other 99 of which are parking spaces used by the City on a first come, first served basis together with the County and the Superior Court.

"**City Parking Structure Share**" means 30 percent, which is the percentage of the 963 parking spaces in the Parking Structure that are allocated to the City commencing on the Amended and Restated Effective Date.

"**City Parties**" means the City and its officers, elected officials, agents, and employees.

"**City Revenue Share**" means 13 percent, which is the percentage of the Net Revenues to which the City is entitled pursuant to the Parking Structure Agreement.

"**Common Area**" means the areas of the Real Property that are used non-exclusively and in common by, or for the common benefit of, the Council, the County, the Superior Court, and the Occupants, and includes (i) those portions of the Building shown as Common Area on Exhibit "D" attached to the ARTA, including hallways, stairwells, elevators, and restrooms that are not located in either Party's Exclusive-Use Area, (ii) foundations, exterior walls, load-bearing walls, support beams, exterior windows, the roof, and other structural parts of the Building, (iii) Building Equipment that does not exclusively serve only one Party's Exclusive-Use Area, (iv) driveways, walkways, and other means of access over the Land and to the Building, (v) all Utilities; and (vi) any of the Real Property not otherwise defined as either Party's Exclusive-Use Area, including all portions of the Parking Area other than the City Exclusive Parking Area. The Common Area does not include any part of the Exclusive-Use Area of either Party, except for any Building Equipment that is located in a Party's Exclusive-Use Area.

"**Contractors**" means all Third-Party contractors, vendors, service providers, and all levels of subcontractors, and their respective employees, consultants, and representatives, that provide goods, services, or supplies to the Real Property with respect to (i) the Operation of the Real Property, or (ii) the performance of alterations and additions to the Real Property under section 3.2.2.3 of this ARJOA.

"**Contributing Party**" means the County.

"**Council Claim**" means any demand, complaint, cause of action, or claim related to the period on and after the Responsibility Transfer Date alleging or arising from acts, errors, omissions, or negligence of the Superior Court in the administration and performance of judicial operations in the Court Facility (e.g., allegations of civil rights violations made by a Third Party against a Superior Court employee).

"**Council Designated Representative**" means the individual designated as such in section 13 of this ARJOA.

"**Council Parking Structure Share**" means 49 percent, which is the percentage of the 963 parking spaces in the Parking Structure that are allocated to the Superior Court Parking in the Parking Structure commencing on the Amended and Restated Effective Date.

"**Council Revenue Share**" means 87 percent, which is the percentage of the Net Revenues to which the Council is entitled pursuant to the Parking Structure Agreement.

"**Council Share**" means 69.35 percent, which is the percentage of the Total Exclusive-Use Area that is exclusively occupied and used by the Superior Court in the Building.

"**County Designated Representative**" means the individual designated as such in section 13 of this ARJOA.

"**County Exclusive-Use Area**" means the 38,891 square feet of the Building interior that are exclusively occupied and used by the County, as shown on Exhibit "D" to the ARTA. As of the Original Effective Date, the County Exclusive-Use Area constituted 30.65 percent of the Total Exclusive-Use Area.

"**County Facilities Payment**" means the payments the County must make to the State Controller with respect to the Court Facility under Article 5 of the Act.

"**County Parking**" means: (i) 10 parking spaces in the Courthouse Parking Lot; and (ii) 207 parking spaces in the Parking Structure, as shown on **Exhibit "C"** to the ARTA.

“**County Parking Structure Share**” means 21 percent, which is the percentage of the 963 parking spaces in the Parking Structure that are allocated to the County Parking in the Parking Structure commencing on the Amended and Restated Effective Date.

“**County Parties**” means the County and its officers, agents, and employees.

“**County Share**” means 30.65 percent, which is the percentage of the Total Exclusive-Use Area that is exclusively occupied and used by the County.

“**Court Exclusive-Use Area**” means the 88,008 square feet of the Building interior that are exclusively occupied and used by the Superior Court, as shown on Exhibit “D” to the ARTA. As of the Effective Date, the Court Exclusive-Use Area constitutes 69.35 percent of the Total Exclusive-Use Area.

**“Court Facility**” has the meaning given to it in the ARTA.

“**Courthouse Land**” means the real property on which the Building and the Courthouse Parking Lot are located, comprising approximately 1.7 acres, as described on Exhibit “A-1” to the ARTA, including (i) rights to enter and exit the Courthouse Land, (ii) recorded and unrecorded rights to water, water stock, oil, gas, minerals, and timber related to the Courthouse Land, and (iii) existing, granted development permits, entitlements, and air and view rights, but subject to all covenants, conditions, restrictions, reservations, easements, rights, and rights of way of record, if any.

“**Courthouse Parking Lot**” means the secure surface parking lot located on the Courthouse Land south and east of the Building, as shown on Exhibit “C” to the ARTA, containing 35 parking spaces.

“**Courthouse Real Property**” means, collectively, the Courthouse Land, the Courthouse Parking Lot, and the Building.

“**Defect**” means any condition of, damage to, or defect in the Common Area that: (i) threatens the life, health, or safety of persons occupying or visiting the Real Property; (ii) unreasonably interferes with, disrupts, or prevents either Party’s, the Superior Court’s, and/or the City’s occupancy or use of the Real Property, or its ability to conduct its business operations in its Exclusive-Use Area, in an orderly, neat, clean, safe, and functional environment; (iii) threatens the security of the employees, guests, invitees, or patrons of either Party, the Superior Court, or the City; (iv) threatens to diminish the value of the Real Property, or threatens to damage or destroy the personal property of a Party, the Superior Court, or the City; (v) threatens the preservation of a Party’s, the Superior Court’s, or the City’s files, records, and documents located in the Building or the Parking Structure; or

(vi) causes or exacerbates an unsafe, unsanitary, unlawful, or non-functional condition affecting the Real Property.

"**Emergency**" means a sudden, unexpected event or circumstance, on or affecting the Real Property, that (i) results in a Defect, and (ii) constitutes an imminent threat (a) to life, safety, health, or security, (b) of reduction in the value of the Real Property, or (c) to the preservation of a Party's, the Superior Court's, or the City's files, records, and documents located in the Building.

"**Equipment Permits**" means all governmental permits, certificates, and approvals required for the lawful operation of any of the Building Equipment.

"**Equity**" means the term "equity" as used and referred to in the Act. From and after the Amended and Restated Effective Date, the Council shall have a 69.35 percent Equity interest in the Courthouse Real Property and a 49 percent Equity interest in the Parking Structure Real Property; the County shall have a 30.65 percent Equity interest in the Courthouse Real Property and a 21 percent Equity interest in the Parking Structure Real Property; and the City shall have no Equity interest in the Courthouse and a 30.00 percent Equity interest in the Parking Structure Real Property.

"**Estimated Shared Costs of Operation**" means the Managing Party's reasonable, itemized estimate of the Shared Costs for a fiscal year, exclusive of Utility Costs.

"**Exclusive-Use Area**" means the Court Exclusive-Use Area or the County Exclusive-Use Area, as determined by the context in which the term is used.

"**Hazardous Substance**" means any hazardous or toxic material, substance, or waste that is regulated or governed by any Law.

"**Interim Period**" means the period of time commencing on the Responsibility Transfer Date and ending on the Title Transfer Date.

"**Joint Sheriff Area**" means the area of the Building that is located in the basement and on the first floor and labeled "Joint Sheriff Area" on Exhibit "D" to the ARTA.

"**Law**" means State and federal codes, ordinances, laws, regulations, the California Rules of Court, and judicial and administrative orders and directives to the extent binding on the County, the Council, the Superior Court, or the Real Property and issued by a court or governmental entity with jurisdiction over the County, the Council, the Superior Court, or the Real Property.

"**Liability Claim**" means any demand, complaint, cause of action, or claim alleging (i) bodily injury to or death of a Third Party (excluding any employees of State Parties or County Parties acting within the scope of their employment as such) in, on, or about the Courthouse Real Property, or (ii) damage to or destruction of personal property of a Third Party (other than personal property of a County Party or a State Party) in, on, or about the Courthouse Real Property.

"**Major Defect**" means any Defect: (i) that cannot, with reasonable diligence, be corrected within ten days, or (ii) as to which the estimated cost to correct is reasonably expected to exceed $10,000.

"**Managing Party**" means the Council.

"**Miles Court Order**" means the executed Master Stipulation and Order Regarding Class Action Settlement filed on January 31, 2006 in the matter captioned *Miles, et al. v. County of Los Angeles, et al.*, USDC-CD No. CV 02-03932.

"**Net Revenues**" means, for any designated time period, all revenues arising from Operation, occupancy, and/or use of the Parking Structure Real Property by one or more Third Parties including, but not limited to, sums paid by any Occupant of the Parking Structure Real Property under an Occupancy Agreement, net of all Shared Costs incurred with respect to the Parking Structure Real Property for the same time period, including, but not limited to, any and all costs and expenses incurred by the Managing Party and/or the Third Party parking manager in connection with collection of any such Net Revenues.

"**Non-Owning Party**" means the Party that is not the Owner.

"**Occupancy Agreement**" means any written agreement that entitles a Third Party to occupy or use any part of the Real Property, and solely with respect to the Parking Structure Real Property, the term "Occupancy Agreement" shall include, but not be limited to, any verbal or written license or other agreement or arrangement under which a Third Party parks and/or is entitled to park one or more vehicles in the Parking Structure on a paid basis.

"**Occupant**" means any Third Party that occupies, possesses, or uses the Real Property under an Occupancy Agreement.

"**Operation**" means the administration, management, maintenance, and repair of designated areas of the Real Property (such as a Party's Exclusive-Use Area or the Common Area), and does not include additions or alterations covered by section 3.2.2.3 of this ARJOA. For clarification, custodial services are not governed by this ARJOA.

“**Original Effective Date**” means October 21, 2008.

“**Original JOA**” means the document titled Joint Occupancy Agreement that was signed by the Parties on the Original Effective Date.

“**Original Superior Court Parking**” means: (i) 25 parking spaces in the Courthouse Parking Lot; and (ii) 656 parking spaces in the Parking Structure, as shown on Exhibit “C” to the Original Transfer Agreement.

“**Original Transfer Agreement**” means the Transfer Agreement pertaining to the Real Property that was entered into by the County and the Council on the Original Effective Date, together with the Exhibits attached thereto.

“**Owner**” means the Party that owns fee title to the Courthouse Real Property and the Parking Structure Real Property, respectively. Before the Title Transfer Date, the County is the Owner of all of the Real Property; after the Title Transfer Date, the State will be the Owner of the Courthouse Real Property, and the County and the City, together as tenants-in-common, will be the Owner of the Parking Structure Real Property, with the County holding a 70 percent undivided interest in the Parking Structure Real Property and the City holding a 30 percent undivided interest in the Parking Structure Real Property.

“**Parking Area**” means, together, the Superior Court Parking and the County Parking, and associated walkways, driveways, points of ingress and egress, access aisles, medians, landscaping, and other related improvements.

“**Parking Structure**” means the Pasadena Courthouse Parking Structure, also known as County Auto Park 53, located on the Parking Structure Land with a street address of 240 Ramona Street, as shown on Exhibit “C” to the ARTA, containing 963 parking spaces.

“**Parking Structure Agreement**” means the agreement titled Pasadena Courthouse Parking Structure Operating and Use Agreement and General Release entered into by and among the Council, the County, and the City on the Amended and Restated Effective Date.

“**Parking Structure Land**” means the real property on which the Parking Structure is located, comprising approximately 1.9 acres, as described on Exhibit “A-2” to the ARTA, including (i) rights to enter and exit the Parking Structure Land, (ii) recorded and unrecorded rights to water, water stock, oil, gas, minerals, and timber related to the Parking Structure Land, and (iii) existing, granted development permits, entitlements, and air and view rights, but subject to all covenants, conditions, restrictions, reservations, easements, rights, and rights of way of record, if any.

“**Parking Structure Real Property**” means, together, the Parking Structure and the Parking Structure Land. For clarification, the Parking Structure Real Property includes all areas of the Parking Structure and/or the Parking Structure Land that are used non-exclusively and in common by, or for the common benefit of, the Council, the Superior Court, the County, the City, and any Occupants including: (i) Building Equipment; (ii) foundations, exterior walls, load-bearing walls, support beams, posts and pillars, exterior windows, the roof, and all other structural parts of the Parking Structure, whether or not such structural components are located within the fences that enclose the City Exclusive Parking Area; (iii) driveways, drive aisles, walkways, stairwells, and other means of access to, from, and through the Parking Structure Real Property, but excluding those that are physically located within the fences that enclose the City Exclusive Parking Area; and (iv) Utilities and Utilities raceways, piping, wiring, conduits, or cables for Utilities that serve the Parking Structure Real Property generally and can be differentiated as such, whether they are physically located outside or within the fences that enclose the City Exclusive Parking Area.

“**Parking Structure Shares**” means, together, the Council Parking Structure Share and the County Parking Structure Share.

“**Party**” means either the Council or the County, and “**Parties**” means the Council and the County together.

“**Property Claim**” means any claim or demand submitted by a Party under its Property Insurance Policy arising from, or related to, the physical loss or damage to the Real Property.

“**Property Insurance Costs**” means those premiums required to provide or maintain any Property Insurance Policies obtained by a Party.

“**Property Insurance Policies**” means any policies of property insurance, self-insurance, or other forms of coverage obtained by a Party or the City to insure against Property Loss.

“**Property Loss**” means any physical loss or damage to, or destruction of, the Real Property that arises from a cause other than the gross negligence or willful misconduct of a County Party or a State Party.

“**Real Property**” means, together, the Courthouse Real Property and the Parking Structure Real Property.

“**Responsibility Transfer Date**” means the date on which the Transfer of Responsibility took place pursuant to the Original Transfer Agreement, which was the Original Effective Date.

“**Revenue Shares**” means, together, the Council Revenue Share and the City Revenue Share.

“**Security-Related Areas**” means the parts of the Courthouse Real Property that are used for secure holding and transport of prisoners, including holding cells, sallyports, and secured elevators, staircases, and corridors.

“**Security Services MOU**” means the Memorandum of Understanding and Comprehensive Court Security Plan between the County Sheriff’s Department and the Superior Court executed in March and April 2004 by the parties, respectively, as extended by that Extension to Agreement executed in June 2007, and as amended or replaced from time to time.

“**Share**” means the Council Share or the County Share, as determined by the context in which the term is used, and “**Shares**” means the Council Share and the County Share, together.

“**Shared Costs**” means: (i) the cost of owned or rented capital replacement items, improvements, Building Equipment, and repairs in or benefiting the Common Area; (ii) the cost of normal, day-to-day Operation of the Common Area; (iii) the cost of obtaining and maintaining Equipment Permits, subject to section 3.2.5 below (but excluding any late fees, interest, penalties, or other charges arising from the Managing Party’s negligent failure to timely pay the cost or keep the Equipment Permits in effect); (iv) Utility Costs for the Common Area; and (v) Utility Costs for the Exclusive-Use Areas, if Utilities are not separately metered for the Exclusive-Use Areas. Shared Costs do <u>not</u> include: (a) any cost that is primarily for the purpose of benefiting a Party’s Exclusive-Use Area or the City Exclusive Parking Area and can be differentiated as such; (b) any cost that is primarily for the purpose of benefiting any or all of the City Equipment and can be differentiated as such, which costs shall be the sole and exclusive responsibility of the City, as provided in the Parking Structure Agreement; (c) overtime charges or late fees related to any item that would otherwise be a Shared Cost, unless those overtime expenses or late fees are pre-approved by both Parties, or are necessary to remedy an Emergency; (d) any Property Insurance Costs, unless the Parties enter into the separate, written agreement described in section 6.1 of this ARJOA; (e) any fees, fines, penalties, interest, or other charges arising from the Managing Party’s Operation of the Real Property in a negligent manner or a manner that does not comply with Law; or (f) any costs or expenses that are allocated to the City pursuant to the Parking Structure Agreement.

"**Sheriff**" means the Los Angeles County Sheriff's Department.

"**State Parties**" means the State of California, the Council, and the Superior Court, and each of their respective officers, agents, and employees.

"**Superior Court**" means the Superior Court of California, County of Los Angeles.

"**Superior Court Area Services**" means the Operation of the Court Exclusive-Use Area and the obligation to keep and maintain the Court Exclusive-Use Area in good order and condition, for which the County was responsible pursuant to section 3.2.1.2 of the Original JOA.

"**Superior Court Parking**" means: (i) 25 parking spaces located in the Courthouse Parking Lot; and (ii) 468 parking spaces in the Parking Structure.

"**Term**" means the term of the Original JOA as modified, superseded, and replaced by this ARJOA, which commences on the Original Effective Date and continues indefinitely until the Parties enter into a Termination Agreement.

"**Termination Agreement**" means the document titled Termination of Amended and Restated Joint Occupancy Agreement in the form and content substantially similar to **Attachment "1"** to this ARJOA.

"**Third Party**" means any person, entity, or governmental body other than a State Party or a County Party; provided that, solely with respect to the Parking Structure Real Property, the term "Third Party" means any person, entity, or governmental body other than a State Party, a County Party, or a City Party.

"**Title Transfer Date**" means the date on which the Quitclaim Deed (as defined in the ARTA) is recorded in the office of the County Recorder.

"**Total Exclusive-Use Area**" means, together, the Court Exclusive-Use Area and the County Exclusive-Use Area.

"**Transfer of Responsibility**" means the County's full and final grant, transfer, absolute assignment and conveyance to the Council, and the Council's full and final acceptance and assumption of, entitlement to, and responsibility for, all of the County's rights, duties, and liabilities arising from or related to the Court Facility, in accordance with the Original Transfer Agreement, as modified, superseded, and replaced by the ARTA, except that the Transfer of Responsibility did not and does not include those duties and liabilities expressly retained by the County under the Original Transfer Agreement, the ARTA, and/or the Act, or any responsibility for Disputes (as defined in the ARTA) arising from or related to facts or circumstances occurring prior to the Responsibility Transfer Date.

"**Transfer of Title**" means the County's conveyance to the State of any and all right, title, and interest the County has, or may have, in and to the Courthouse Real Property.

"**Utilities**" means all of the utilities provided to the Real Property, except for telecommunications services provided by the County or by Third Parties.

"**Utility Costs**" means the actual cost of providing Utilities to the Real Property.

## 3. RIGHTS AND RESPONSIBILITIES

3.1 Rights to Exclusive-Use Area and Common Area. Under the Act, the Original Transfer Agreement, as modified, superseded, and replaced by the ARTA, and the Original JOA, as modified, superseded, and replaced by this ARJOA, and subject to the rights of the City under the Parking Structure Agreement, during the Term, the County has the right to exclusively occupy and use the County Exclusive-Use Area and the non-exclusive right to occupy and use the Common Area, and the State Parties have the right to exclusively occupy and use the Court Exclusive-Use Area and the non-exclusive right to occupy and use the Common Area. Each Party's non-exclusive right to use the Common Area must: (i) not interfere with the other Party's use of its Exclusive-Use Area or the Common Area; (ii) not materially increase the other Party's obligations under this ARJOA; (iii) not interfere with the City's 30 percent undivided ownership interest in or the City's occupancy or use of the Parking Structure pursuant to the Parking Structure Agreement; and (iv) comply with Law. The Parties may from time to time agree on reasonable rules and regulations for their shared use of the Common Area; provided that, the Parties shall obtain the City's prior, written approval for any rules and regulations pertaining to the Parking Structure Real Property.

3.2 Responsibility for Exclusive-Use Areas and Common Area.

3.2.1 Exclusive-Use Areas.

3.2.1.1 Responsibility. During the Term, each Party is responsible for the Operation of its Exclusive-Use Area at its sole cost and expense. Each Party may make alterations and additions to its Exclusive-Use Area, as long as those alterations and additions do not unreasonably interfere with the other Party's use of, or ingress to and egress from, its Exclusive-Use Area or the Common Area or the City's ingress to, egress from, or use of the Parking Structure pursuant to the Parking Structure Agreement.

3.2.1.2 Termination of Superior Court Area Delegation. The Parties acknowledge that under the Original Transfer Agreement, commencing on the Responsibility Transfer Date, the Council exclusively delegated its responsibility for the Operation of the Court Exclusive-Use Area (the "**Superior Court Area Delegation**") to the County, and the County accepted the Superior Court Area Delegation and agreed to be responsible for the Operation of the Court Exclusive-Use Area, and to keep and maintain the Court Exclusive-Use Area in good order and condition in accordance with Law and certain service standards specified in the Original Transfer Agreement (the "**Superior Court Area Services**"). The Parties further acknowledge and agree that the Superior Court Area Delegation was terminated by the Council prior to the Amended and Restated Effective Date in accordance with section 3.2.1.2 of the Original JOA.

3.2.2 Common Area.

3.2.2.1 Responsibility; Notice of Concerns. During the Term, the Managing Party is responsible for the Operation of the Common Area under the Original JOA or, after the Amended and Restated Effective Date, under this ARJOA, and the Contributing Party is responsible for paying its Share of the Shared Costs pursuant to section 4 of this ARJOA; provided that, the Contributing Party shall pay its Parking Structure Share of the Shared Costs associated with Operation of the Parking Structure Real Property pursuant to section 4 of this ARJOA and the terms of the Parking Structure Agreement. At any time during the Term, the Contributing Party shall have the right to notify the Managing Party of specific questions or concerns that the Contributing Party has pertaining to any specific practices or protocols being used by the Managing Party in the Operation of the Common Area. Any such question or concern of the Contributing Party will be communicated to the Managing Party in writing and will set forth, in reasonable detail, the specific operating practice or protocol about which the Contributing Party has questions or concerns (each a "**Notice of Concerns**"). The Managing Party shall notify the Contributing Party, in writing, within 15 days after the Managing Party's receipt of a Notice of Concerns, whether the Managing Party agrees to discontinue or modify the practice or protocol identified in the Notice of Concerns. If the Managing Party does not so agree, it shall state, in reasonable detail in its written response to the Contributing Party, the Managing Party's reasons for disagreement, which reasons may include, among other things, the impact that any change proposed by the Contributing Party would have on Shared Costs, the structural integrity of the Building, the overall risk profile of the Real Property, or the Parties' obligations to the City under the Parking Structure Agreement. Following the Managing Party's written response to any Notice of Concerns, either Party may, within 10 days, request a meeting, in person or by telephone, to attempt to resolve any remaining disagreement concerning the issues noted in the Notice of Concerns. If the Parties are not able to agree on a resolution to the issues identified in any Notice of Concerns prior to or during such meeting, then the Parties shall seek to resolve any remaining disagreement through the dispute resolution process set forth in section 11 of this ARJOA.

3.2.2.2 Termination of Common Area Delegation. The Parties acknowledge that pursuant to the Original JOA, commencing on the Responsibility Transfer Date, the Council exclusively delegated all of its rights and duties as Managing Party to the County (the "**Common Area Delegation**"), and the County accepted the Common Area Delegation and agreed to act in its delegated role as the Managing Party on behalf of the Council. The Parties further acknowledge and agree that the Council withdrew and terminated the Common Area Delegation prior to the Amended and Restated Effective Date in accordance with section 3.2.2.2 of the Original JOA.

3.2.2.3 Alterations. At either Party's request, and with the written consent of the other Party, which consent shall not be unreasonably withheld, conditioned, or delayed, the Managing Party may make reasonable additions and alterations to the Common Area, the cost of which will be a Shared Cost; provided, however, that the City's prior written consent will also be required for any additions or alterations to the Parking Structure Real Property, and the Parties and the City shall be responsible for their respective Parking Structure Shares of the Shared Costs of such additions or alterations to the Parking Structure Real Property, as more fully set forth in the Parking Structure Agreement. If the Contributing Party neither consents, nor provides the Managing Party with a reasonably detailed description of its reasons for withholding its consent, within 30 days after the Contributing Party's receipt of the Managing Party's request for consent to the Common Area additions or alterations, the Contributing Party will be deemed to have consented, and will be responsible to pay its Share or its Parking Structure Share, as applicable, of the costs and expenses actually incurred by the Managing Party in making the Common Area alterations or additions up to the amount described in the Managing Party's request for consent.

3.2.3 Joint Sheriff Area. The Parties acknowledge and agree that, on the Original Effective Date, the Joint Sheriff Area was occupied approximately 63.47 percent by the Sheriff in the performance of Superior Court security, which is a part of "court operations" as defined by section 77003 of the Government Code, and 36.53 percent by the Sheriff in the performance of service of process and other civil management functions that are the responsibility of the County. It is acknowledged by both Parties that, for purposes of the development of the Parties' respective Shares, the Joint Sheriff Area has been considered 63.47 percent Court Exclusive-Use Area and 36.53 percent County Exclusive-Use Area. For the purposes of the Parties' respective rights and responsibilities under sections 3.1, 3.2, and 3.5 of this ARJOA, the Joint Sheriff Area is and will continue to be considered part of the Common Area, and the Parties are responsible for Shared Costs related to the Joint Sheriff Area based on their respective Shares; provided that, the Parties shall be responsible for those Shared Costs that the Managing Party accounts for in a manner that is specifically identifiable to the Joint Sheriff Area, and that do not relate to the Building generally, based on the actual pro rata occupancy percentages of the Joint Sheriff Area, as they exist on the date that the applicable Shared Cost is incurred. The entire Joint Sheriff Area will at all times continue to be made available to the Sheriff for both Court security functions and civil management functions in approximately the same ratio that exists on the Original Effective Date, unless the Parties otherwise agree in writing. The actual pro rata occupancy percentages of the Joint Sheriff Area, as they exist, or may change from time to time, will be used by the Parties for all other purposes under this ARJOA.

3.2.4 Utilities. Each Party will be responsible to pay its Share or Parking Structure Share of the Utility Costs for Utilities provided to the Real Property. The Managing Party shall be responsible to: (i) maintain in its name all Utility accounts for the Real Property; (ii) cause all Utilities to be provided to the Real Property; (iii) collect from the Contributing Party and, when applicable, the City, its or their applicable Share and/or Parking Structure Share of Utility Costs in accordance with section 4 of this ARJOA and, when applicable, section 4 of the Parking Structure Agreement; and (iv) make timely, direct payment to Third Parties of all Utility Costs owed to Third Parties in respect of the Real Property.

3.2.4.1 Utility Costs. Each Party shall be responsible to pay its Share of the Utility Costs for Utilities provided to the Courthouse Real Property, and each Party shall be responsible to pay its Parking Structure Share of the Utility Costs for Utilities provided to the Parking Structure Real Property. The Managing Party shall be responsible to collect from the City the City's Parking Structure Share of the Utility Costs for Utilities provided to the Parking Structure Real Property pursuant to the Parking Structure Agreement.

3.2.4.2 Installation of Electricity Sub-Meter for Parking Structure Real Property. The Managing Party shall have the right to install an electricity sub-meter to measure only the consumption of electricity by the Parking Structure, separate from electricity consumption by the Courthouse Real Property. All costs and expenses to acquire, install, operate, maintain, repair, replace, and, if applicable, remove the electricity sub-meter will be paid by the Parties and the City in accordance with their respective Parking Structure Shares.

3.2.5 Equipment Permits. The Managing Party is responsible for obtaining and maintaining the Equipment Permits, the cost of which will be a Shared Cost; provided that, the Parties shall pay the Shared Costs for obtaining and maintaining Equipment Permits for Building Equipment in or serving the Parking Structure Real

Property (including, without limitation, the electricity sub-meter described in section 3.2.4.2 of this ARJOA) based on their respective Parking Structure Shares.

3.2.6 Building Software. The County shall continue to maintain the Building Software and the County's hardware that operates the Building Software for the benefit of both Parties. The Council and the County shall work together, reasonably and in good faith, to determine if any licenses or other rights to use to the Building Software exist separate and apart from the Building Equipment, and which Party should be the licensee or rights holder thereunder. If agreed to by the Parties, the Parties shall then take the steps necessary to transfer control of such Building Software from the County to the Council or the Superior Court.

3.2.7 Correction of Defects.

3.2.7.1 Defect. Upon the Managing Party's discovery of a Defect, the Managing Party shall either (i) correct the Defect within 10 calendar days, or (ii) if the Defect is reasonably expected to be a Major Defect, send a written notice to the Contributing Party, within three business days, describing the Defect (the "**Major Defect Notice**"). If the Managing Party does not provide an estimate of the time and cost to correct the Defect as part of its initial Major Defect Notice, the Managing Party shall keep the Contributing Party reasonably apprised of the status of the obtaining such an estimate, and shall provide such estimate to the Contributing Party promptly following its completion. After delivery of any Major Defect Notice, the Managing Party shall make available to the Contributing Party, upon the Contributing Party's request, any information that the Managing Party has in its possession that would assist the Contributing Party in its evaluation of the nature and extent of the Major Defect, including any written reports, photographs, Incident reports (pursuant to section 6.5.2 of this ARJOA), and information that was, or is being, used to develop an estimate for the time and cost to correct the Defect.

3.2.7.2 Contributing Party's Right to Correct. If the Managing Party neither corrects the Defect nor sends a Major Defect Notice within the time periods provided in section 3.2.7.1 above, and if the Managing Party's discovery of the Defect in section 3.2.7.1 was by written notice received from the Contributing Party, then the Contributing Party may, without obligation and without giving any notice or commencing any cure period under section 10.1 of this ARJOA, correct any Defect in any reasonable manner under the circumstances; provided that, for any Major Defect, the Contributing Party must first prepare a Correction Plan pursuant to section 3.2.7.3 of this ARJOA.

3.2.7.3 Major Defect Correction Plan. For any Major Defect, within 15 days following the Contributing Party's receipt of a Major Defect Notice or the Contributing Party's notification to the Managing Party, the Parties shall meet and confer, in good faith, in person or by telephone, to determine a plan ("**Correction Plan**") for the correction of the Major Defect, including the method, estimated cost, and time period for the correction. If the Managing Party does not thereafter diligently pursue correction of the Major Defect in accordance with the Correction Plan, the Contributing Party may, without obligation and without giving any notice or commencing any cure period under section 10.1 of this ARJOA, correct the Major Defect in a manner consistent with the Correction Plan. If the Party that actually performs the correction of the Defect (the "**Correcting Party**") at any time determines that the time or cost for correcting the Defect may exceed the time or cost set forth in the Correction Plan by more than 10 percent, the Correcting Party shall so inform the other Party, and promptly thereafter the Parties shall meet and confer, in good faith, to determine how best to amend or revise the Correction Plan to correct the Defect within a mutually acceptable timeframe and at a mutually acceptable cost.

3.2.7.4 Not Applicable to Emergencies. This section 3.2.7 does not apply to any Defect that arises from an Emergency, which Defects will be governed by section 3.2.8 of this ARJOA.

3.2.7.5 Defects and Major Defects Affecting Parking Structure Real Property. This section 3.2.7 applies with equal force and effect to both the Courthouse Real Property and the Parking Structure Real Property; however, for Defects and/or Major Defects in, on, or under the Parking Structure Real Property: (i) the Parties shall also comply with the terms set forth in section 3.4 of the Parking Structure Agreement; (ii) any notices to be given by the Managing Party or the Contributing Party under this section 3.2.7 shall also be given to the City pursuant to section 3.4.1 of the Parking Structure Agreement; and (iii) the City shall be solely responsible to correct, at the City's sole cost and expense, any Defects or Major Defects in or specific to the City Exclusive Parking Area.

3.2.8 Emergencies. If any Emergency occurs, the Parties shall immediately notify one another of the Emergency by telephone or any other means reasonable under the circumstances, and the Managing Party shall promptly take steps to correct any Defect that arises from the Emergency. If the Managing Party does not promptly correct any such Defect arising from an Emergency, the Contributing Party may, without obligation and without giving any notice or commencing any cure period under section 10.1 of this ARJOA, correct that Defect without making any further demand on the Managing Party, and shall notify the Managing Party of the steps taken to correct the Defect as soon as reasonably possible. The Party that corrects a Defect arising from an Emergency under this section 3.2.8 is entitled to reimbursement from the other Party of the non-Correcting Party's Share or Parking Structure Share, as applicable, of the actual cost of correcting the Emergency pursuant to section 3.2.9 of this ARJOA and, if applicable, section 3.5 of the Parking Structure Agreement. In connection with any Emergency that affects the Parking Structure Real Property, the Parties shall comply with this section 3.2.8 as well as section 3.5 of the Parking Structure Agreement.

3.2.9 Correcting Party; Reimbursement. The Correcting Party shall be responsible for diligently pursuing the correction of any Defect pursuant to sections 3.2.7 or 3.2.8 of this ARJOA, and the non-Correcting Party shall reimburse the Correcting Party for the non-Correcting Party's Share or Parking Structure Share, as applicable, of the actual costs that the Correcting Party incurs in correcting any Defect. If the Correcting Party is the Managing Party, the Correcting Party shall be reimbursed by the Contributing Party in accordance with section 4 of this ARJOA, and if the Correcting Party is the Contributing Party, the Managing Party shall reimburse the Contributing Party for the Managing Party's Share or Parking Structure Share, as applicable, of the costs to correct the Defect within 30 days after the Contributing Party has delivered to the Managing Party an invoice and reasonable supporting documents evidencing the actual costs to correct the Defect. Irrespective of which Party is the Correcting Party, the Correcting Party shall be responsible to collect from the City the City Parking Structure Share of the actual costs that the Correcting Party incurs in correcting any Defect or Major Defect in, on, or under the Parking Structure Real Property. Notwithstanding the foregoing, the Correcting Party shall not be entitled to reimbursement for amounts greater than 110 percent of the costs set forth in the Correction Plan (including any amendments or revisions thereto) approved by the non-Correcting Party pursuant to section 3.2.7.3 of this ARJOA. If the non-Correcting Party does not timely reimburse the Correcting Party for the non-Correcting Party's Share of the actual costs of correction, the Correcting Party may offset the non-Correcting Party's Share of the costs to correct the Defect against any amounts that the Correcting Party owes to the non-Correcting Party under this ARJOA or any other agreement.

3.3 Right To Enter. Commencing on the Amended and Restated Effective Date, the Parties agree that each Party has the right to enter all areas of the Real Property for purposes of performing any inspections or testing related to its occupancy or use of the Real Property or necessary for the Parties and the City to complete the Transfer of Title pursuant to the ARTA and the Parking Structure Agreement. Each Party shall exercise its rights of ingress, egress, and access to, and use of, the Real Property under this section 3.3 in a reasonable, good faith manner, and shall make diligent efforts to minimize interference with: (a) the other Party's occupancy and Operation of its Exclusive-Use Area; (b) the other Party's use of the Common Area; (c) the Managing Party's Operation of the Common Area; and (d) the City's ownership, occupancy, and use of its interest in the Parking Structure Real Property pursuant to the Parking Structure Agreement. Neither Party shall perform, or direct any Third Party to perform, any destructive or invasive work on the Real Property without at least five business days' prior, written notice to the other Party and, if such work will affect the Parking Structure Real Property, to the City, stating the date and time when, and the location at which, the destructive or invasive work will be performed by or on behalf of the Party that is conducting the work ("**Testing Party**"), and generally describing the nature, scope, and duration of that work. The non-Testing Party is entitled, but not obligated, to have its employees or consultants observe the Testing Party's performance of any destructive or invasive work on the Real Property and to take split samples of any soil, ground water, or other substance or material that the Testing Party removes from the Real Property for laboratory analysis, all at the non-Testing Party's sole expense. The Testing Party shall make reasonable efforts to accommodate the scheduling needs of the non-Testing Party and, if applicable, the City in scheduling any inspections or testing of the Real Property. All work performed by, or at the request of, the Testing Party, including all costs and expenses incurred in connection with that work, will be the sole liability and responsibility of the Testing Party, and the Testing Party must, at its sole expense, promptly repair any damage caused to the Real Property as a result of the work performed, such that the Real Property is returned to substantially the same condition it was in before the destructive or invasive work was performed. The Testing Party shall comply with the terms of section 6.6 of this ARJOA in connection with any inspections or testing of the Real Property performed by Contractors.

3.4 Parking. The Managing Party is responsible for the Operation of the Parking Area, which is included in Common Area. As between the Council and the County, the Council shall be solely entitled to all revenues arising from the Operation, leasing, licensing, occupancy, or use of the Parking Area; provided that, the Council and the City shall share the Net Revenues arising from the Parking Structure Real Property on the basis of their respective Revenue Shares, as provided in the Parking Structure Agreement. The County Parking may be used by the County Parties, and their Contractors, invitees, licensees, and patrons, and the Superior Court Parking may be used by the State Parties, and their judges, jurors, Contractors, invitees, licensees, and patrons, on a first-come, first-served basis. Up to five of the parking spaces allocated to the County Parking in the Courthouse Parking Lot, and up to 18 of the parking spaces allocated to the Superior Court Parking in the Courthouse Parking Lot, may be designated or reserved. Otherwise, all of the County Parking and the Superior Court Parking will be undesignated parking spaces. Except for any parking spaces that may be reserved or designated under this ARJOA, the County Parking and the Superior Court Parking may be used by the staff or Contractors of the Managing Party, as needed, for the purpose of carrying out the duties of the Managing Party under this ARJOA. The Parking Structure Agreement provides for, among other things, a modified allocation of the parking spaces in the Parking Structure among the Superior Court, the County, and the City in connection with which, commencing on the Amended and Restated Effective Date: (i) the Council will be responsible for the Council Parking Structure Share of the Shared Costs of Operation of the Parking Structure Real Property and the Council will remain responsible for the Council Share of the Shared Costs of Operation of the Courthouse Parking Lot; and (ii) the County will be responsible for the County Parking Structure Share of the Shared Costs of Operation of the Parking Structure

Real Property and the County will remain responsible for the County Share of the Shared Costs of Operation of the Courthouse Parking Lot, all as provided in the ARTA, the Parking Structure Agreement, and this ARJOA. The County and the Superior Court agreed in the Original Transfer Agreement and hereby confirm that the Original Superior Court Parking was parking of the same number, type, and convenience as the parking made available for Superior Court use on October 1, 2001. For clarification, as more fully set forth in the Parking Structure Agreement, the Superior Court Parking no longer includes the parking spaces in the Parking Structure that are allocated to the City or the parking spaces required by the County Sheriff for activities under the Security Services MOU.

3.4.1 Contract Parking Management. Upon the termination of the Common Area Delegation, the Council assumed responsibility for management and Operation of the Parking Area, and the County terminated its contract with the Third Party parking manager that was managing the Parking Area on the Responsibility Transfer Date. Commencing on the Amended and Restated Effective Date, the Parties shall continue to pay the Shared Costs of any Third Party parking manager engaged by the Managing Party for the Courthouse Parking Lot based on their respective Shares and without contribution from the City, and the Council, the County, and the City shall pay the Shared Costs of the Third Party parking manager engaged by the Managing Party for the Parking Structure based on their respective Parking Structure Shares.

3.5 Cooperation. The Parties shall cooperate with one another, reasonably and in good faith, to ensure that each Party can peacefully enjoy, possess, use, and occupy its Exclusive-Use Area and the Common Area. The Owner shall cooperate in good faith with the Non-Owning Party, and ensure that the Non-Owning Party can exercise its rights and responsibilities under this ARJOA. Subject to any reasonable rules and restrictions, each Party shall allow the other Party to enter its Exclusive-Use Area for any reasonable purpose related to the terms of this ARJOA, the Parking Structure Agreement, or any other written agreement between the Parties. Either Party may delegate its responsibilities under this ARJOA to the other Party or to a Third Party, but no delegation will relieve the delegating Party from its obligations under this ARJOA.

3.6 Security-Related Areas. In accordance with the Security Services MOU, the County shall remain responsible for the secure entry, exit, transport, and holding of prisoners attending Superior Court sessions to, from, in, and through the Security-Related Areas, and shall have the right to enter the Court Exclusive-Use Area as reasonably necessary for that purpose.

3.7 Occupancy Agreements. Each Party is responsible for all Occupancy Agreements affecting its Exclusive-Use Area, in each case without contribution from the other Party, and the Managing Party is responsible for all Occupancy Agreements affecting the Common Area. The Party that is responsible for each Occupancy Agreement is entitled to all revenues arising from it; provided, however, that the Council is solely entitled to all revenues arising from the Courthouse Parking Lot and from vending machines in the Common Area and Exclusive-Use Areas, the Council and the City are solely entitled to all Net Revenues arising from the Parking Structure Real Property in accordance with their respective Revenue Shares, and the Parties shall share in any revenues received by the Managing Party arising from any other Occupancy Agreements affecting the Common Area in accordance with their respective Shares.

3.8 Telecommunication Services. As of the Responsibility Transfer Date, telecommunication services, including telephone, voicemail, computer networking, and wireless communications, are provided to the Superior Court by the County. In addition, the Building houses a "node" or "hub" which may connect telecommunication systems between and among other County-owned or -occupied buildings. Components of the County's telecommunication system include wiring, switches, routers, optical fibers, power supplies, cable modems, and antennas (collectively, the "**County Telecommunication Equipment**"), all of which shall remain the sole personal property of the County notwithstanding the Transfer of Responsibility and the Transfer of Title. Since the Responsibility Transfer Date, the Superior Court has made certain improvements to the Building to separate the Superior Court's telecommunications services from the County's, and all of such improvements are and will remain the sole personal property of the Superior Court. As of the Amended and Restated Effective Date, the Superior Court is no longer receiving telecommunications services from the County in the Building, but receives its telecommunications services from the Superior Court CTS Department.

3.8.1 Cooperation; Interference With or Damage To County Telecommunication Equipment. The Council agrees to cooperate fully with the County to ensure that the County has ingress, egress, and access to each and every area of the Real Property, including the Court Exclusive-Use Area, in which any of the County Telecommunication Equipment, or any component thereof or connection thereto, is located, for the purpose of the County's continued operation, use, maintenance, repair, replacement, and expansion of its telecommunication system. The Council shall endeavor to ensure that no action of the State Parties, including facility alterations or upgrades, or other activities that may affect the electrical power or the controlled environment for various components of the telecommunication system, causes damage to any of the County Telecommunication Equipment, or interferes with the telecommunication services provided by the County. If any of the State Parties cause damage to any of the County Telecommunication Equipment or interference with the telecommunication services provided by the County, the County may make the necessary repairs or replacements and the Council shall be responsible for all costs incurred by the County associated with such repair or replacement. Notwithstanding the foregoing, the County acknowledges that the

Council is not able to provide the County with ingress, egress, or access to the areas of the Parking Structure Real Property owned and/or occupied by the City, and the County shall be responsible to obtain directly from the City any needed rights of access to the parts of the Parking Structure Real Property owned, occupied, and/or used by the City.

3.8.2 Council's Right to Provide Alternate Telecommunications System. The Parties agree that the Council may at any time provide a telecommunication system that replaces all or part of the County-provided telecommunication service, and at the County's sole discretion, existing wiring or other components may be used by the Superior Court or the Council for the replacement system. The fact that the Council may replace County systems in no way limits the Council's responsibility to ensure that the County continues to have access to the County Telecommunication Equipment located in or on the Real Property to the fullest extent provided for in section 3.8.1, above.

3.9 Criminal Background Screening. The Managing Party shall provide for the screening and approval of all County employees and County Contractors before they provide services in, or make deliveries to, any area of the Courthouse Real Property. The screening must be conducted by Live Scan background check or, if the Live Scan system becomes unavailable during the Term of this ARJOA, by other similar or successor system. **Attachment "2"** to this ARJOA sets forth the criteria for approval of a County employee or County Contractor based on the results of the screening. In lieu of the Managing Party conducting the screening and approval process set forth herein, the Contributing Party may, but is not obligated to, conduct the screening and approval of County employees or County Contractors that have access to the Courthouse Real Property, and, in such event, the Managing Party agrees to cooperate with the Contributing Party with respect to the screening of County employees or County Contractors that access the Courthouse Real Property. Unless an exemption applies under section 3.9.2 of this ARJOA, only those County employees and County Contractors that have been screened and approved ("**Approved Persons**") may have unescorted access to the Courthouse Real Property. Unscreened County employees and County Contractors may access the Courthouse Real Property if they are escorted and monitored by any of the following: (i) an Approved Person, or (ii) an employee of the Superior Court if the Superior Court's Executive Officer, or his or her designee, consents to a Superior Court employee escorting and monitoring the unscreened person. The Managing Party shall ensure that the Operation of the Courthouse Real Property is at all times consistent with this section 3.9, and for all Security-Related Areas, the Security Services MOU.

3.9.1 Approved Persons. The County shall issue an identification badge to each Approved Person bearing the Approved Person's name and picture, or affix a sticker or other marking on the existing badges of those Approved Persons, to indicate their right to access the Courthouse Real Property. The Parties shall work together in a cooperative manner to ensure that Approved Persons enter only those portions of the Courthouse Real Property where work is to be accomplished, and enter the Security-Related Areas only in accordance with the Security Services MOU. Approved Persons must wear their identification badges in a readily visible manner whenever they are on the Courthouse Real Property.

3.9.2 Exemptions. The following County employees and County Contractors are exempt from the requirements of this section 3.9: (i) County employees who were already engaged in providing services or materials to the Courthouse Real Property on the Responsibility Transfer Date; and (ii) unscreened persons only when responding to and correcting a Defect arising from an Emergency under section 3.2.8 of this ARJOA.

3.9.3 DOJ and DMV Requirements. Notwithstanding anything in this ARJOA to the contrary, the County must comply with background check and clearance requirements of the California Department of Justice ("**DOJ**") and the California Department of Motor Vehicles ("**DMV**") relating to any County employee or County Contractor who has physical access to any portion of the Court Exclusive-Use Area which is either connected to, or contains records from, the DOJ criminal computer database, including, without limitation, the California Law Enforcement Telecommunications System (CLETS) and the Criminal Offender Record Information (CORI), or the DMV computer database (collectively the "**Databases**"). If requested by the Superior Court or the Council, the County must provide to either the Superior Court or the Council suitable documentation evidencing the County's compliance with the policies, practices, and procedures of the DOJ and the DMV regarding background check and clearance requirements relating to access to the Databases.

3.10 County Facilities Payment. Nothing in this ARJOA diminishes or modifies the County's obligations under the Act for payment of the County Facilities Payment.

3.11 Miles Court Order. Notwithstanding any other provision of this ARJOA, but subject to the terms of this section 3.11, on the Original Effective Date, the County was responsible, at its sole cost and expense, for all of the County's obligations under the Miles Court Order with respect to the Real Property in its interior and exterior layout and configuration on the Responsibility Transfer Date, and in the Original JOA, the Parties agreed that upon reasonable notice to the Superior Court, and subject to any reasonable restrictions by the Council or the Superior Court, the County would be allowed to enter the Court Exclusive-Use Area for all purposes related to performance of all work necessary to satisfy the County's obligations under the Miles Court Order. The County hereby represents that the County has completed all such work, at the County's sole cost, in accordance with the requirements of the Miles Court Order. The Parties agree as follows with respect to the obligations set forth in the Miles Court Order:

3.11.1 Maintaining Compliance. Upon the County's completion of the work necessary for initial compliance with each of the County's obligations under the Miles Court Order, the Parties shall thereafter share the costs and expenses of maintaining the Real Property in a condition that complies with the requirements of the Miles Court Order in accordance with the terms of this ARJOA. As such, the County shall be solely responsible to maintain the County Exclusive-Use Area in compliance with the requirements of the Miles Court Order at the County's sole cost; the Council shall be solely responsible to maintain the Court Exclusive-Use Area in compliance with the requirements of the Miles Court Order at the Council's sole cost; and the Managing Party shall be responsible to maintain the Common Area in compliance with the requirements of the Miles Court Order in accordance with the terms of this ARJOA, and the costs of such compliance in respect of the Common Area will be Shared Costs pursuant to section 4 of this ARJOA. Notwithstanding the foregoing, from and after the Amended and Restated Effective Date, the Council, the County, and the City shall be responsible to pay the Shared Costs of maintaining the Parking Structure Real Property in compliance with the requirements of the Miles Court Order based on their respective Parking Structure Shares.

3.11.2 Obligations Triggered by Refurbishment or Repair Work. If alteration or repair work in or on the Real Property triggers additional obligations for compliance with the Miles Court Order, then the County will be solely responsible for the costs of such compliance in the County Exclusive-Use Area, the Council will be solely responsible for the costs of such compliance in the Court Exclusive-Use Area, and costs of such compliance in the Common Area will be Shared Costs pursuant to section 4 of this ARJOA; provided that, from and after the Amended and Restated Effective Date, the Council, the County, and the City shall be responsible to pay the Shared Costs of any such compliance in the Parking Structure Real Property based on their respective Parking Structure Shares.

## 4. SHARED COSTS

4.1 Estimate of Shared Costs of Operations. The Managing Party shall make timely, direct payment of all Shared Costs owed to Third Parties, and the Contributing Party shall reimburse the Managing Party for its Share or Parking Structure Share, as applicable, of all Shared Costs under this section 4. At least 120 days before the first day of each fiscal year after the Responsibility Transfer Date, the Managing Party shall deliver to the Contributing Party a statement (the "**Estimate Statement**") itemizing the Estimated Shared Costs of Operation, together with copies of reasonable documentation supporting the Estimated Shared Costs of Operation and, to the extent not already provided, copies of invoices, bills, and other similar supporting documentation for Utility Costs. The Contributing Party shall either comment on or approve the Estimate Statement within 30 days, and if the Contributing Party disapproves any of the Estimated Shared Costs of Operation in the Estimate Statement, the Parties shall promptly meet and discuss the reason for the disapproval. When the Parties reach agreement with respect to all Estimated Shared Costs of Operation, the Managing Party shall, if necessary, revise the Estimate Statement, which both Parties shall approve. Until the Contributing Party approves the Estimate Statement, the Contributing Party shall pay its Share or Parking Structure Share, as applicable, of the Shared Costs based on the approved Estimate Statement for the prior fiscal year.

4.2 Payment of Actual Shared Costs. Within 30 days after the end of each calendar month, the Managing Party shall deliver to the Contributing Party a statement (the "**Monthly Invoice**") itemizing the actual Shared Costs incurred during the previous calendar month ("**Actual Shared Costs**"). Within 30 days after a written request by the Contributing Party, the Managing Party shall also deliver to the Contributing Party copies of supporting documents for any of the Actual Shared Costs shown on the Monthly Invoice. The Contributing Party shall pay its Share and/or its Parking Structure Share, as applicable, of the Actual Shared Costs to the Managing Party within 30 days after its receipt of the Monthly Invoice, up to the Contributing Party's Share (or Parking Structure Share, as applicable) of 110 percent of the Estimated Shared Costs of Operation and Utility Costs for that fiscal year. If the Actual Shared Costs for any fiscal year exceed the sum of Estimated Shared Costs of Operation plus Utility Costs for such fiscal year ("**Excess Costs**") by more than 10 percent, or if the Managing Party has failed to provide the Contributing Party with adequate documentation supporting the Actual Shared Costs within 10 days following request by the Contributing Party, or if the Contributing Party reasonably believes that the amount of Actual Shared Costs may be in error, the Contributing Party will not be obligated to pay such Excess Costs until the Parties meet and reach agreement regarding the amount of the Excess Costs.

4.2.1 Agreement for Quarterly Invoicing and Payment. The Managing Party may, upon 30 days prior written notice to the Contributing Party, elect to deliver invoices itemizing Actual Shared Costs on a quarterly basis rather than on a monthly basis, in which event, the Contributing Party shall pay all invoices itemizing Actual Shared Costs on a quarterly basis, and all references to "calendar month" in section 4.2 of this ARJOA will be automatically amended to refer to "fiscal quarter" and the defined term "Monthly Invoice" in this ARJOA will be automatically amended to "Quarterly Invoice".

4.3 Council as Managing Party. Notwithstanding the provisions of sections 4.1 and 4.2 of this ARJOA to the contrary: (i) following its approval of the annual Estimate Statement, the Contributing Party shall pay its Share and, where applicable, its Parking

Structure Share, of (a) the Estimated Shared Costs of Operation based on the approved Estimate Statement, and (b) the estimated Utility Costs, plus all additional amounts owed by the Contributing Party for the period during which the Parties were in the process of reaching agreement as to the Estimate Statement, in equal quarterly installments in advance on the first day of each fiscal quarter; (ii) if the Actual Shared Costs are less than the Estimated Shared Cost of Operation plus Utility Costs for a particular fiscal quarter, the Managing Party shall refund the amount overpaid to the Contributing Party within 30 days after the Managing Party's delivery of the Quarterly Invoice, except that if the Contributing Party consents, the Managing Party may retain the overpayment and offset it against future amounts owed by the Contributing Party under this ARJOA; and (iii) the Contributing Party shall pay any Excess Costs to the Managing Party within 30 days after its receipt of the Quarterly Invoice, except that (x) if the Excess Costs are more than 10 percent of the sum of Estimated Shared Costs of Operation and Utility Costs for any fiscal quarter, or (y) if the Contributing Party has requested, but not received, supporting documents for any Excess Costs by 10 days prior to the date that payment is due, the Contributing Party shall continue to make payment of its Share and/or Parking Structure Share of the Shared Costs based on the Estimate Statement, but may defer payment of the Excess Costs (or, in the case of (y) above, the Excess Costs to which the supporting documents relate) for that fiscal quarter, until the Parties have met and reached an agreement regarding the amount of the Excess Costs.

4.4 Notice of Anticipated Excess Costs. Prior to incurring any Shared Cost that the Managing Party reasonably believes will result in an Excess Cost in an amount greater than 10 percent of the Estimated Shared Costs of Operation shown on the Estimate Statement, the Managing Party must give written notice to the Contributing Party describing the amount and reason for such Excess Costs, except that no notice need be given to the Contributing Party under this section 4.4 if the Excess Costs arise from the correction of a Major Defect under section 3.2.7.3 of this ARJOA. If the Contributing Party objects in writing to the Excess Costs within 30 days after receiving the Managing Party's notice, the Parties must meet and confer, in person or by telephone, within 10 calendar days to resolve their dispute concerning the Excess Costs. If the Parties do not reach agreement concerning the Excess Costs during that meet and confer process, the Parties shall promptly seek to resolve their dispute concerning the Excess Costs under the terms of section 11 of this ARJOA. If the Contributing Party does not respond to the Managing Party's notice within 30 days of receiving the notice, the Managing Party may proceed with expenditure of the Excess Costs in the amount and for the purpose described in the notice, and the Contributing Party must pay its Share and/or its Parking Structure Share, as applicable, of those Excess Costs.

4.5 Records Retention; Audit Rights. The Parties shall maintain all records relating to this ARJOA, in compliance and consistent with applicable Law. The Managing

Party shall also maintain an accounting system, supporting fiscal records, and agreements related to the Real Property, adequate to ensure that all claims and disputes arising under this ARJOA can be resolved in accordance with the requirements of this ARJOA and the Act, for the period of time generally required by applicable Law. The Contributing Party may, at its sole cost and upon reasonable notice to the Managing Party, inspect the Managing Party's books, records, and supporting documents concerning all actual costs incurred related to the Actual Shared Costs for up to 18 calendar months prior to the date of the Contributing Party's inspection. The Parties shall cooperate reasonably with each other to ensure that the inspection is performed promptly and without undue interference by either Party. If the Contributing Party disputes any Actual Shared Costs for any of the immediately preceding 18 calendar months, the Contributing Party may engage an independent certified public accountant, acceptable to both Parties, to audit the Managing Party's books and records to determine the amount of the Actual Shared Costs in dispute. The results of the audit will be binding on both Parties. If the audit reveals that the Contributing Party overpaid or underpaid Actual Shared Costs for a fiscal year, the Parties shall make the payments necessary to resolve that overpayment or underpayment within 30 days following the completion of the audit and receipt of the final audit document by both Parties. The Contributing Party must pay the entire cost of the audit. The Contributing Party's payment of Shared Costs will not prevent it from disputing the accuracy of any Actual Shared Costs under this section 4.5.

4.6 Shared Costs Associated With Parking Structure Real Property. The Managing Party shall be responsible to collect from the City, pursuant to the terms of the Parking Structure Agreement, the City Parking Structure Share of the Actual Shared Costs incurred with respect to the Parking Structure Real Property. The Managing Party shall also be responsible to disburse to the City, pursuant to the terms set forth in the Parking Structure Agreement, the City Revenue Share of the Net Revenues. For avoidance of doubt, the Council and the County hereby acknowledge that, prior to the Original Effective Date, the County relinquished its right to share in or to receive any portion of any revenues arising from: (a) occupancy or use of the Courthouse Parking Lot; (b) occupancy or use of the Parking Structure Real Property; and (c) any vending machines located in or on the Real Property, in exchange for which the Council and the State agreed to a permanent reduction in the County Facilities Payment pertaining to the Court Facilities, which reduction is reflected in the amount of the County Facilities Payment set forth in section 5 of the ARTA. As such, the County shall not be entitled to any portion of the Net Revenues.

4.7 Utility Costs. Notwithstanding the foregoing provisions of this section 4, Utility Costs shall be invoiced and paid by the Parties in accordance with the terms set forth in section 3.2.4 of this ARJOA, and, when applicable, section 3.7 of the Parking Structure Agreement.

## 5. RIGHT OF FIRST REFUSAL, COMPATIBLE USES, AND VACATE RIGHTS

5.1 Right of First Refusal and Increase of Space In Building

5.1.1 Right of First Refusal for Excess Area. At least 30 days before either Party leases, licenses, or transfers to any Third Party, or allows a Third Party to use, all or any portion of its Exclusive-Use Area that is not needed in connection with its operations ("**Excess Area**"), that Party must, by written notice, offer the Excess Area to the other Party on the same terms and conditions set forth in any offer to or from a Third Party for the Excess Area ("**Third Party Terms**"). The Third Party Terms must separate the rent for the Excess Area from any amounts to be paid by the Third Party for Operation, Utilities, and other costs in respect of the Excess Area. If the other Party elects not to occupy the Excess Area on the Third Party Terms, or fails to respond to the notice within a 30-day period, the Party with the Excess Area may permit a Third Party to occupy and use the Excess Area on the Third Party Terms. Before a Third Party can occupy the Excess Area on terms that are more favorable to the Third Party than the Third Party Terms, the Party with the Excess Area must again first offer the Excess Area to the other Party on those more favorable terms under this section 5.1.1. If the other Party elects to accept the Excess Area on the Third Party Terms, the Parties shall enter into a separate written agreement setting forth the terms for the other Party's occupancy and use of the Excess Area, consistent with the Third Party Terms. Neither Party is required to comply with the provisions of this section 5.1.1 prior to leasing, licensing, transferring, or otherwise allowing any Occupant to occupy or use a portion of its Exclusive-Use Area to the extent that such Occupant's use or occupancy is consistent with, or complementary to, its existing operations in the Building.

5.1.2 Request for Increase of Exclusive-Use Area. If a Party wishes to increase the size of its Exclusive-Use Area ("**Additional Area**"), and the Parties reach agreement on mutually acceptable terms for the Additional Area, the Parties shall enter into a separate, written agreement setting forth the terms for the occupancy and use of the Additional Area (which terms may include a reasonable rent for the Additional Area), subject to section 5.1.4 of this ARJOA, or the Parties may agree to amend this ARJOA to adjust the Parties' respective Shares for purposes of allocating responsibility for payment of Shared Costs, and/or to include a reasonable rent for the Additional Area.

5.1.3 No Adjustment to Shares. If a Party rents or licenses any Excess Area or Additional Area under section 5.1.1 or 5.1.2, above, the rental or licensing transaction will not result in a change to the Parties' Shares. Rather, the rent or license fee paid by the Party renting or licensing the Excess Area or the Additional Area will be deemed to include the Shared Costs applicable to the Excess Area or the Additional Area, as applicable. The Parties' Shares for purposes of determining the Parties' Equity in the Real Property will be adjusted only if one Party at any time buys the other Party's rights to occupancy and use of the Real Property for fair market value under section 4.3.13 of the ARTA, or as otherwise agreed to by the Parties in writing.

5.1.4 Terms of this ARJOA Not Affected. Any leasing or license of the Excess Area or the Additional Area to a Party or to a Third Party will not relieve the Parties of their rights and responsibilities under this ARJOA with respect to the Excess Area or the Additional Area. Rather, any re-allocation of the Parties' rights and responsibilities under this ARJOA will be set forth in a separate written agreement, or an amendment to this ARJOA, entered into by the Parties for the Excess Area or the Additional Area.

5.2 Compatible Use; Hazardous Substances.

5.2.1 Compatible Use. Each Party shall use, and shall require that any Occupant use, its Exclusive-Use Area in a manner that is compatible with the Parties' use of the Building on the Responsibility Transfer Date and that does not deteriorate or diminish the other Party's ability to use its Exclusive-Use Area or the Common Area effectively. The Party responsible for each Occupant that occupies any of the Common Area must ensure that that Occupant uses its space in a manner compatible with the Parties' use of the Building.

5.2.2 Hazardous Substances. Neither Party shall store, use, treat, manufacture, or sell, or allow any other person to store, use, treat, manufacture, or sell, any Hazardous Substance on the Real Property except in compliance with Law.

5.3 Vacate Right Pursuant to Section 70344(b) of the Act. After the Responsibility Transfer Date, if either Party is entitled to and does exercise its rights under section 70344(b) of the Act (which section of the Act generally permits a Party occupying 80 percent or more of the Building to require the other Party to vacate the Real Property), the Party that is required to vacate the Building ("**Vacating Party**") must remove all of its property from, and surrender to the other Party full possession of, the space vacated ("**Vacated Space**") within 90 days after the Parties agree on the amount of compensation to be paid to the Vacating Party for (i) its Equity in the Vacated Space, and (ii) its relocation costs. The Vacating Party shall repair, at its sole cost, any damage it causes to any part of the Real Property in removing its property from the Vacated Space. If the Parties cannot agree on the value of the Vacating Party's Equity in the Vacated Space or the fair market value of the Vacating Party's relocation costs, the Parties shall use the valuation methodology described in section 4.3.13 of the ARTA to determine such values. The Parties shall enter into a written agreement to memorialize the terms of the purchase of the Vacating Party's Equity in the Vacated Space, and the Parties shall enter into a Termination

Agreement, substantially similar to **Attachment "1"** attached to this ARJOA, when the Vacating Party has vacated the Vacated Space.

5.4 Termination of ARJOA. If the Parties agree to terminate this ARJOA as authorized by this ARJOA or the Act, the Parties shall enter into a Termination Agreement.

## 6. PROPERTY LOSSES; INSURANCE

6.1 Property Insurance. The Owner may, without obligation and at the Owner's sole cost, obtain one or more Property Insurance Policies to insure against Property Losses, and the Owner will be solely entitled to all proceeds from such Property Insurance Policies. The Owner may, in its sole discretion, agree in writing to make the Non-Owning Party and/or the City an additional insured or a joint loss payee in respect of their respective interests in the Real Property under Owner's Property Insurance Policies, provided that the Non-Owning Party and/or the City, as applicable, agrees to pay its Share of the Property Insurance Costs arising from such Property Insurance Policies. The Parties agree to enter into a separate written agreement by no later than the date on which the Owner adds the Non-Owning Party and/or the City as an additional insured or joint loss payee under the Property Insurance Policies, which agreement will provide for the allocation of the proceeds from the Property Insurance Policies following a Property Loss. Whether or not the Non-Owning Party and/or the City becomes an additional insured or joint loss payee under the terms of any Property Insurance Policy obtained by the Owner, the Owner shall waive and require the provider of the Property Insurance Policy to waive any right of recovery it may have against the Non-Owning Party and, if applicable, the City.

6.1.1 Compliance with Requirements of Property Insurance Policies. If a Party obtains any Property Insurance Policies (the "**Insuring Party**"), the non-Insuring Party shall comply in all material respects with the reasonable requirements for use of the Real Property set forth in such Property Insurance Policies; provided that (i) the Insuring Party has provided reasonable notice of such requirements to the non-Insuring Party, and (ii) such requirements are consistent with, and do not materially limit, the non-Insuring Party's use of the Real Property.

6.2 Relocation Costs. Either Party may, without obligation and at its own sole cost, obtain one or more Property Insurance Policies to insure against the cost of relocation to and occupancy of alternative space necessitated by a Property Loss for which it is responsible pursuant to section 7.1 of this ARJOA, and the Party obtaining such Property Insurance Policies shall be solely entitled to all proceeds from such Property Insurance Policies.

6.3 Allocation of Risk for Property Claims. Subject to section 7 below, each Party shall be solely responsible for, and shall bear all of the risk arising from, Property Losses in the following manner:

6.3.1 Areas For Which County is Solely Responsible. For a Property Loss that originates in the County Exclusive-Use Area, the County shall be solely responsible for, and shall pay all costs arising from, any such Property Loss that both (i) exceeds $10,000, and (ii) arises from a cause set forth in **Attachment "4"** of this ARJOA. For clarification, the Parties shall be responsible for all Property Losses not meeting the requirements of both (i) and (ii) above in this section in accordance with section 6.3.1, below.

6.3.2 Areas For Which County Is Not Solely Responsible. For a Property Loss that either (i) originates in a portion of the Real Property other than the County Exclusive-Use Area, or (ii) does not meet the requirements of both (i) and (ii) of section 6.3 of this ARJOA, each Party shall be solely responsible for, and shall bear all of the risk arising from, Property Losses that affect its Exclusive-Use Area, and the Parties shall be jointly responsible for all Property Losses that affect the Common Area in accordance with their Shares or, where and to the extent that any such Property Losses affect the Parking Structure Real Property, in accordance with their respective Parking Structure Shares. The Managing Party shall be responsible to collect from the City the City Parking Structure Share of any such Property Losses that affect the Parking Structure Real Property.

6.3.3 State Parties' Right to Buy Property Insurance. For a Property Loss that is not the responsibility of the County pursuant to sections 6.3 and 6.3.1 of this ARJOA, the State Parties may, without obligation and at the State Parties' sole cost, obtain one or more Property Insurance Policies to insure against Property Loss, and the State Parties will be solely entitled to all proceeds from any such Property Insurance Policies. If any State Party purchases a Property Insurance Policy, it shall ensure by specific endorsement to the Property Insurance Policy, that the Property Insurance Policy will neither impair the right of the County to recover under the terms of any Property Insurance Policy that the County obtains under section 6.1 of this ARJOA, nor impair the City's or the County's right to recover under the terms of any Property Insurance Policy that the City and/or the County obtain under section 7.1 of the Parking Structure Agreement, and the State Parties shall waive and shall require the provider of its Property Insurance Policy to waive any right of recovery it may have against the County and the City.

6.4 Full Cost of Repairs. The Parties agree that the Parties' obligations under sections 6.3.1 and 6.3.2 of this ARJOA include the responsibility for the full cost and expense of restoring or replacing the damaged portions of the Real Property arising from the Property Loss ("**Damaged Property**") to the condition immediately preceding the

Property Loss in compliance with the applicable Law, including the demolition and replacement of the undamaged components of the Real Property, but only to the extent necessary to restore or replace the Damaged Property, and the upgrade or alteration of components or systems of the Real Property, but only to the extent required by applicable Law, and subject to the limitations set forth in section 7 of this ARJOA. However, the Parties shall be responsible for the cost and expense of alterations, improvements, or upgrades to the Damaged Property that are above and beyond the restoration or replacement of the Damaged Property in accordance with their Shares or, where and to the extent that any such Damaged Property is in, on, or a part of the Parking Structure Real Property, in accordance with their respective Parking Structure Shares.

6.5 Reporting and Processing Claims.

6.5.1 Party Responsible for Claims. If either Party receives any demand, complaint, notice, document, or information alleging the existence or occurrence of any incident, event, circumstance, or occurrence in, on, or about the Real Property ("**Incident**") that is or could result in any Property Loss, Property Claim, or Liability Claim (each, a "**Claim**", and together, "**Claims**"), or if a Party otherwise becomes aware that an Incident has occurred, that Party shall make best efforts to promptly notify the other Party of that Incident, and if the Incident occurred in or on the Parking Structure Real Property, such Party shall also make best efforts to promptly notify the City of that Incident. Following that notice, the Parties shall work together, diligently and in good faith, with one another and, if applicable, with the City, to determine which of them bears responsibility for the loss or injury alleged and whether either Party is entitled to indemnification by the other in respect of the Incident under sections 8.1 or 8.2 of this ARJOA and/or, if applicable, under the indemnification provisions set forth in the Parking Structure Agreement. If the Parties and, if applicable, the City are not able to so agree, then they shall proceed as set forth in section 11 of this ARJOA and section 12 of the Parking Structure Agreement.

6.5.2 Incident Reports. The Managing Party shall maintain copies of any Incident reports that it prepares for a period of five years, and at the request of the Contributing Party, the Managing Party shall provide the Contributing Party with a complete copy of, or reasonable access to, those Incident reports.

6.6 Third-Party Contractor Insurance. Each Party must require each of its Contractors to (i) obtain and maintain insurance of the type and with coverage amounts that are usual and customary to the type of business or exposures related to the work being performed on the Real Property, (ii) name both Parties, and if the Contractor will have access to or perform work in or on the Parking Structure Real Property, name the City, as additional insureds by specific endorsement to their general liability policies, (iii) provide a waiver of subrogation in favor of both Parties, and if the Contractor will have access to or perform work in or on the Parking Structure Real Property, provide a waiver of subrogation in favor of the City, with respect to all property insurance policies, and (iv) provide to the Parties and, if applicable, the City a 30-day notice of cancellation or material change in any insurance coverage required hereunder. Unless the Parties otherwise agree, all Contractors must indemnify, defend, and hold harmless the County Parties and the State Parties, and if the Contractor will have access to or perform work in or on the Parking Structure Real Property, indemnify, defend, and hold harmless the City, from and against all claims, demands, liabilities, damages, attorney fees, costs, expenses, and losses arising from the performance by the Contractors under their contracts, and neither Party waives any right of recovery or subrogation against the other or, if applicable, against the City, in respect of their contractual arrangements with the Contractors.

6.7 Workers' Compensation Coverage. Each Party shall maintain its own workers' compensation insurance covering its own employees, and neither Party shall have any liability or responsibility for any claims which could be covered by workers' compensation for employees of the other Party.

## 7. DAMAGE OR DESTRUCTION

7.1 Damage or Destruction Event. If, due to a Property Loss, the Real Property cannot be occupied by one or both Parties, each Party shall be solely responsible to arrange for its own relocation to and occupancy of alternate space. Promptly after a Property Loss, but in no event later than 180 days after a Property Loss, each Party shall notify the other in writing ("**Restoration Election Notice**") whether it wishes to restore or replace the Damaged Property, and if the Property Loss affects the Parking Structure Real Property, the Parties shall also deliver the Restoration Election Notice to the City.

7.2 Both Parties Elect to Restore or Replace. If both Parties (or, in the case of the Parking Structure, both Parties and the City) elect to restore or replace the Damaged Property, the Parties (or, if applicable, the Parties and the City) shall cooperate in good faith to restore or replace the Damaged Property, with each Party (and, where applicable, the City) contributing the portion of the costs to restore or replace the Damaged Property for which it is responsible in accordance with sections 6.3 or 6.4 (as applicable) of this ARJOA and, if applicable, section 8.2 of the Parking Structure Agreement; provided that if, pursuant to section 6.3.1 of this ARJOA, the Parties are responsible for the Property Loss in accordance with their Shares and/or, in the case of the Parking Structure Real Property, if the Parties and the City are responsible for the Property Loss in accordance with their Parking Structure Shares, and the Parties (or, if applicable, the Parties and the City) restore or replace the Damaged Property in a way that results in a change to the Parties' Shares and/or the Parties' and the City's respective Parking Structure Shares, the

Parties shall each pay the costs and expenses to restore or replace the Damaged Property according to their newly determined Shares and/or Parking Structure Shares.

7.3 Only One Party Elects to Restore or Replace. If, based on the Restoration Election Notices, only one Party elects to restore or replace the Damaged Property that is in, on, or a part of the Courthouse Real Property, and/or fewer than all of the Parties and the City elect to restore or replace the Damaged Property that is in, on, or a part of the Parking Structure Real Property, then within 30 days after the Parties' Restoration Election Notices are given, the Parties and, if applicable, the City shall meet and confer in good faith to determine how to proceed with respect to: (i) the Damaged Property; (ii) compensation for the Equity rights of either Party in the Courthouse Real Property and/or the Parking Structure Real Property, as and if applicable; and (iii) compensation for the City's tenancy-in-common ownership interest in the Parking Structure Real Property, if applicable. If the Parties and, where applicable, the City cannot agree on those matters, they shall proceed as set forth in section 11 of this ARJOA and section 8.3 of the Parking Structure Agreement.

7.4 Neither Party Elects to Restore or Replace the Courthouse Real Property. If there is Damaged Property that is in, on, or a part of the Courthouse Real Property, and neither Party elects to restore or replace such Damaged Property, and any of the Non-Owning Party's Exclusive-Use Area is uninhabitable as a result of the Property Loss, then the Parties shall meet and confer in good faith to determine how to proceed with respect to (a) the Damaged Property; and (b) compensation for the Equity rights of either Party in the Real Property, if applicable. Following such meeting, the Owner shall compensate the Non-Owning Party for its Equity rights in the uninhabitable part of the Non-Owning Party's Exclusive-Use Area, determined in the manner described in section 4.3.13 of the ARTA, and the Parties shall amend this ARJOA to reflect the changes in the Parties' Equity rights, which amendment will become effective when the Non-Owning Party has been compensated. Unless the Parties have otherwise agreed in writing under section 6.1 of this ARJOA, and except as otherwise provided in section 6.3.2 of this ARJOA, if applicable, the Non-Owning Party shall not be entitled to any compensation by the Owner for any relocation costs arising from a Property Loss. If the Non-Owning Party will no longer occupy all or any part of the Building due to Property Loss that neither Party elects to restore or replace, then the Parties shall either (i) amend this ARJOA to reflect any change in the Parties' respective Shares if the Non-Owning Party will continue to occupy space in the Building, or (ii) terminate this ARJOA, if the Non-Owning Party will no longer occupy any space in the Building and the Non-Owning Party has been fully compensated for its Equity rights, by signing a Termination Agreement.

7.5 Parties and the City Elect Not to Restore or Replace Parking Structure Real Property. If there is Damaged Property that is in, on, or a part of the Parking Structure

Real Property, and neither of the Parties nor the City elects to restore or replace such Damaged Property, and if any portion of the Parking Structure is uninhabitable as a result of the Property Loss, then the Parties and the City shall meet and confer in good faith to determine how to proceed with respect to: (i) the Damaged Property; (ii) compensation for the Equity rights of either Party in the Parking Structure Real Property; and (iii) compensation for the City's tenancy-in-common ownership interest in the Parking Structure Real Property, as applicable. Following such meeting, the Owner shall compensate the Non-Owning Party for its Equity rights in the uninhabitable part of the Parking Structure, determined in the manner described in section 4.3.13 of the ARTA, and the Parties shall amend this ARJOA to reflect the changes in the Parties' Equity rights, which amendment shall become effective when the Non-Owning Party has been compensated.

## 8. INDEMNIFICATION

8.1 Indemnification Obligation of Council. The Council will and does indemnify, defend, and hold harmless the County Parties, with counsel reasonably acceptable to the County, from and against all liability, damages, attorney fees, costs, expenses, or losses (referred to in this section 8 as "**Indemnified Loss**") arising from (i) all Council Claims, (ii) Liability Claims where and to the extent that the Liability Claims result from the willful misconduct or negligence of any of the State Parties, and (iii) any personal injury or Third Party property damage arising from any activities conducted on the Real Property pursuant to section 3.3 of this ARJOA by or at the request of the Council.

8.2 Indemnification Obligation of County. The County will and does indemnify, defend, and hold harmless the State Parties, with counsel reasonably acceptable to the Council, from and against all Indemnified Loss arising from (i) Liability Claims where and to the extent that the Liability Claims result from the willful misconduct or negligence of any of the County Parties, including, without limitation, the willful or negligent failure by any of the County Parties to provide building maintenance in the Building and grounds maintenance on the Land to the extent required in accordance with the terms of the Original JOA or this ARJOA, during the period that each is in effect, and (iii) any personal injury or Third Party property damage arising from any activities conducted on the Real Property pursuant to section 3.3 of this ARJOA by or at the request of the County.

8.3 Indemnified Party's Participation. The indemnifying Party must manage and be entirely responsible to handle and resolve all Claims for which it is responsible under sections 8.1 or 8.2, as applicable (the "**Indemnified Claims**"). The indemnified Party may elect, but is not required, to retain its own attorney, at the indemnified Party's sole expense, to participate in the litigation, settlement negotiations, or other dispute resolution procedures for any Indemnified Claim as to which it is the indemnified Party. If the indemnified Party elects to retain its own attorney to participate in the litigation, settlement negotiations, or other dispute resolution procedures for an Indemnified Claim, the indemnifying Party shall cooperate with the indemnified Party, and the attorney retained by the indemnified Party, and the indemnified Party and its attorney shall cooperate with the indemnifying Party.

8.4 Effect of Indemnification Rights. The rights of a Party to be indemnified under sections 8.1 or 8.2 of this ARJOA cannot be deemed or construed to limit or diminish the obligation of the indemnified Party to perform its duties at Law or under any agreement between the County Parties and the State Parties. The indemnifying Party shall have no right of set-off in respect of payment of any Indemnified Loss to the indemnified Party under this ARJOA.

## 9. CONDEMNATION

If either Party receives written notice advising of an actual or intended condemnation of the Real Property ("**Condemnation Notice**"), that Party shall immediately deliver a copy of the Condemnation Notice to the other Party. If the actual or intended condemnation described in the Condemnation Notice pertains to all or any part of the Parking Structure Real Property, the Party receiving the Condemnation Notice shall also immediately deliver a copy of the Condemnation Notice to the City. In the event of an actual condemnation, the Parties shall cooperate with each other in good faith to obtain the maximum award that may be obtained from the condemning authority, and each Party will be entitled to its Share of the condemnation proceeds arising from any condemnation of all or any part of the Courthouse Real Property, and the Parties and the City will be entitled to their respective Parking Structure Shares of the condemnation proceeds arising from any condemnation of all or any part of the Parking Structure Real Property.

## 10. DEFAULT NOTICE AND CURE

10.1 Event of Default. Upon the occurrence of a breach or default by the Council or the County of any provision of this ARJOA, the non-defaulting Party shall provide written notice to the defaulting Party of the breach or default ("**Default Notice**"). Upon receipt of the Default Notice, the defaulting Party shall have 30 calendar days to cure the breach or default described in the Default Notice and to provide evidence of that cure to the non-defaulting Party. If the breach or default is not capable of cure within the 30 calendar day period, then no breach or default can be deemed to have occurred so long as the defaulting Party promptly begins and diligently and continuously performs the cure to completion within a reasonable time period, not to exceed 90 calendar days from commencement of the cure ("**Cure Period**"). If the defaulting Party does not provide evidence of the cure to the non-defaulting Party within the Cure Period, then the defaulting

Party will be deemed to have committed an "**Event of Default,**" and the non-defaulting Party will have the right, but not the obligation, to pursue its rights with respect to resolution of disputes under section 11 of this ARJOA. The Parties may mutually agree to commence the dispute resolution procedures in section 11 of this ARJOA before the end of the Cure Period.

10.2 Insufficient Funds. Notwithstanding anything in this ARJOA or the ARTA to the contrary, no default or breach will be deemed to have occurred if the Council is unable to pay any amounts due and owing under this ARJOA as a result of either (i) the State of California's failure to timely approve and adopt a State budget, or (ii) the State Controller's determination that the Council has insufficient funds to pay such amounts. In such an event, the Council shall promptly pay any previously due and unpaid amounts due and owing under this ARJOA upon approval and adoption of the State budget or the State Controller's determination that the Council has sufficient funds to make such payments.

## 11. DISPUTE RESOLUTION

In the event of a dispute between the Parties relating to performance of the Parties' obligations under this ARJOA, the Parties shall, before exercising any other right or remedy for resolution of the dispute, meet and confer in good faith to attempt to resolve the dispute through unassisted negotiation. Each of the Parties shall be represented in any such negotiating session by a representative who is familiar with the facts of the dispute, and who has authority to negotiate on behalf of, and to effectively recommend settlement to, the Party that he or she represents.

## 12. NOTICES

Any notice or communication required to be sent to a Party pursuant to this ARJOA related, or delivered pursuant, to sections 5, 6, 7, 8, 9, 10, 11, and 14 of this ARJOA, must be sent in writing by personal delivery (including overnight courier service), certified U.S. mail, postage pre-paid and with return receipt requested, to the Parties at their addresses indicated in this section 12 below, and to the Parties' Designated Representatives pursuant to section 13 of this ARJOA. Routine exchange of information may be conducted via telephone, facsimile, or electronic means, including e-mail. All other notices or communications, including notices related to estimates, invoices, Emergencies, Defects, Correction Plans, and audits, shall be delivered to the Parties' Designated Representatives pursuant to section 13 of this ARJOA.

If to the Judicial Council:

Judicial Council of California
Facilities Services
Attention: Associate Facilities Analyst
2860 Gateway Oaks Drive, Suite 400
Sacramento, CA 95833
Voice: 916-643-69596Email: JCCRealEstate@jud.ca.gov

With a copy to:

Judicial Council of California
Facilities Services
Attention: Manager, Real Estate
2860 Gateway Oaks Drive, Suite 400
Sacramento, CA 95833
Voice: 916-643-8051

In addition, all audit requests and notices by the County relating to termination of this ARJOA or an alleged breach or default by the Council of this ARJOA must also be sent to:

Judicial Council of California
Branch Accounting and Procurement
455 Golden Gate Avenue
San Francisco, CA 94102-3688
Attention: Manager, Contracts

If to the County:

County of Los Angeles
Office of the County Counsel
648 Kenneth Hahn Hall of Administration
500 West Temple Street, Suite 648
Los Angeles, CA 90012-2713
Attention: Property Division

With a copy to:

County of Los Angeles
Chief Executive Office, Real Estate Division
Attention: Senior Manager
555 West 5th Street, 36th Floor
Los Angeles, CA 90013
Voice: 213-974-4300

A Party may change its address for notice under this ARJOA by giving written notice to the other Party in the manner provided in this section 12. Any notice or communication sent under this section 12 will be deemed to have been duly given as follows: (i) if by personal delivery, on the date actually received by the addressee or its representative at the address provided above, or (ii) if sent by certified U.S. mail, return receipt requested, on the first business day that is at least three calendar days after the date deposited in the U.S. Mail.

## 13. DESIGNATED REPRESENTATIVES

The Parties shall each identify and appoint an individual who shall have authority to bind it to all matters and approvals related to Operations undertaken with respect to the Real Property under this ARJOA. Each Party may change its Designated Representative by written notice to the other. Each Party hereby acknowledges and agrees that its Designated Representatives shall bear primary responsibility for the giving and receipt of notices, and for the coordination of its administrative obligations, under this ARJOA, but neither Party's Designated Representative has any authority to alter, amend, or modify the rights or obligations of such Party under this ARJOA. The contact information for the initial Council Designated Representative is:

Maria Atayde-Scholz
Principal Manager, Facility Operations
Facilities Services
Judicial Council of California
455 Golden Gate Avenue, 8th Floor
San Francisco, CA 94102
Voice: 510-305-0799
Email: Maria.Atayde-Scholz@jud.ca.gov

The contact information for the initial County Designated Representative is:

County of Los Angeles
Internal Services Department
Facilities Operations Service
Attn: General Manager
1100 N. Eastern Avenue
Los Angeles, CA 90063
Phone: 323-267-2107
Fax: 323-881-0290

## 14. MISCELLANEOUS

14.1 Amendment. This ARJOA may be amended only by written agreement signed by both of the Parties.

14.2 Waivers. No waiver of any provision of this ARJOA will be valid unless it is in writing and signed by the Party making such waiver. Waiver by either Party at any time of any breach of this ARJOA cannot be deemed a waiver of or consent to a breach of any other provision of this ARJOA or a consent to any subsequent breach of the same or another provision of this ARJOA. If a Party's action requires the consent or approval of the other Party, that consent or approval on any one occasion cannot be deemed a consent to or approval of that action on any subsequent occasion or a consent or approval of any other action.

14.3 Force Majeure. Neither Party is responsible for performance in accordance with the terms of this ARJOA to the extent performance is prevented, hindered, or delayed by fire, flood, earthquake, elements of nature, acts of God, acts of war (declared and undeclared), riots, rebellions, revolutions, or terrorism, whether foreseeable or unforeseeable.

14.4 Assignment. Neither Party may assign this ARJOA in whole or in part, whether by operation of law or otherwise, to any other entity, agency, or person without the prior written consent of the other Party. Even if that consent is given, any assignment made in contravention of any Law will be void and of no effect.

14.5 Binding Effect. This ARJOA binds the Parties and their permitted successors and assigns.

14.6 Third Parties Benefited. The Superior Court is an intended beneficiary of all provisions of this ARJOA for the benefit of the Council. Otherwise, no Third Parties are intended to be benefitted by this ARJOA.

14.7 Construction. The headings used in this ARJOA are for convenience only and will not affect the meaning or interpretation of this ARJOA. The words "hereof," "herein," and "hereunder," and other words of similar import, refer to this ARJOA as a whole and not to any subdivision of this ARJOA. The word "or" when used in this ARJOA is inclusive and can mean both. This ARJOA will not be construed against either Party as the principal draftsperson. The words "include" and "including" when used are not exclusive and mean "include, but are not limited to" and "including but not limited to," respectively. The capitalized terms used in this ARJOA and not otherwise defined herein will have the meanings given to them in the ARTA.

14.8 Integration. This ARJOA, the ARTA, and the Parking Structure Agreement contain the entire agreement of the Parties with respect to the subject matter of this ARJOA, and supersede all previous communications, representations, understandings, and agreements, whether verbal, written, express, or implied, between the Parties.

14.9 Incorporation By Reference. The Attachments attached to this ARJOA are all incorporated into and made a part of this ARJOA for all purposes, and all references to this ARJOA in any of the Attachments will be deemed to include the entirety of this ARJOA.

14.10 Severability. If any term of this ARJOA is inconsistent with applicable Law, then on the request of either Party, the Parties shall promptly meet and confer to determine how to amend the inconsistent term in a manner consistent with Law, but all parts of this ARJOA not affected by the inconsistency will remain in full force and effect.

14.11 Further Assurances. The Parties agree to cooperate reasonably and in good faith with one another to (i) implement the terms and provisions set forth in this ARJOA and the Act, and (ii) consummate the transactions contemplated herein, and shall execute any further agreements and perform any additional acts that may be reasonably necessary to carry out the purposes and intent of this ARJOA and the Act.

14.12 Conflicts Between ARJOA and ARTA. The ARTA supersedes and controls to the extent of any conflicts between the terms of the ARTA and this ARJOA.

14.13 Signature Authority. The Council and the County each certify that the individual signing this ARJOA on its behalf is duly authorized and empowered to do so.

14.14 Independent Contractors. The relationship of the Parties to each other hereunder will be that of independent contractors, and nothing herein shall be construed to create a partnership, joint venture, employer-employee, or agency relationship between or among any of the County Parties or the State Parties.

14.15 Replacement of Administrative Office of the Courts' Name. All references to "Administrative Office of the Courts" or "AOC" in the Original JOA are hereby replaced by "Judicial Council" or "Council" with no prejudice to the substantive rights of the Parties, and the Council will continue to perform all duties, responsibilities, functions, and other obligations, and bear all liabilities, and exercise all rights, powers, authorities, benefits, and other privileges attributed to the "Administrative Office of the Courts" or the "AOC" in the Original JOA.

14.1 Counterparts and Electronic Execution. This ARJOA may be executed in counterparts (including PDF copies), each of which shall be deemed an original as against the Party signing such counterpart and which together shall constitute one and the same instrument. The Parties agree that the signature pages of this ARJOA may be executed, scanned, and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this ARJOA, with such scanned and electronic signatures having the same legal effect as original signatures.

**[SIGNATURES ON FOLLOWING PAGE(S)]**

IN WITNESS WHEREOF, the Parties enter into this ARJOA as of the Amended and Restated Effective Date.

| **COUNTY OF LOS ANGELES** | **JUDICIAL COUNCIL OF CALIFORNIA** |
|---|---|
| By: ______________________ | By: Alice Lee |
| Name: John T. Cooke | Name: Alice Lee |
| Title: Assistant Chief Executive Officer | Title: Manager, Contracts |
| Date: ______________________ | Date: July 6, 2026 |

| | |
|---|---|
| APPROVED AS TO FORM:<br>Dawyn R. Harrison<br>County Counsel | APPROVED AS TO FORM:<br>Judicial Council of California,<br>Legal Services |
| By: Roberto Saldaña | By: Maggie W. Stern |
| Name: Roberto Saldaña | Name: Maggie W. Stern |
| Title: Senior Deputy County Counsel | Title: Attorney |
| Date: July 7, 2026 | Date: July 1, 2026 |

## LIST OF ATTACHMENTS TO ARJOA

| | |
|---|---|
| Attachment "1" | Form of Termination of Amended and Restated Joint Occupancy Agreement |
| Attachment "2" | Criteria for Approving County Employees and County Contractors with Respect to Background Checks |
| Attachment "3" | Intentionally Omitted |
| Attachment "4" | Causes of Loss |

## ATTACHMENT "1" TO ARJOA

## FORM OF TERMINATION OF AMENDED AND RESTATED JOINT OCCUPANCY AGREEMENT

This Termination of Amended and Restated Joint Occupancy Agreement ("**Termination**") is made and entered into this ______day of ____________, 20__, by and between the Judicial Council of California ("**Council**"), and the County of Los Angeles ("**County**"). The Council and the County each constitute a "**Party**" and collectively constitute the "**Parties**" to this Termination.

RECITALS

A. On October 21, 2008, the County and the Council entered into a Transfer Agreement (the "**Transfer Agreement**") for the Transfer of Responsibility for portions of, and the Transfer of Title to, the Pasadena Courthouse, which is located on certain real property in the City of Pasadena, County of Los Angeles, State of California, and has a street address of 300 East Walnut Street, along with appurtenant parking (as more completely described in the Transfer Agreement, the "**Real Property**"), with the legal description of the Real Property set forth on **Exhibit "A"** of the Transfer Agreement.

B. Under the Transfer Agreement, the Council and the County also entered into a Joint Occupancy Agreement (the "**JOA**"), dated concurrently with the Transfer Agreement, setting forth the Parties' respective rights and obligations with respect to the shared occupancy and use of the Real Property.

C. On ______________, 20__, the County and the Council entered into an Amended and Restated Transfer Agreement and an Amended and Restated Joint Occupancy Agreement ("**ARJOA**"), which superseded and replaced the Transfer Agreement and the JOA, respectively.

D. The County and the Council now desire to terminate the ARJOA.

NOW, THEREFORE, the County and Council do hereby agree that the ARJOA is terminated, and is no longer of any force or effect.

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

APPROVED AS TO FORM:

Judicial Council of California, Legal Services

By:______________________________
Name: __________________________
Title: ___________________________

**JUDICIAL COUNCIL OF CALIFORNIA**

FORM: NOT FOR EXECUTION

By: ___________________________________
Name: _______________________________
Title: _______________________________

ATTEST:
________________, Executive Officer
Board of Supervisors

By: ____________________________
Deputy

**COUNTY OF LOS ANGELES, a body corporate and politic**

FORM: NOT FOR EXECUTION

By: ___________________________________
Name: ______________________________
Title: ______________________________

APPROVED AS TO FORM:

________________________________
County Counsel

By __________________________
Deputy County Counsel

## ATTACHMENT "2" TO ARJOA

## CRITERIA FOR APPROVING COUNTY EMPLOYEES AND COUNTY CONTRACTORS WITH RESPECT TO BACKGROUND CHECKS

No County employee or County Contractor may access or work unescorted in any area of the Real Property if any of the following applies to that employee or Contractor:

1. Any conviction or charge pending court disposition with respect to felonies or misdemeanors involving violence, weapons, theft, robbery, burglary, embezzlement, dishonesty, moral turpitude, drugs (excluding misdemeanor marijuana convictions), or sexual activity (for a list of crimes constituting moral turpitude, please see **Appendix 1** to this **Attachment "2"**).

2. Any conviction or charge pending court disposition involving a serious felony which is listed in Penal Code section 1192.7(c) or any violent felony which is listed in Penal Code section 667.5(c).

3. Any conviction or charge pending court disposition with respect to felonies or misdemeanors contributing to the delinquency of a minor.

4. Any conviction or charge pending court disposition with respect to felonies or misdemeanors involving mob action (a.k.a. gang activity).

5. Any conviction or charge pending court disposition with respect to felonies or misdemeanors involving any crime (other than a minor traffic violation) not included in paragraphs 1 through 4, above, for which the Council's Emergency & Response Unit ("**ERS**") has not provided a written exemption for that conviction or pending charge.

6. Outstanding bench warrant.

7. Failure to appear in court within six (6) months.

In order to obtain a written exemption with respect to paragraph 5, above, the County must submit all relevant information relating to the conviction or pending charge (e.g. type of offense, date of conviction, and sentence) to the Senior Manager of ERS. The County shall <u>not</u> include the name of the employee with this information. After review of the submitted information, the Senior Manager of ERS shall notify the County in writing if an exemption for that conviction or pending charge will be provided by the Council.

For purposes of these criteria, “conviction” includes a verdict of guilty, a plea of guilty, a plea of *nolo contendere*, or a forfeiture of bail in superior or federal court regardless of whether sentence is imposed by the court.

**APPENDIX 1 TO**
**ATTACHMENT "2" TO ARJOA**

The appellate courts have determined that the following crimes are crimes of moral turpitude:

1. Property Crimes. Arson; auto theft; attempted auto theft; burglary (any degree); attempted burglary; embezzlement; forgery; grand theft; receiving stolen property; theft; and vandalism (felony).

2. Assaultive Crimes. Assault by force likely to produce grievous bodily injury; assault with deadly weapon; assault with intent to murder; assault with intent to rape; battery of non-inmate by inmate; battery on peace officer; corporal injury to child; discharge a firearm; false imprisonment; robbery; shooting at inhabited dwelling; and spousal battery.

3. Homicide. Murder; second degree murder; and voluntary manslaughter.

4. Sex Crimes. Assault with intent to rape; indecent exposure; lewd act on child; pimping and pandering; rape; statutory rape; and sexual battery.

5. Escape. Escape with or without violence; and evading a peace officer.

6. Drug Crimes. Maintaining a drug house; possession of heroin for sale; possession of marijuana for sale; sale of drugs; and transportation of controlled substance.

7. Weapons. Felon in possession of firearm; possession or conspiracy to possess illegal firearm; and possession of deadly weapon with intent to assault.

8. Other. Felony drunk driving; felony false imprisonment; felony hit and run; kidnapping; terrorist threat; bribery; extortion; and perjury.

## ATTACHMENT “3” TO ARJOA

## INTENTIONALLY OMITTED

## ATTACHMENT "4" TO ARJOA

## CAUSES OF LOSS

Causes of Loss means the following:

1. Fire.

2. Lightning.

3. Explosion, including the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass. This cause of loss does not include loss or damage by: (a) rupture, bursting, or operation of pressure relief devices; or (b) rupture or bursting due to expansion or swelling of the contents of the Building, caused by or resulting from water.

4. Windstorm or Hail, but not including: (a) frost or cold weather; (b) ice (other than hail), snow, or sleet, whether driven by wind or not; or (c) loss or damage to the interior of the Building, or the property inside the Building, caused by rain, snow, sand, or dust, whether driven by wind or not, unless the Building first sustains wind or hail damage to its roof or walls through which the rain, snow, sand, or dust enters.

5. Smoke causing sudden and accidental loss or damage. This cause of loss does not include smoke from agricultural smudging or industrial operations.

6. Aircraft or Vehicles, meaning only physical contact with the Real Property of (i) an aircraft, (ii) a spacecraft, (iii) a self-propelled missile, (iv) a vehicle, or (v) an object thrown up by a vehicle. This cause of loss includes loss or damage by objects falling from aircraft, but does not include loss or damage caused by or resulting from vehicles owned or operated by the State Parties in the course of their business.

7. Riot or Civil Commotion, including: (a) acts of striking employees (except employees of the State Parties) while occupying the described premises; and (b) looting occurring at the time and place of a riot or civil commotion.

8. Vandalism, meaning willful and malicious damage to, or destruction of, the Real Property, but not theft, except for damage caused by the breaking in or exiting of burglars.

9. Sprinkler Leakage, meaning leakage or discharge of any substance from an

Automatic Sprinkler System (defined below), including collapse of a tank that is part of the system. If the Building contains an Automatic Sprinkler System, causes of loss also includes the cost to: (a) repair or replace damaged parts of the Automatic Sprinkler System if the damage: (1) results in sprinkler leakage; or (2) is directly caused by freezing; and (b) tear out and replace any part of the Building to repair damage to the Automatic Sprinkler System that has resulted in sprinkler leakage.

Automatic Sprinkler System means: (1) any automatic fire protective or extinguishing system, including connected: (a) sprinklers and discharge nozzles; (b) ducts, pipes, valves, and fittings; (c) tanks, their component parts, and supports; and (d) pumps and private fire protection mains; and (2) when supplied from an automatic fire protective system: (a) any non-automatic fire protective systems; and (b) hydrants, standpipes, and outlets.

10. Sinkhole Collapse, meaning loss or damage caused by the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include: (a) the cost of filling sinkholes; or (b) sinking or collapse of land into man-made underground cavities.

11. Volcanic Action, meaning direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by: (a) airborne volcanic blast or airborne shock waves; (b) ash, dust or particulate matter; or (c) lava flow. All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence. This cause of loss does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss or damage to the described property.

12. Falling Objects, but not: (b) personal property in the open; or (b) the interior of the Building, or property inside the Building, unless the roof or an outside wall of the Building is first damaged by a falling object.

13. Weight of snow, ice, or sleet, but not loss or damage to personal property outside of the Building.

14. Water Damage, meaning accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning, or other system or appliance, that is located on the described premises and contains water or steam. However, Water Damage does not include:

    a. Discharge or leakage from: (i) An Automatic Sprinkler System; (2) a sump or related equipment and parts, including overflow due to sump pump failure or excessive volume of water; or (3) roof drains, gutters, downspouts, or similar fixtures or equipment.

b. The cost to repair any defect that caused the loss or damage;

c. Loss or damage caused by or resulting from continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture, or vapor, that occurs over a period of 14 days or more; or

d. Loss or damage caused by or resulting from freezing, unless: (a) the State Parties do their best to maintain heat in the Building; or (b) the State Parties drain the equipment and shut off the water supply if the heat is not maintained.

Water Damage, as defined in this section 14, also includes the cost to tear out and replace any part of the Building to repair damage to the system or appliance from which the water or steam escapes, but not the cost to repair any defect that caused the loss or damage.

Facility # 19-J1, 19-J2
County LACO #5397, 5398, 5399
Pasadena Courthouse Amended and Restated TA
300 E. Walnut Street, Pasadena, CA 91101
a.k.a. 200 North Garfield Avenue, Pasadena, CA 91101

# AMENDED AND RESTATED TRANSFER AGREEMENT

# BETWEEN THE JUDICIAL COUNCIL OF CALIFORNIA,

# AND THE COUNTY OF LOS ANGELES

# FOR THE TRANSFER OF RESPONSIBILITY FOR AND TITLE TO

# THE PASADENA COURTHOUSE

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**AMENDED AND RESTATED TRANSFER AGREEMENT FOR THE TRANSFER OF RESPONSIBILITY FOR AND TITLE TO THE PASADENA COURTHOUSE**

This Amended and Restated Transfer Agreement (this "**ARTA**") is made and entered into by the Judicial Council of California, an entity established by the Constitution of the State of California ("**Council**"), and the County of Los Angeles, a body corporate and politic ("**County**"), with reference to the following:

## 1. PURPOSE

A. Capitalized terms used in this ARTA and not otherwise defined herein shall have the meanings given to them in section 2 of this ARTA.

B. Pursuant to the Act, the Council and the County entered into the Original Transfer Agreement, as of October 21, 2008 (the "**Original Effective Date**"), setting forth the terms and conditions for the Transfer of Responsibility for funding and operation of the Court Facility commonly known as the Pasadena Courthouse and for conveyance to the State of California on behalf of the Council of the County's title to the Real Property.

C. On the Original Effective Date, the Council and the County also entered into the Original JOA setting forth the terms for the Parties' shared occupancy, use, and Operation of the Real Property.

D. Pursuant to the Original Transfer Agreement, the Council and the County completed the Transfer of Responsibility for the Court Facility on the Original Effective Date.

E. Sections 5.2.2 and 7.1.4 of the Original Transfer Agreement make reference to certain "issues" that were then pending between the County and the City related to the ownership of title in and to the Parking Structure Real Property and certain other adjacent property. The City claims that, on the Original Effective Date, the City was entitled to receive from the County an undivided 30.046 percent tenancy-in-common interest in the Parking Structure Real Property pursuant to documents provided to the Council by the County during the negotiation of the Original Transfer Agreement.

F. Under the Original Transfer Agreement, the Transfer of Title was intended to include both the Courthouse Real Property and the Parking Structure Real Property. Section 5.2.2 of the Original Transfer Agreement provides that the Transfer of Title will not take place until after the County has fully and finally resolved with the City all issues related to the ownership of title in and to the Parking Structure Real Property.

G. The Council, the County, and the City have now negotiated a resolution and settlement of the "issues" referenced in sections 5.2.2 and 7.1.4 of the Original Transfer Agreement, one of which "issues" is the City's right to receive a 30.046 percent tenancy-in-common interest in fee title to the Parking Structure Real Property.

H. To settle and resolve such "issues," the Council has agreed, among other things, to waive and relinquish its right to consummate the Transfer of Title with respect to the Parking Structure Real Property (but without waiving or relinquishing any rights of the State or the Council with respect to the Transfer of Title for the Courthouse Real Property, which will still be consummated as provided for in the Original Transfer Agreement), and the Parties have agreed, among other things, to modify the Superior Court Parking and the County Parking to allow for a new allocation among the Council, the County, and the City of the parking spaces in the Parking Structure.

I. The Parties have agreed to enter into this ARTA, which amends, restates, supersedes, and replaces the Original Transfer Agreement commencing on the Amended and Restated Effective Date, for the purpose of implementing and memorializing the settlement and resolution of the "issues" referenced in section 5.2.2 and 7.1.4 of the Original Transfer Agreement.

J. On July 29, 2014, the Council amended rule 10.81 of the California Rules of Court to substitute the "Judicial Council" for the name "Administrative Office of the Courts" and the abbreviation "AOC" in all contracts, memoranda of understanding, and other legal agreements, documents, proceedings, and transactions, with no prejudice to the substantive rights of any party.

K. Effective on the Amended and Restated Effective Date, the Original Transfer Agreement is amended, restated, superseded, and replaced by this ARTA, as set forth below in this ARTA.

## 2. DEFINITIONS

"**Acceptance Document**" means a certificate of acceptance or certified resolution evidencing the PWB's approval of the Transfer of Title.

"**Act**" means, as of the Original Effective Date, the Trial Court Facilities Act of 2002 (Chapter 1082, Statutes of 2002), as amended by later statutes.

"**Amended and Restated Effective Date**" means the date on which this ARTA has been signed by the last of the Parties to sign it.

"**Amendment to Memorandum**" means the document titled Amendment to Memorandum of Transfer and Joint Occupancy Agreements in the form and content attached to this ARTA as **Exhibit "F"**, which the Parties will cause to be recorded with the County Recorder in connection with the Transfer of Title.

"**ARJOA**" means the document titled Amended and Restated Joint Occupancy Agreement for the Pasadena Courthouse that the Council and the County will enter into on the Amended and Restated Effective Date.

"**Assignments of Occupancy Agreements**" means the documents titled Assignment and Assumption of Occupancy Agreement that were signed by the Parties in connection with the Transfer of Responsibility, forms of unsigned copies of which are attached to this ARTA for reference purposes as **Exhibit "G."**

"**Building**" means the building commonly known as the Pasadena Courthouse, located at 300 East Walnut Street, with an alternate address of 200 North Garfield Avenue, Pasadena, California 91101, on the Courthouse Land in which the Court Facility is located, all Building Equipment, and all connected or related structures and improvements, except that the Building does not include the Parking Structure.

"**Building Equipment**" means all installed equipment and systems that serve the Building or the Parking Structure generally, and only that plumbing that is within the walls of the Building or in the Common Area, but not those plumbing fixtures that are located in an Exclusive-Use Area. The Building Equipment does not include (i) the equipment and systems that serve only the Exclusive-Use Area of one Party, or (ii) the equipment and systems that serve only the City Exclusive Parking Area.

"**Building Software**" means any software used in connection with the Building Equipment.

"**City**" means the City of Pasadena, a municipal corporation.

"**City Equipment**" means all existing and future fixtures, equipment, systems, devices, appurtenances, and other City owned or controlled personal property located on, under, over, or within the Parking Structure Real Property (including, without limitation, that certain diesel engine-powered emergency generator and related fuel tank(s), equipment, systems, and devices) that serve any property owned or controlled by the City other than the Parking Structure Real Property.

"**City Exclusive Parking Area**" means the fenced and gated area on the first floor of the Parking Structure containing 189 parking stalls, which 189 parking stalls comprise a portion of the City Parking and are for the exclusive use of the City, together with all City Exclusive Parking Area Equipment. For clarity, the City Exclusive Parking Area does not include: (i) any Building Equipment; (ii) the foundations, exterior walls, load-bearing walls, support beams, posts and pillars, exterior windows, the roof, and/or any other structural parts of the Parking Structure Real Property; (iii) driveways, drive aisles, walkways, stairways, and other means of access to, from, or through the Parking Structure Real Property other than those physically located within the fences that enclose the City Exclusive Parking Area; (iv) Utilities and/or Utilities raceways, piping, wiring, conduits, and cables for Utilities that serve the Parking Structure Real Property generally and can be differentiated as such, whether they are physically located outside or within the fences that enclose the City Exclusive Parking Area.

"**City Exclusive Parking Area Equipment**" means all existing and future fixtures, equipment, systems, devices, appurtenances, and other City owned or controlled personal property located within, on, or adjacent to the City Exclusive Parking Area that primarily benefits or serves the City Exclusive Parking Area including, without limitation, the fencing, the mechanical gate, and any and all security, life safety, and environmental protection equipment, systems, and devices.

"**City Parking**" means, with respect to the Parking Structure only, 288 parking spaces in the Parking Structure, 189 of which are located in the City Exclusive Parking Area and dedicated to the exclusive use of the City, and the other 99 of which are parking spaces used by the City on a first come, first served basis together with the County and the Superior Court.

"**City Parking Structure Share**" means 30 percent, which is the percentage of the 963 parking spaces in the Parking Structure that will be allocated to the City commencing on the Amended and Restated Effective Date.

"**City Parties**" means the City and its officers, elected officials, agents, and employees.

"**City Revenue Shares**" means 13 percent, which is the percentage of the Net Revenues to which the City is entitled pursuant to the Parking Structure Agreement.

"**Closing**" means the performance of all acts required to complete the Transfers under this ARTA, the Transfer Documents, and the Act.

"**Common Area**" means the areas of the Real Property that are used non-exclusively and in common by, or for the common benefit of, the Council, the County, the Superior Court, and the Occupants, and includes (i) those portions of the Building shown as Common Area on **Exhibit "D,"** including hallways, stairwells, elevators, and restrooms that are not located in either Party's Exclusive-Use Area, (ii) foundations, exterior walls, load-bearing walls, support beams, exterior windows, the roof, and other structural parts of the Building, (iii) Building Equipment that does not exclusively serve only one Party's Exclusive-Use Area, (iv) driveways, walkways, and other means of access over the Land

and to the Building, (v) all Utilities, and (vi) any of the Real Property not otherwise defined as either Party's Exclusive-Use Area, including all portions of the Parking Area other than the City Exclusive Parking Area. The Common Area does not include any part of the Exclusive-Use Area of either Party, except for any Building Equipment that is located in a Party's Exclusive-Use Area.

"**Controller**" means the State Controller.

"**Council Authorized Signatory**" means the Council's Manager, Contracts.

"**Council Parking Structure Share**" means 49 percent, which is the percentage of the 963 parking spaces in the Parking Structure that are allocated to the Superior Court Parking in the Parking Structure commencing on the Amended and Restated Effective Date.

"**Council Revenue Share**" means 87 percent, which is the percentage of the Net Revenues to which the Council is entitled pursuant to the Parking Structure Agreement.

"**Council Share**" has the meaning given to it in the ARJOA.

"**County Authorized Signatory**" means the person or persons authorized by the County Board of Supervisors to execute the Original Transfer Agreement, the Original JOA, this ARTA, the ARJOA, the Transfer Documents, and the Parking Structure Agreement, as more fully designated in the County Authorizing Document.

"**County Authorizing Document**" means a copy of one or more certified orders by the County Board of Supervisors evidencing that the County has taken all steps and obtained all approvals required to: (i) authorize the County Authorized Signatory to execute the Original Transfer Agreement, the Original JOA, and the Transfer Documents on behalf of the County; (ii) authorize the County Authorized Signatory to execute, enter into, and deliver this ARTA, the ARJOA, any amendments to the Transfer Documents, and the Parking Structure Agreement; and (iii) authorize the County to perform its obligations under the Original Transfer Agreement, the Original JOA, this ARTA, the ARJOA, the Transfer Documents, and the Parking Structure Agreement, as they may be amended.

"**County Board of Supervisors**" means the governing body of the County.

"**County Exclusive-Use Area**" means the 38,891 square feet of the Building interior that are exclusively occupied and used by the County, as shown on **Exhibit "D"** to this ARTA. As of the Original Effective Date, the County Exclusive-Use Area constitutes 30.65 percent of the Total Exclusive-Use Area.

"**County Facilities Payment**" means the payments the County must make to the Controller with respect to the Court Facility under Article 5 of the Act.

"**County Parking**" means: (i) 10 parking spaces in the Courthouse Parking Lot; and (ii) 207 parking spaces in the Parking Structure.

"**County Parking Structure Share**" means 21 percent, which is the percentage of the 963 parking spaces in the Parking Structure that are allocated to the County Parking in the Parking Structure commencing on the Amended and Restated Effective Date.

"**County Parties**" means the County, and its officers, agents, and employees.

"**County Recorder**" means the Office of the County Recorder of Los Angeles County, California.

"**County Share**" has the meaning given to it in the ARJOA.

"**Court Exclusive-Use Area**" means the 88,008 square feet of the Building interior that are exclusively occupied and used by the Superior Court, as shown on **Exhibit "D"** to this Amended and Restated Agreement. As of the Effective Date, the Court Exclusive-Use Area constitutes 69.35 percent of the Total Exclusive-Use Area.

"**Court Facility**" means the Court Exclusive-Use Area, the Superior Court Parking, the Superior Court's non-exclusive right to occupy and use the Common Area, and the Superior Court's exclusive and non-exclusive rights to occupy and use the other spaces, fixtures, and appurtenances described in section 70301(d) of the Act, as allocated in this ARTA. A copy of a site plan showing the location of the Building and the Courthouse Parking Lot on the Courthouse Land and a copy of a site plan showing the location of the Parking Structure on the Parking Structure Land are attached as **Exhibit "C"** to this ARTA. A set of floor plans showing the layout of the Court Facility in the interior of the Building is attached as **Exhibit "D"** to this ARTA.

"**Courthouse Land**" means the real property on which the Building and the Courthouse Parking Lot are located, comprising approximately 1.7 acres, as described on **Exhibit "A-1,"** including (i) rights to enter and exit the Courthouse Land, (ii) recorded and unrecorded rights to water, water stock, oil, gas, minerals, and timber related to the Courthouse Land, and (iii) existing, granted development permits, entitlements, and air and view rights, but subject to all covenants, conditions, restrictions, reservations, easements, rights, and rights of way of record, if any.

"**Courthouse Parking Lot**" means the secure surface parking lot located on the Courthouse Land south and east of the Building, as shown on **Exhibit "C"** to this ARTA, containing 35 parking spaces.

"**Courthouse Real Property**" means, collectively, the Courthouse Land, the Courthouse Parking Lot, and the Building.

"**Dispute**" means each and every pending or threatened claim, liability, litigation, arbitration, mediation, administrative proceeding, settlement negotiation, or other dispute-resolution proceeding between the County and any Third Party related to the Real Property, or any part thereof.

"**DOF**" means the State Department of Finance.

"**Equipment Permits**" means any governmental permits, certificates, and approvals required for lawful operation of any of the Building Equipment.

"**Equity**" means the term "equity" as used and referred to in the Act. From and after the Amended and Restated Effective Date, the Council shall have a 69.35 percent Equity interest in the Courthouse Real Property and a 49 percent Equity interest in the Parking Structure Real Property; the County shall have a 30.65 percent Equity interest in the Courthouse Real Property and a 21 percent Equity interest in the Parking Structure Real Property; and the City shall have no Equity interest in the Courthouse Real Property and a 30 percent Equity interest in the Parking Structure Real Property.

"**Exclusive-Use Area**" means the Court Exclusive-Use Area or the County Exclusive-Use Area, as determined by the context in which the term is used.

"**Hazardous Substance**" means any hazardous or toxic material, substance, or waste that is regulated or governed by any Law.

"**Intangible Personal Property**" means all of the County's: (i) Building Software and agreements or arrangements for the operation of the Building Equipment; (ii) warranties, permits, licenses, certificates, guaranties, and suretyship agreements and arrangements, and indemnification rights in favor of the County with respect to the Real Property; (iii) commitments, deposits, and rights for Utilities relating to the Real Property to the extent related to the period on and after the Responsibility Transfer Date; (iv) engineering, accounting, title, legal, and other technical or business data concerning the Real Property or the Tangible Personal Property; (v) deposits, deposit accounts, and escrow accounts arising from or related to any transactions related to the Property, and rights to receive refunds or rebates of impact fees, assessments, charges, premiums, or other payments made by the County in respect of the Property, if these refunds or rebates relate to the period on and after the Responsibility Transfer Date; or (vi) all other intangible rights, interests, and claims of the County which are a part of or related to the Property.

"**Interim Period**" means the period of time commencing on the Responsibility Transfer Date and ending on the Title Transfer Date.

“**Law**” means State and federal codes, ordinances, laws, regulations, the California Rules of Court, and judicial and administrative orders and directives to the extent binding on the County, the Council, the Superior Court, or the Real Property and issued by a court or governmental entity with jurisdiction over the County, the Council, the Superior Court, or the Real Property.

“**Managing Party**” means the Council, which is the Managing Party under the ARJOA.

“**Material Agreements**” means any and all agreements, contracts, or understandings (whether written or unwritten) between the County and any Third Party relating to the Real Property (i) for which termination requires advance notice by a period of or exceeding 30 calendar days, or (ii) that obligate the County to make payment, or entitle the County to receive payment, exceeding $25,000 within any fiscal year.

“**Memorandum of TA and JOA**” means the document titled Memorandum of Transfer and Joint Occupancy Agreements that was recorded with the County Recorder on December 4, 2008, as Instrument No. 20082130947, as modified by the Amendment to Memorandum.

“**Miles Court Order**” means the executed Master Stipulation and Order Regarding Class Action Settlement filed on January 31, 2006, in the matter captioned *Miles, et al. v. County of Los Angeles, et al.*, USDC-CD No. CV 02-03932.

“**Net Revenues**” means, for any designated time period, all revenues arising from Operation, occupancy and/or use of the Parking Structure Real Property by one or more Third Parties including, but not limited to, sums paid by any Occupant of the Parking Structure Real Property under an Occupancy Agreement, net of all Shared Costs incurred with respect to the Parking Structure Real Property for the same time period, including, without limitation, any and all costs and expenses incurred by the Managing Party and/or the Third Party parking manager in connection with collection of any such Net Revenues.

“**Non-Owning Party**” means the Party that is not the Owner.

“**Occupancy Agreement**” means any written agreement that entitles a Third Party to occupy or use some or all of the Real Property for a period that continues after the Responsibility Transfer Date, and that cannot be terminated on fewer than 30 days’ notice and, solely with respect to the Parking Structure Real Property, the term “Occupancy Agreement” shall mean and include, but shall not be limited to, any verbal or written license or other agreement or arrangement under which a Third Party parks and/or is entitled to park one or more vehicles in the Parking Structure on a paid basis.

“**Occupant**” means any Third Party that occupies, possesses, or uses the Real Property under an Occupancy Agreement.

“**Operation**” means the administration, management, maintenance, and repair of designated areas of the Real Property.

“**Original JOA**” means the document titled Joint Occupancy Agreement for the Pasadena Courthouse that was signed by the Parties on the Original Effective Date.

“**Original Superior Court Parking**” means: (i) 25 parking spaces in the Courthouse Parking Lot; and (ii) 656 parking spaces in the Parking Structure.

“**Original Transfer Agreement**” means the Transfer Agreement for the Transfer of Responsibility for and Title to the Pasadena Courthouse pertaining to the Real Property that was entered into by the County and the Council on the Original Effective Date, together with the Exhibits attached thereto.

“**Owner**” means the Party that owns fee title to the Courthouse Real Property and the Parking Structure Real Property, respectively. Before the Title Transfer Date, the County is the Owner of all of the Real Property; after the Title Transfer Date, the State will be the Owner of the Courthouse Real Property, and the County and the City, together as tenants-in-common, will be the Owner of the Parking Structure Real Property, with the County holding a 70 percent undivided interest in the Parking Structure Real Property and the City holding a 30 percent undivided interest therein.

“**Parking Area**” means, together, the Superior Court Parking and the County Parking, and associated walkways, driveways, points of ingress and egress, access aisles, medians, landscaping, and other related improvements.

“**Parking Structure**” means the Pasadena Courthouse Parking Structure, also known as County Auto Park 53, located on the Parking Structure Land with a street address of 240 Ramona Street, as shown on **Exhibit “C”** to this ARTA, containing 963 parking spaces.

“**Parking Structure Agreement**” means the agreement titled Pasadena Courthouse Parking Structure Operating and Use Agreement and General Release entered into by and among the Council, the County, and the City.

“**Parking Structure Land**” means the real property on which the Parking Structure is located, comprising approximately 1.9 acres, as described on **Exhibit “A-2”**, including (i) rights to enter and exit the Parking Structure Land, (ii) recorded and unrecorded rights to water, water stock, oil, gas, minerals, and timber related to the Parking Structure Land, and (iii) existing, granted development permits, entitlements, and air and view rights, but subject to all covenants, conditions, restrictions, reservations, easements, rights, and rights of way of record, if any.

"**Parking Structure Real Property**" means, together, the Parking Structure Land and the Parking Structure. For clarity, the Parking Structure Real Property includes all areas of the Parking Structure Land that are used non-exclusively and in common by, or for the common benefit of, the Council, the Superior Court, the County, the City, and any Occupants including: (i) the Building Equipment; (ii) foundations, exterior walls, load-bearing walls, support beams, posts, and pillars, exterior windows, the roof, and other structural parts of the Parking Structure, whether or not such structural components are located within the fences that enclose the City Exclusive Parking Area; (iii) driveways, drive aisles, walkways, stairwells, and other means of access to, from, and through the Parking Structure Real Property, but excluding those that are physically located within the fences that enclose the City Exclusive Parking Area; and (iv) Utilities and Utilities raceways, piping, wiring, conduits, or cables for Utilities that serve the Parking Structure Real Property generally and can be differentiated as such, whether or not they are physically located within the fences that enclose the City Exclusive Parking Area.

"**Parking Structure Shares**" means, together, the Council Parking Structure Share and the County Parking Structure Share.

"**Party**" means either of the Council or the County, and "**Parties**" means the Council and the County together.

"**Pending Projects**" means any pending or in-process maintenance project or other project involving the Court Facility under sections 70326(d) or 70331(c) of the Act.

"**Property Disclosure Documents**" means all documents, including Material Agreements, that provide material information relative to the title, ownership, use, occupancy, or condition of the Real Property or any rights, benefits, liabilities, obligations, or risks associated with the Real Property. A list of the categories of Property Disclosure Documents is attached as **Exhibit "E."**

"**PWB**" means the State Public Works Board.

"**Quitclaim Deed**" means the document titled Quitclaim Deed that is similar in form and content to the document attached to this ARTA as **Exhibit "B"** and by which the County shall convey to the State title to the Courthouse Real Property when accepted by the PWB and recorded by the County Recorder.

"**Real Property**" means, together, the Courthouse Real Property and the Parking Structure Real Property.

"**Responsibility Transfer Date**" means the date on which the Transfer of Responsibility took place, which was the Original Effective Date.

"**Responsibility Transfer Documents**" means the documents listed in section 4.1.1 of this ARTA.

"**Revenue Shares**" means, together, the Council Revenue Share and the City Revenue Share.

"**Security-Related Areas**" means the parts of the Courthouse Real Property that are used for secure holding and transport of prisoners, including holding cells, sallyports, and secured elevators, staircases, and hallways.

"**Security Services MOU**" means the Memorandum of Understanding and Comprehensive Court Security Plan between the County Sheriff's Department and the Superior Court executed in March and April 2004 by the parties, respectively, as extended by that Extension to Agreement executed in June 2007, and as amended or replaced from time to time.

"**Share(s)**" has the meaning given to it in the ARJOA.

"**State**" means the State of California.

"**State Parties**" means the State, the Council, and the Superior Court, and each of their respective officers, agents, and employees.

"**Superior Court**" means the Superior Court of California, County of Los Angeles.

"**Superior Court Parking**" means: (i) 25 parking spaces in the Courthouse Parking Lot; and (ii) and 468 parking spaces in the Parking Structure.

"**Tangible Personal Property**" means any unaffixed item that is, on the Responsibility Transfer Date, located on or in, or used in and is necessary to the Operation of, the Real Property, except that it does not include any tangible personal property of the County necessary to provide telecommunications services.

"**Third Party**" means any person, entity, or governmental body other than a State Party or a County Party; provided that, solely with respect to the Parking Structure Real Property, the term "Third Party" means any person, entity, or governmental body other than a State Party, a County Party, or a City Party.

"**Title Transfer Date**" means the date on which the Quitclaim Deed is recorded in the office of the County Recorder.

"**Title Transfer Documents**" means the documents listed in section 4.3.1 of this ARTA.

"**Total Exclusive-Use Area**" means, together, the Court Exclusive-Use Area and the County Exclusive-Use Area.

"**Transfer**" means either one, and "**Transfers**" means both, of the Transfer of Responsibility and the Transfer of Title.

"**Transfer Documents**" means the Responsibility Transfer Documents and the Title Transfer Documents, together.

"**Transfer of Responsibility**" means the County's full and final grant, transfer, absolute assignment, and conveyance to the Council, and the Council's full and final acceptance and assumption of, entitlement to, and responsibility for, all of the County's rights, duties, and liabilities arising from or related to the Court Facility, in accordance with the Original Transfer Agreement as superseded, modified, and replaced by this ARTA, except that the Transfer of Responsibility did not and does not include those duties and liabilities expressly retained by the County under the Original Transfer Agreement, this ARTA, and the Act, or any responsibility for Disputes arising from or related to facts or circumstances occurring prior to the Responsibility Transfer Date.

"**Transfer of Title**" means the County's conveyance to the State of any and all right, title, and interest the County has, or may have, in and to the Courthouse Real Property.

"**Utilities**" means all of the utilities provided to the Real Property, except for telecommunications services provided by the County or any Third Party.

"**Vending Facility**" has the meaning given to it in section 19626 of the Welfare and Institutions Code.

## 3. RESPONSIBILITIES AFTER TRANSFER.

3.1 Transfer of Responsibility; Transfer of Title. On the Responsibility Transfer Date, the Transfer of Responsibility for the Court Facility from the County to the Council occurred under the Original Transfer Agreement and the Responsibility Transfer Documents. On the Title Transfer Date, the Transfer of Title will occur under this ARTA and the Title Transfer Documents. Prior to the Title Transfer Date, the Council shall notify the County, in accordance with section 12 of this ARTA, that the PWB has accepted the Title Transfer Documents required for the Transfer of Title and issued the Acceptance Document.

3.2 General Responsibilities After Transfer of Responsibility. As a result of the Transfer of Responsibility, since the Responsibility Transfer Date, the Parties have had the general rights, duties, and liabilities set forth in the Act in respect of the Court Facility, except as may have been expressly delegated by the Parties in the Original Agreement, the Original JOA, this ARTA, the ARJOA, and the Responsibility Transfer Documents.

3.3 Specific Responsibilities After Transfer of Responsibility. On and after the Amended and Restated Effective Date, the Parties have the following specific rights, duties, and liabilities:

3.3.1 Utilities. The County shall be responsible to pay all Utility Costs for the Utilities provided to the Real Property during all periods prior to the Responsibility Transfer Date, and the Parties shall be responsible for payment of all Utility Costs for Utilities provided to the Real Property on and after the Responsibility Transfer Date on the basis of their respective Shares, as provided in the Original JOA. Commencing on the Amended and Restated Effective Date, the Parties and the City shall be responsible for payment of all Utility Costs for Utilities provided to the Parking Structure Real Property on the basis of their respective Parking Structure Shares, as provided in the ARJOA and the Parking Structure Agreement.

3.3.2 Property Insurance. Subject to the Parties' respective obligations under section 6 of the Original JOA or, on and after the Amended and Restated Effective Date, under section 6 of the ARJOA, neither Party shall have any obligation to provide insurance coverage obtained from a Third Party for the Real Property. The State Parties shall continue to be solely liable for all personal property owned or leased by a State Party located on or in the Real Property. The County shall continue to be solely liable for all County owned or leased personal property located on or in the Real Property, including any such personal property that is required to provide telecommunications services to the Superior Court. However, this liability will not limit the County from including costs related to repair, upgrade, or replacement of such County owned or leased personal property necessary for telecommunications services in its charges to the Superior Court for those services.

3.3.3 Building Equipment. As of the Responsibility Transfer Date, the Managing Party is responsible for further permitting of any Building Equipment that requires an Equipment Permit for lawful Operation, once the County has delivered to the Council the most recent copies of all required Equipment Permits, whether current or expired, as of the Responsibility Transfer Date; provided, however, that if any of the Equipment Permits are expired or are otherwise not in full force and effect as a result of the County's failure to exercise diligent, good faith efforts or the County's negligence, the County will be solely responsible for all costs associated with the first instance of obtaining or renewing, as applicable, those Equipment Permits after the Responsibility Transfer Date.

3.3.4 Security-Related Areas. The County Sheriff's Department shall remain responsible for the secure entry, exit, transport, and holding of prisoners attending Superior Court sessions to, from, through, and in the Security-Related Areas of the Court Facility, including but not limited to the holding cells, sallyport, secured elevators and staircases, and secured corridors, pursuant to the Security Services MOU. The County shall remain solely liable and responsible for all violations that, as of the Responsibility Transfer Date, have been identified by the State Board of Corrections, as to any Security-Related Areas. This Agreement does not supersede, replace, or modify the Security Services MOU or any other agreement between the County and the Superior Court with respect to security staffing for the Court Facility.

3.3.5 Disputes. The County shall promptly notify the Council in writing of any Dispute that arises after the Responsibility Transfer Date that concerns or alleges: (i) acts or omissions of the County committed at any time prior to the Responsibility Transfer Date related to the Real Property; or (ii) an event or incident to which the County's indemnification obligations in section 7.2 of this ARTA do or may apply. The County shall manage and be responsible to resolve those Disputes, but the Council may elect, but is not required, to retain its own attorney, at the Council's sole expense, to participate in the litigation, settlement negotiations, or other dispute-resolution procedures for those Disputes. If the Council elects to retain its own attorney to participate in the litigation, settlement negotiations, or other dispute-resolution procedures for a Dispute, the County shall cooperate with the participation by the Council and its attorney, and the Council and its attorney shall cooperate with the County in respect of such participation.

3.3.6 Personal Property. If either of the Parties determines that there exists any Tangible Personal Property or Intangible Personal Property not previously transferred or assigned to the State Parties, that Party shall promptly provide to the other Party a notice that includes a reasonably detailed, written description of that property, and how it is necessary to the Operation of the Real Property. At the Council's request, the County and the Council shall promptly meet and confer to determine the proper disposition of the Tangible Personal Property or Intangible Personal Property described in that notice.

3.3.7 Adjustments. The Parties shall make the appropriate adjustments for prorations or computations required by this ARTA, the ARJOA, or the Title Transfer Documents as promptly as possible once accurate information becomes available evidencing that either Party is entitled to an adjustment. Adjustments will be made on a basis mutually acceptable to the Parties. The Party entitled to the adjustment shall make written demand on the other Party for the adjustment within one year after the Title Transfer Date and shall provide a reasonably detailed explanation of the basis for the demand and all supporting documentation. The Parties shall promptly pay each other any corrected proration or adjustment amounts.

3.3.8 Occupancy Agreements.

3.3.8.1 Allocation of Responsibility and Rights to Revenue. Notwithstanding the Transfer of Responsibility, the County will continue to be responsible for, and will be entitled to all revenue arising from, all Occupancy Agreements under which space in the County Exclusive-Use Area is occupied or used by any Occupant. The County shall promptly pay to the Council all payments or prepayments it receives from an Occupant for use or occupancy of the Court Exclusive-Use Area on or after the Responsibility Transfer Date, and the Council shall promptly pay to the County all payments or prepayments they receive from an Occupant for use or occupancy of the County Exclusive-Use Area on or after the Responsibility Transfer Date. The Council shall be responsible for, and shall be entitled to all revenue arising from, all Occupancy Agreements under which space in the Court Exclusive-Use Area is occupied or used by any Occupant on and after the Responsibility Transfer Date, and except with respect to revenues arising from the Parking Structure, which shall be governed by section 3.7 of the ARJOA and sections 3.11 and 4.2.2 of the Parking Structure Agreement, payments or prepayments received by either Party from an Occupant for use or occupancy of the Common Area will be shared by the Parties under the terms of the ARJOA.

3.3.8.2 Assigned Occupancy Agreements. The Parties acknowledge that some of the Occupancy Agreements under which an Occupant occupied or used space in the Court Exclusive-Use Area or in the Common Area on the Original Effective Date were assigned to the Council pursuant to the Assignments of Occupancy Agreements, as follows:

(a) On the Original Effective Date, the Los Angeles County Law Library was the Occupant of Room 102 of the Building, for the purpose of providing a law library for public use, pursuant to County Lease Agreement #75513. By the Responsibility Transfer Date, the County assigned, and the Council accepted assignment of, County Lease Agreement #75513. This Occupancy Agreement is no longer in effect as of the Amended and Restated Effective Date;

(b) On the Original Effective Date, the United States Postal Service was the Occupant of up to 109 undesignated parking spaces in the Parking Structure under County Lease Agreement #47414. By the Responsibility Transfer Date, the County assigned, and the Council accepted assignment of, County Lease Agreement #47414. Since the Responsibility Transfer Date, this Occupancy Agreement has been terminated and replaced by two new Occupancy Agreements between the Council and the United States Postal Service, each titled Revocable, Non-Exclusive License for the Use of Real Property, one dated as of June 1, 2010, and the other dated as of June 1, 2012. Together, such new Occupancy Agreements provide for the United States Postal Service to be the Occupant of a total of 46 undesignated parking spaces in the Parking Structure;

3.3.8.3 Unassigned Occupancy Agreements. The Parties acknowledge that some of the Occupancy Agreements under which an Occupant occupies or uses space in the Court Exclusive-Use Area or in the Common Area will not be assigned to the Council (the "**Unassigned Occupancy Agreements**"). The Parties have agreed to alternate mechanisms for transferring to the Council and the Council responsibility for the Unassigned Occupancy Agreements, as follows:

(a) On the Original Effective Date, First Class Vending, Inc. was the Occupant of various spaces in the Building, for the provision of Vending Facilities, specifically vending machines, pursuant to County Concession Agreement #73939. In the Original Transfer Agreement, the Parties agreed that on and after the Responsibility Transfer Date, the Parties would work cooperatively together and with this Occupant to ensure the prompt transfer or replacement of these Vending Facilities and the continuity of vending services in the Building. After the Responsibility Transfer Date, the State Department of Rehabilitation contracted with First Class Vending, Inc. to provide Vending Facilities in the Building, and the Building was removed from the list of approved locations under County Concession Agreement #73939; and

(b) On the Original Effective Date, the State Department of Rehabilitation was the Occupant of space on the first floor of the Building for the purpose of providing a Vending Facility, specifically a snack bar, pursuant to the Master License Agreement for the Operation of Vending Facilities in County Buildings as Business Enterprises for the Blind, dated July 31, 1990, between the County and the State Department of Rehabilitation under which the Vending Facility is located in the Building (the "**Master License Agreement**", which is County Agreement #63619). In the Original Transfer Agreement, the Parties agreed that on and after the Responsibility Transfer Date, the Parties would work cooperatively together and with this Occupant to ensure the prompt transfer or replacement of this Vending Facility and the continuity of vending services in the Building. After the Responsibility Transfer Date, the State Department of Rehabilitation declined the Building as a Vending Facility location, the Council entered into a Revocable, Non-Exclusive License for the Use of Real Property, dated October 18, 2011, with LunchStop, Inc. under which LunchStop, Inc. operates a Vending Facility, specifically a snack bar, in the Building, and the State Department of Rehabilitation removed the Building from the list of approved locations in the Master License Agreement.

3.3.8.4 Council's Responsibility for Occupants of the Court Exclusive-Use Area. Commencing on the Responsibility Transfer Date, the Council shall be responsible and liable for all Occupants that occupy or use the Court Exclusive-Use Area. With respect to Occupants under Unassigned Occupancy Agreements, the Council shall be responsible to pay any County costs and to perform any County obligations related to such Occupants' occupancy and use of the Court Exclusive-Use Area, and the Council shall also be entitled to any rights and benefits accruing to the County thereunder including, if applicable, insurance coverage, indemnification rights, rent, license fees, and other consideration paid by such Occupants. The County and the Council shall cooperate with one another to ensure that each of them is able to perform its duties and exercise its rights with respect to all Occupants under this section 3.3.8.

3.3.8.5 Revenue Enhancement Services Contract. Pursuant to Government Code section 26220 and Penal Code section 1205, the County and the Superior Court have entered into a revenue enhancement services contract to provide collections services for unpaid court-ordered fees and fines. Notwithstanding section 3.3.8.1 or any other term of this ARTA or the ARJOA, all space in the Building that is occupied by a revenue enhancement services contractor will be within the Court Exclusive-Use Area for purposes of this ARTA and the ARJOA. Notwithstanding the Transfers, the County and the Superior Court shall otherwise remain responsible and liable for the performance of their respective duties and obligations under any revenue enhancement services contract, and shall remain entitled to all rights and benefits accruing to them thereunder. The Parties specifically agree that (i) all revenues, indemnity payments, insurance proceeds, damages and liquidated damages, and other payments of every kind received by any County Party or State Party from a revenue enhancement services contractor under any revenue enhancement services contract will be allocated and distributed as provided in the revenue enhancement services contract, and (ii) all payments due to or alleged to be due to a revenue enhancement services contractor under any revenue enhancement services contract will be paid, contested, or otherwise addressed by, and the responsibility of, the County or the Superior Court, as provided in the revenue enhancement services contract. For clarification, the revenue enhancement services contract that was in effect on the Original Effective Date was designated County Contract Number 75680 and was dated May 30, 2006, among the County, the Superior Court, and GC Services Limited Partnership. Such revenue enhancement services contract has since been replaced by County Contract Number 78687 among the County, the Superior Court, and GC Services Limited Partnership, which was approved by the County's Board of Supervisors on June 27, 2017.

3.3.9 Telecommunication Services. As of the Responsibility Transfer Date, telecommunication services, including telephone, voicemail, computer networking, and wireless communications, were provided to the Superior Court by the County. In addition, the Building houses a "node" or "hub" which may connect telecommunication systems between and among other County-owned or -occupied buildings. Components of the County's telecommunication system include wiring, switches, routers, optical fibers, power supplies, cable modems, and antennas, all of which will remain the sole personal property of the County notwithstanding the Transfers. Since the Responsibility Transfer Date, the Superior Court has made certain improvements to the Building to separate the Superior Court's telecommunications services from the County's, and all of such improvements are and will remain the sole personal property of the Superior Court. As of the Amended and Restated Effective Date, the Superior Court is no longer receiving telecommunications services from the County in the Building, but receives its telecommunications services from the Superior Court's CTS Department.

3.3.10 Parking.

3.3.10.1 The Transfer of Responsibility included the Original Superior Court Parking, and commencing on the Original Effective Date, the Council became responsible for the Council Share of the Shared Costs of Operation of the Parking Area, as provided in the Original Transfer Agreement and the Original JOA.

3.3.10.2 The Parking Structure Agreement provides for, among other things, a modified allocation of the parking spaces in the Parking Structure among the Superior Court, the County, and the City in connection with which, commencing on the Amended and Restated Effective Date:

(a) The Council will be responsible for the Council Parking Structure Share of the Shared Costs of Operation of the Parking Structure Real Property and the Council will remain responsible for the Council Share of the Shared Costs of Operation of the Courthouse Parking Lot;

(b) The County will be responsible for the County Parking Structure Share of the Shared Costs of Operation of the Parking Structure Real Property and the County will remain responsible for the County Share of the Shared Costs of Operation of the Courthouse Parking Lot;

(c) The City will be responsible for the City Parking Structure Share of the Shared Costs of Operation of the Parking Structure Real Property and will have no responsibility for any Shared Costs of Operation of the Courthouse Parking Lot; and

(d) The City shall be solely responsible to pay all costs and expenses incurred for the primary purpose of Operation of the City Exclusive Parking Area and that can be differentiated as such, which costs and expenses are not Shared Costs, all as more fully set forth in the ARJOA and the Parking Structure Agreement.

3.3.10.3 Commencing on the Amended and Restated Effective Date, any and all Net Revenues collected from Occupants or other Third Parties in consideration of occupancy or use of the Parking Structure Real Property shall be shared by the Council and the City based on their respective Revenue Shares, as provided in the Parking Structure Agreement.

3.3.10.4 The Superior Court Parking is available to Superior Court judges, staff, employees, jurors, and visitors, on a first-come, first-served basis. The County and the Superior Court agreed in the Original Transfer Agreement that the Original Superior Court Parking is parking of the same number, type, and convenience as the parking made available for Superior Court use on October 1, 2001. For clarification, as more fully set forth in the Parking Structure Agreement, the Superior Court Parking no longer includes the parking spaces in the Parking Structure that are allocated to the City or the parking spaces required by the County Sheriff for activities under the Security Services MOU.

3.3.11 Seismic-Related Damage and Injury.

3.3.11.1 Allocation of Liabilities, Responsibilities, and Obligations. Commencing on the Original Effective Date, the liabilities and obligations of the Parties (including indemnification obligations) with respect to any seismic-related damage and injury on and to the Real Property are as set forth in section 70324 of the Act, a copy of which is attached to this ARTA as **Exhibit "H"** and incorporated into this ARTA as though fully set forth herein. At all times that section 70324 of the Act applies in respect of the Real Property, the terms of section 70324 of the Act will prevail over any conflicting provisions of the Act, this ARTA, and the Transfer Documents. As provided in section 70324(d) of the Act, in no event will section 70324 of the Act be deemed to impose greater liability on the County for seismic-related damage to Third Parties than the County would have if the Transfer of Responsibility had not occurred. Section 70324 of the Act will continue to apply until any one of the events described in section 70324(b)(1) through (4) of the Act has occurred notwithstanding any subsequent repeal of section 70324 of the Act.

3.3.11.2 County Liability and Obligations. Without limiting the generality of section 3.3.11.1 of this ARTA, the County acknowledges and agrees that its liability under section 70324(a) of the Act includes: (i) costs to repair the seismic-related damage to the Building and the Parking Structure in order to bring the portions of the Building and the Parking Structure damaged by the seismic-related event back to the condition in which they existed immediately prior to the seismic-related event; (ii) costs of any upgrades to the Building and the Parking Structure that are required by Law as a result of the repair of the seismic-related damage to the Building and the Parking Structure; (iii) costs of relocating the Superior Court to alternate necessary and suitable temporary facilities if and to the extent that (a) the Building and/or the Parking Structure is deemed unsafe for occupancy by the Superior Court during the period that the County is repairing the seismic-related damage to the Building or the Parking Structure, or (b) the Parties agree that it will be more efficient for the County to make the repairs of the seismic-related damage to the Building and/or the Parking Structure if the Building and/or the Parking Structure are entirely or partially vacant.

3.3.12 Relief from Section 70311 Obligations. Effective upon the Responsibility Transfer Date, the Council confirms and agrees that the County shall be, and is, relieved of any responsibility under section 70311 of the Act for providing to the Superior Court those necessary and suitable court facilities currently located in the Building and the Original Superior Court Parking on the Original Effective Date, except as specifically provided in this ARTA and the Act.

3.3.13 Equity in the Real Property. Unless the terms of section 70344(b) of the Act apply, neither Party shall have the right to purchase the other Party's Equity interest in the Real Property without the prior, written approval of the other Party.

3.3.13.1 Parties' Rights Upon Sale of Real Property. If the Owner sells its interest in some or all of the Real Property to a Third Party in an arms-length market transaction, the Parties shall allocate the purchase price paid by the Third Party buyer in respect of the sale on the basis of their respective Shares, unless the Parties have agreed to an alternate mechanism for compensating the Non-Owning Party for its Equity interest in the Building under section 3.3.13.3, below, and net of the Non-Owning Party's applicable Share of any costs paid by the Owner in connection with the sale of its interest in the Real Property for real estate brokerage commissions, title insurance premiums, escrow fees and charges, recording fees, City and County documentary transfer taxes, and prorations of any assessments affecting the Real Property sold; provided that any amounts due from or paid by any Occupants of the Real Property will be prorated in accordance with section 3.7 of the JOA.

3.3.13.2 Parties' Rights Upon One Party's Purchase of the Other Party's Equity Interest. If one Party purchases the other Party's Equity interest in the Real Property without any sale of the Real Property to a Third Party, or if conveyance of the Real Property to a Third Party is not pursuant to an arms-length market transaction, the Parties shall determine the fair market value of the conveyed Real Property, and allocate the fair market value on the basis of their respective Shares, unless the Parties have agreed to an alternate mechanism for compensating the Non-Owning Party for its Equity interest in such Real Property under section 3.3.13.3, below.

3.3.13.3 Mechanisms for Compensating Parties. If the Owner sells, leases, replaces, or otherwise disposes of some or all of its interest in the applicable Real Property in a manner other than those expressly permitted by the terms of section 5.1 of the ARJOA, the Parties agree to work together in good faith to determine the best mechanism for compensating the Non-Owning Party for its Equity interest in such Real Property. Such a mechanism could include the Owner providing the Non-Owning Party with office space in a replacement building that is substantially equivalent in size and functionality to the Non-Owning Party's Exclusive-Use Area in the applicable Real Property, on terms that are mutually agreeable to the County and the Council, in exchange for the Non-Owning Party's Equity interest in such Real Property. Notwithstanding any modification or amendment that the Parties may make to their respective Shares under the ARJOA for the purpose of allocating responsibility for payment of Shared Costs (as defined in the ARJOA), any such modification or amendment will not affect, or be deemed to affect, the Parties' respective Equity interests in the Real Property unless the modification or amendment to the ARJOA expressly provides for a change to the Parties' respective Equity interests in the Real Property.

3.3.13.4 Valuation Methodology. Upon (i) a Party's exercise of its rights under section 70344(b) of the Act, or (ii) the Parties' written agreement that one Party will purchase the Equity interest of the other Party in the Real Property, the Parties will have a 60-day period to work together in good faith to either (a) determine the fair market value of the Equity interest to be purchased, or (b) if the Parties cannot agree on the fair market value of such Equity interest, then to jointly select and engage a mutually acceptable expert with adequate experience in appraising or providing opinions of value for real properties that are owned by governmental entities and similar to the Real Property ("**Expert**") to determine the fair market value of the Equity interest to be purchased, based on a valuation methodology agreed upon by the Parties and consistent with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, or any successor entity, then in effect (the "**Code and Standards**"). Such valuation methodology and the Parties' instructions to the Expert shall be jointly communicated to the Expert by the Parties. The Parties shall equally share in the payment of all costs and expenses of any jointly engaged Expert. If the Parties cannot agree on an Expert, or the valuation methodology and instructions to be given to the Expert during that initial 60-day period, then each Party shall select its own Expert to determine the fair market value of the applicable Equity interest, and each Party shall submit the report prepared by its Expert (the "**Written Appraisal Evidence**") to the other Party within 90 days after the end of the initial 60-day period. At a minimum, all Written Appraisal Evidence of the fair market value of the Equity interest to be purchased pursuant to this section 3.3.13 will be based upon a determination of the fair market value of the Real Property and allocation of that fair market value to each Party on the basis of its respective Share, and all such Written Appraisal Evidence will be made in material conformity with, and subject to the requirements of, the Code and Standards. Each Party shall be solely responsible for all costs and expenses of its own initial Expert. If the valuations determined by the Parties' respective Experts differ, the Parties shall have a 20-day period, starting on the first business day after the date on which both Parties have delivered their Written Appraisal Evidence to one another, to work together in good faith to either (y) agree upon the fair market value of the Equity interest to be purchased based on the Written Appraisal Evidence submitted by both Parties, or (z) provide one another with a list of five additional Experts acceptable to the submitting Party and listed in order of the submitting Party's preference (the "**Experts List**"), from which a third Expert will be chosen for purposes of determining the fair market value of the Equity interest to be purchased (the "**Third Expert**"). The most highly ranked Expert to appear on both of the Parties' Experts List shall be jointly engaged by the Parties to serve as the Third Expert. If there is no Expert that appears on both of the Parties' Experts List, then the Parties shall, within 10 days, resubmit to one another their Experts List retaining each Party's initial listing of five Experts and adding five more Experts, also listed in order of preference, such that there is a total of ten Experts on each Party's Experts List. The Parties shall continue this process of resubmitting to one another their previous Experts List adding an additional five Experts every 10 days until an Expert appears on both Experts Lists, and is thereby chosen as the Third Expert. The Third Expert shall be jointly engaged by the Parties and provided with the Written Appraisal Evidence prepared by the Parties' respective Experts, and shall be entitled to interview the Parties' respective Experts concerning the Written Appraisal Evidence they prepared and the Written Appraisal Evidence prepared by the other Party's Expert. The Third Expert shall not independently appraise the Real Property; rather, the Third Expert shall be engaged to review the Written Appraisal Evidence submitted by both Parties and to determine whether the fair market value of the Real Property is more accurately reflected in the Written Appraisal Evidence submitted by the County or in the Written Appraisal Evidence submitted by the Council. The Parties shall jointly instruct the Third Expert to limit his or her conclusions to the fair market value of the Real Property determined by either the County's initial Expert or the Council's initial Expert, as reflected in the Written Appraisal Evidence, and to support his or her selection with a reasonably detailed explanation of the factors that influenced the Third Expert's decision. The Third Expert shall further be instructed to provide his or her valuation to both Parties within 60 days of being engaged. The Parties shall be bound by the Third Expert's valuation of the Equity interest to be purchased. The Parties shall equally share all costs and expenses of the Third Expert.

3.3.13.5 Equity Interests Relinquished to City. Under section 2.3 of the Parking Structure Agreement, the Council and the County will each relinquish a portion of its Equity interest in the Parking Structure Real Property to and for the benefit of the City. The Parties hereby confirm and agree that this section 3.3.13 shall not apply to the Equity interests relinquished by the Council and the County under section 2.3 of the Parking Structure Agreement.

3.3.14 Cooperation for Transfer of Title. The Parties acknowledge that: (i) the legal description of the Courthouse Land as prepared by the County and attached as **Exhibit "A-1"** to this ARTA, and as an Exhibit to the County's Quitclaim Deed, which is **Exhibit "B"** to this ARTA; and (ii) the legal description of the Parking Structure Land as prepared by the County and attached as **Exhibit "A-2"** to this ARTA, each varies in certain respects from the legal description provided to the Council by the Council's title company, as set forth in the Council's Preliminary Title Report for the Courthouse Land and the

Parking Structure Land. Following the Amended and Restated Effective Date, the County and the Council shall work together, cooperatively and in good faith, to resolve any issues arising from the wording of the legal description of the Courthouse Land that are impeding the insurability of the Council's Title to the Courthouse Real Property by the Council's title company. The Parties shall endeavor to resolve any such issues as promptly as possible, and shall endeavor to have full resolution of those issues by no later than one year following the Amended and Restated Effective Date.

3.4 Specific Responsibility During the Interim Period. During the Interim Period, the County shall not: (i) transfer or agree to transfer to any Third Party any right, title, or interest in all or any part of the Real Property except as expressly provided for in section 3.3.13 of this ARTA, in the ARJOA, or in the Parking Structure Agreement; (ii) enter into any agreement concerning all or any part of the Real Property without the Council's prior written consent, except as expressly provided for in this ARTA, the ARJOA, or the Parking Structure Agreement; or (iii) do anything that would result in a change to the zoning or entitlements for use of all or any part of the Real Property without the prior written consent of the Council, which consent will not be unreasonably withheld. Notwithstanding the foregoing, the Council and the County hereby acknowledge that on or about December 16, 2016, they entered into that certain Revocable, Non-Exclusive License for the Use of Real Property with the City under which the Council and the County, together as licensor, licensed to the City the right to use the City Parking until the Amended and Restated Effective Date, at which time such Revocable, Non-Exclusive License will terminate and be immediately and automatically superseded and replaced by the Parking Structure Agreement.

## 4. THE CLOSING

4.1 The Transfer of Responsibility; Responsibility Transfer Date. The Responsibility Transfer Date occurred on the Original Effective Date.

4.1.1 Responsibility Transfer Documents. The Responsibility Transfer Documents are as follows:

(a) the Original JOA;

(b) the Memorandum of TA and JOA; and

(c) the Assignments of Occupancy Agreements.

4.1.2 Execution and Delivery of Responsibility Transfer Documents. The Parties acknowledge and agree that the Responsibility Transfer Documents were timely signed and delivered by the Parties in accordance with the Original Transfer Agreement.

4.1.3 Delivery of Possession. On the Responsibility Transfer Date, the County delivered to the Council custody and control over the Court Facility.

4.2 Council's Waiver of Transfer of Title to Parking Structure Real Property. The Council hereby fully and forever waives and relinquishes the State's right to receive fee title in and to the Parking Structure Real Property, as more fully set forth in the Parking Structure Agreement. For clarification, the Parties hereby acknowledge that, from and after the Amended and Restated Effective Date, the Transfer of Title to the State will involve only the Courthouse Real Property. As such, the Quitclaim Deed for the Parking Structure Real Property that was attached as a part of Exhibit "B" to the Original Transfer Agreement is hereby deleted in its entirety. Notwithstanding the foregoing, the Council's waiver and relinquishment of its right to receive fee title in and to the Parking Structure Real Property is not a waiver or relinquishment of the Council's entire Equity interest in the Parking Structure Real Property. As more fully set forth in section 2.3 of the Parking Structure Agreement, the Council and the County agree that upon recordation of the Quitclaim Deed for the Parking Structure Real Property, the Council's Equity interest in the Parking Structure Real Property will be reduced from 69.35 percent to 49 percent, and the County's Equity interest in the Parking Structure Real Property will be reduced from 30.65 percent to 21 percent. The Parties' respective Equity interests in the Courthouse Real Property shall not be affected by the transactions contemplated in this ARTA, the ARJOA, or the Parking Structure Agreement, but shall remain as set forth in the Original Transfer Agreement and the Original JOA.

4.3 Transfer of Title; Title Transfer Date. The Title Transfer Date will occur upon the recordation of the Quitclaim Deed with the County Recorder. By completing the Transfer of Title in and to the Courthouse Real Property, the County does not waive, relinquish, limit, diminish, or convey to the State, to any extent whatsoever, the County's Equity interest in the Courthouse Real Property, which Equity interest of the County will be and remain the right and entitlement of the County, except only if the Council has purchased the County's Equity interest in the Courthouse Real Property in exchange for fair market value consideration or as otherwise agreed to by the Parties.

4.3.1 The Title Transfer Documents. The Title Transfer Documents are as follows:

4.3.1.1 the Quitclaim Deed;

4.3.1.2 the ARJOA;

4.3.1.3 the Parking Structure Agreement; and

4.3.1.4 the Amendment to Memorandum.

4.3.2 Execution and Delivery of Title Transfer Documents. On the Original Effective Date, the County and the City were in the process of resolving certain issues concerning the ownership of title in and to the Parking Structure Real Property. By virtue of the Parking Structure Agreement, the County and the City have now fully, finally, and forever settled and resolved those issues; and the Council and the County have entered into the Parking Structure Agreement and have agreed to certain modifications to the Original Transfer Agreement and the Original JOA to accommodate such resolution. The County shall execute and deliver the Title Transfer Documents to the Council within 10 business days after the date on which the Parties have resolved any issues arising from the wording of the County's legal description of the Courthouse Land under section 3.3.14 of this ARTA. The Parties shall work together, in a good faith, cooperative manner, to effectuate the Transfer of Title and, substantially concurrently therewith, the Parties shall work in a good faith, cooperative manner with one another and with the City to consummate the transactions contemplated in the Parking Structure Agreement. The Council shall endeavor to present this ARTA, the signed Title Transfer Documents, and the County Authorizing Document to the PWB for approval of the Transfer of Title as promptly as possible after the Amended and Restated Effective Date.

4.3.3 Cooperation. The County shall provide reasonable cooperation to the Council in providing the information necessary to respond to any issues raised by the PWB concerning the Courthouse Real Property that may prevent the PWB's approval of the Transfer of Title. The Parties mutually intend that no circumstance that may prevent or delay the Transfer of Title will in any way limit or otherwise affect the Transfer of Responsibility.

4.3.4 Delivery of Title. On the Title Transfer Date, the County shall deliver to the State title to the Courthouse Real Property.

4.3.5 Conditions for Transfer of Title. Neither of the Parties shall be obligated to consummate the Transfer of Title unless the following conditions are satisfied or waived prior to the Title Transfer Date. The conditions for the benefit of the County may be waived only by the County, and the conditions for the benefit of the Council may be waived only by the Council.

4.3.5.1 Conditions for the Benefit of the Council. All of the County's representations and warranties in this ARTA must be accurate and complete in all material respects as though made on the Title Transfer Date; the County shall not have breached any of the County's representations, warranties, or covenants in this ARTA or the ARJOA; and there must be no County Event of Default under this ARTA or the ARJOA, nor any circumstance which, but for the passage of time or the giving of notice or both, would constitute a County Event of Default as of the Title Transfer Date. In addition, the Council is not obligated to consummate the Transfer of Title unless on or before the

Title Transfer Date: the PWB has approved the Transfer of Title as evidenced by the Council's receipt of the Acceptance Document; and a title insurance company acceptable to the State Parties is irrevocably committed to issue an owner's policy of title insurance to the State on the Title Transfer Date insuring the State's title to the Courthouse Real Property, subject only to exceptions acceptable to the State Parties, in the reasonable exercise of their discretion.

4.3.5.2 Conditions for the Benefit of the County. All of the Council's representations and warranties in this ARTA must be accurate and complete in all material respects as though made on the Title Transfer Date; the Council shall not have breached any of the Council's representations, warranties, or covenants in this ARTA or the ARJOA; and there must be no Event of Default by the Council under this ARTA or the ARJOA, nor any circumstance which, but for the passage of time or the giving of notice or both, would constitute an Event of Default by the Council as of the Title Transfer Date.

## 5. COUNTY FACILITIES PAYMENT

The amount of the County Facilities Payment approved by the DOF is $520,961, which amount is subject to adjustment as provided in the Act. The terms of Article 5 of the Act govern the County's payment of the County Facilities Payment to the Controller. All rights, obligations, and remedies of the Parties pertaining to the County Facilities Payment are governed solely by the Act, and neither Party has any other or additional rights, obligations, or remedies in respect of the County Facilities Payment under or by virtue of the Original Transfer Agreement or this ARTA.

## 6. REPRESENTATIONS AND WARRANTIES

The County, in its proprietary capacity as the Owner of fee title to the Real Property, and the Council hereby make the representations and warranties in this section 6 to one another effective on both the Amended and Restated Effective Date and the Title Transfer Date. Each Party shall give written notice to the other within five business days of its discovery of any facts or circumstances that would render any information contained in its own representations and warranties in this ARTA or any Title Transfer Documents incomplete, untrue, or misleading, but if a Party makes that discovery within seven calendar days prior to the anticipated Title Transfer Date, then that Party must immediately deliver written notice of the relevant information to the other Party, whereupon the Title Transfer Date will be automatically delayed one month to allow the Party receiving that notice sufficient time to decide whether to proceed with the Transfer of Title.

6.1 The County's Representations and Warranties. The phrase "to the best of the County's knowledge" or words of similar import, means the actual knowledge, after reasonable independent investigation and inquiry, of the County's Chief Program

Specialist, and the County represents that this is the person within the County most knowledgeable with respect to the matters described in the County's representations and warranties in this ARTA.

6.1.1 Authority. The County Authorized Signatory has been duly authorized and empowered by the County Board of Supervisors to execute this ARTA and the Title Transfer Documents on behalf of the County, and the County has taken all steps and obtained all approvals required to authorize and empower the County to sign and perform its obligations under this ARTA and the Transfer Documents relating to the Real Property, including without limitation the Transfer of Title.

6.1.2 Due Execution and Delivery. The Original Transfer Agreement, this ARTA, and the Transfer Documents are legal, valid, and binding obligations of the County and are fully enforceable against the County.

6.1.3 No Conflict. The Original Transfer Agreement, this ARTA, and the Transfer Documents do not violate any provision of any existing agreement, obligation, or court order to which the County is a party or by which the County or any of its assets is subject or bound. No other action of any governmental agency or authority is required for, and the County has no actual knowledge of any Law in effect which would prohibit, the County's execution, delivery, or performance of its obligations under this ARTA, including those relating to the Transfer of Responsibility, the Transfer of Title, and/or the Transfer Documents.

6.1.4 Title to Real Property. Other than the Occupancy Agreements, those rights and interests that have been recorded as encumbrances on the Real Property prior to the Effective Date, and those rights and interests that the County has disclosed to the Council in the Property Disclosure Documents (including the issues that the County and the Council are resolving with the City pursuant to the Parking Structure Agreement): (i) to the best of the County's knowledge, no Third Party has any title or interest in or right to occupy or use the Real Property; and (ii) the County has not granted, conveyed, or otherwise transferred to any Third Party any present or future right, title, or interest in or to the Real Property.

6.1.5 Title to Personal Property. To the best of the County's knowledge, as of the Amended and Restated Effective Date, there is no Tangible Personal Property or Intangible Personal Property.

6.1.6 No Disputes. To the best of the County's knowledge, there are no Disputes pertaining to the Real Property, or the County's right, title, and interest in and to the Real Property.

6.1.7 No Violations of Law. The County has no actual knowledge of, nor has the County received any written notice from any State, federal, or other governmental or quasi-governmental authority relating to any violation of Law, whether or not appearing in public records, with respect to the Real Property, which violation has not been corrected to the satisfaction of the State, federal, or other governmental or quasi-governmental authority that issued the notice.

6.1.8 No Condemnation. The County has not received written notice of any pending modification of a street or highway contiguous to the Real Property, or of any existing or proposed eminent domain proceeding that would, if pursued to completion, result in a taking of any part of the Real Property.

6.1.9 No Environmental Violations. Except as set forth in the Property Disclosure Documents or in any environmental assessments or investigations of the Real Property performed by the Council under this ARTA, the County has received no notice from a Third Party of: (i) the actual, threatened, or suspected presence of any Hazardous Substance, except for any Hazardous Substance used or held in conformity with Law, or (ii) any existing violations of Law, in, on, under, adjacent to, or affecting the Real Property.

6.1.10 Full and Accurate Disclosure. To the best of the County's knowledge, the County provided to the Council all available Property Disclosure Documents requested by the Council within the County's possession, custody, or control. The County maintains the Property Disclosure Documents in its ordinary course of business.

6.1.11 Shared Building Occupancy. The Exclusive-Use Areas and the Common Area of the Courthouse Real Property are as shown on **Exhibit "D"** to this ARTA.

6.1.12 Special Circumstances. The County has not undertaken or commenced any Pending Projects in or on the Real Property. The Real Property is not subject to "bonded indebtedness" as defined in section 70301(a) of the Act, and the Building is not an "historical building" as defined in section 70301(f) of the Act. Subject to section 3.11.2 of the Original JOA and section 3.11.2 of the ARJOA, the County acknowledges that as of the Original Effective Date, the County had obligations under the Miles Court Order to perform the work necessary to make certain modifications to the Real Property, and subject to the Council's obligations under section 3.11.2 of the Original JOA and section 3.11.2 of the ARJOA, the County has completed all such work, at the County's sole cost, in accordance with the requirements of the Miles Court Order.

6.2 The Council's Representations and Warranties. The phrase "to the best of the Council's knowledge," or words of similar import, means the actual knowledge, after reasonable independent investigation and inquiry, of the Deputy Director of Facilities

Services for the Council, and the Council hereby represents that this is the person most knowledgeable with respect to the matters described in the Council's representations and warranties in this ARTA.

6.2.1 Good Standing. The Council is an entity established by the Constitution of the State. The Council is validly existing under the Law of the State.

6.2.2 Authority. The Council Authorized Signatory has been duly authorized and empowered by the Council to execute this ARTA and the Title Transfer Documents on behalf of the Council, and the Council has taken all steps and obtained all approvals required to authorize and empower the Council to sign and perform its obligations under this ARTA and the Title Transfer Documents relating to the Real Property, including the Transfer of Title.

6.2.3 Due Execution and Delivery. The Original Transfer Agreement, this ARTA, and the Transfer Documents executed by the Council are legal, valid, and binding obligations of the Council and are fully enforceable against the Council.

6.2.4 No Conflict. The Original Transfer Agreement, this ARTA, and the Transfer Documents do not violate any provision of any agreement, obligation, or court order, to which the Council is a party or by which the State Parties, or any of their respective assets, are subject or bound. No other action of any governmental agency or authority is required for, and the Council has no actual knowledge of, any Law in effect which would prohibit, the Council's execution, delivery, or performance of its obligations under this ARTA, including those relating to the Transfer of Responsibility, the Transfer of Title, and/or the Transfer Documents.

6.2.5 Sections 70326(b)(1) and (3). On or about the Original Effective Date, the Council determined that, as of the Original Effective Date, the Real Property was not deficient under sections 70326(b)(1) and (3) of the Act.

## 7. INDEMNITIES

7.1 Council's Indemnities. Except as provided in section 7.3, below, to the fullest extent permitted by Law, the Council indemnifies, defends, and holds harmless the County Parties against all liability, damages, attorney fees, costs, expenses, or losses (referred to in this section 7 as "**Indemnified Loss**") asserted against the County Parties, arising out of the following:

7.1.1 Obligations. Any breach by the Council of its obligations set forth in this ARTA or the Transfer Documents;

7.1.2 Representations and Warranties. Any knowing and willful inaccuracy in any of the Council's representations and warranties contained in section 6.2 of this ARTA or in the Transfer Documents, where and to the extent that such knowing and willful inaccuracy relates to a matter that, if known to the County prior to the Responsibility Transfer Date or Title Transfer Date, as applicable, would have been material to the County's completion of the applicable Transfer under the Act; and

7.1.3 Council Responsibilities. Any claim, demand, litigation, arbitration, or other dispute-resolution proceeding between the Council and a Third Party that is first asserted or commenced on or after the Responsibility Transfer Date, and the factual basis for which arises from events or occurrences that took place on or after the Responsibility Transfer Date, or from the State Parties' ownership, use, Operation, or management of, or responsibility for, the Real Property on or after the Responsibility Transfer Date.

7.2 County's Indemnities. Except as provided in section 7.3, below, to the fullest extent permitted by Law, the County indemnifies, defends, and holds harmless the State Parties, against all Indemnified Loss asserted against the State Parties, arising out of the following:

7.2.1 Obligations. Any breach by a County Party of its obligations set forth in this ARTA or the Transfer Documents;

7.2.2 Representations and Warranties. Any knowing and willful failure by the County to disclose to the Council any document or information concerning the Real Property that, if known to the Council prior to the Responsibility Transfer Date or the Title Transfer Date, would have been material to the Council's acceptance of the applicable Transfer under the Act, and any knowing and willful inaccuracy in any of the County's representations and warranties contained in section 6.1 of this ARTA or in the Transfer Documents, where and to the extent that such knowing and willful inaccuracy relates to any matter that, if known to the Council prior to the Responsibility Transfer Date or the Title Transfer Date, would have been material to the Council's acceptance of the applicable Transfer under the Act;

7.2.3 County Responsibilities. (i) Any claim, demand, litigation, arbitration, or other dispute-resolution proceeding between the County and a Third Party that is pending or threatened prior to the Responsibility Transfer Date, or related to the County's ownership, use, Operation, management of, or responsibility for, the Real Property prior to the Responsibility Transfer Date, and (ii) any claim, demand, litigation, arbitration, or other dispute-resolution proceeding that is first asserted or commenced by a Third Party after the Responsibility Transfer Date, but the factual basis for which arises from events or occurrences that took place prior to the Responsibility Transfer Date, and pertain to the County's ownership, use, Operation, management of, or responsibility for, the Real Property prior to the Responsibility Transfer Date; and

7.2.4 CERCLA. The County acknowledges that it has certain indemnification obligations in respect of the Court Facility under section 70393(d) of the Act. Nothing in this ARTA will in any manner be deemed or construed as an admission by the County to any Third Party that the County has any obligation, responsibility, or liability of any kind or nature whatsoever as to the environmental condition of the Real Property surrounding the Building under CERCLA or any other Law, except that the County confirms that this provision does not alter, diminish, or negate the County's obligation to indemnify the State in accordance with the terms of section 70393(d) of the Act.

7.3 Indemnity Exclusions. Neither Party is entitled to be indemnified, defended, or held harmless by the other Party under this ARTA in respect of any event, circumstance, or condition that arises from its own negligence or willful misconduct. The obligations of a Party under section 7.1 or 7.2 of this ARTA, as applicable, will in no event release the other Party from, or diminish its obligation to fully and faithfully perform, its duties under this ARTA, the Transfer Documents, or any other agreement.

## 8. RIGHT TO AUDIT

The County shall maintain all records relating to the Original Transfer Agreement and this ARTA, in compliance and consistent with applicable Law. The County shall also maintain an accounting system, supporting fiscal records, and agreements related to the Property, including the Property Disclosure Documents, adequate to ensure that all claims and disputes arising under this ARTA or the Transfer Documents can be resolved in accordance with the requirements of this ARTA and the Act for the period of time generally required by applicable Law. The Council may audit or inspect those County records upon reasonable prior notice.

## 9. DEFAULT NOTICE AND CURE

Upon the occurrence of a breach or default by the Council or the County of any provision of this ARTA, the non-defaulting Party shall provide written notice to the defaulting Party of the breach or default ("**Default Notice**"). Upon receipt of the Default Notice, the defaulting Party will have 30 calendar days to cure the breach or default described in the Default Notice and to provide evidence of that cure to the non-defaulting Party. If the breach or default is not capable of cure within the 30 calendar day period, then no breach or default can be deemed to have occurred so long as the defaulting Party promptly begins and diligently and continuously performs the cure to completion within a reasonable time period, not to exceed 90 calendar days from commencement of the cure

("**Cure Period**"). If the defaulting Party does not provide evidence of the cure to the non-defaulting Party within the Cure Period, then the defaulting Party shall be deemed to have committed an "**Event of Default,**" and the non-defaulting Party shall have the right, but not the obligation, to pursue its rights with respect to resolution of disputes under section 11 of this ARTA. The Parties may mutually agree to commence the dispute resolution procedures in section 11 of this ARTA before the end of the Cure Period.

## 10. CONDEMNATION

If either Party receives written notice advising of an actual or intended condemnation of all or any part of the Real Property ("**Condemnation Notice**"), that Party shall promptly deliver a copy of that notice to the other Party and the City. In the event of an actual condemnation, or a transfer or conveyance of any part of the Real Property in lieu of condemnation, the Parties shall cooperate with one another in good faith to obtain the maximum award that may be obtained from the condemning authority. The Parties shall allocate the award received in connection with any condemnation or transfer in lieu of condemnation of all or any part of the Courthouse Real Property on the basis of their respective Shares. The Parties shall allocate the award received in connection with any condemnation or transfer in lieu of condemnation of all or any part of the Parking Structure Real Property on the basis of their respective Parking Structure Shares and shall allocate the balance of any such award to the City.

## 11. DISPUTE RESOLUTION

In the event of a dispute between the Parties relating to performance of the Parties' obligations under this ARTA, or any aspect of the Transfers contemplated in this ARTA, the Parties shall, before exercising any other right or remedy for resolution of the dispute, meet and confer in good faith to attempt to resolve the dispute through unassisted negotiation. Each of the Parties must be represented in any such negotiating session by a representative who is familiar with the facts of the dispute, and who has authority to negotiate on behalf of, and to effectively recommend settlement to, the Party that he or she represents.

## 12. NOTICES

Any notice or communication required to be sent to a Party pursuant to this ARTA must be sent in writing by personal delivery (including overnight courier service), or certified U.S. mail, postage pre-paid and with return receipt requested. Routine exchange of information may be conducted via telephone, facsimile, or electronic means, including e-mail.

If to the Judicial Council:

Judicial Council of California
Facilities Services
2860 Gateway Oaks Drive, Suite 400
Sacramento, California 95833
Attn: Director
Telephone: 415) 407-3896

With a copy to:

Judicial Council of California
Facilities Services
2860 Gateway Oaks Drive, Suite 400
Sacramento, California 95833
Attn: Manager, Real Estate
Telephone: (916) 643-8051
Email: JCCRealEstate@jud.ca.gov

In addition, all audit requests and notices by the County relating to termination of this ARTA or an alleged breach or default by the Council of this ARTA or a Transfer Document must also be sent to:

Judicial Council of California
Branch Accounting & Procurement
455 Golden Gate Avenue
San Francisco, CA 94102
Attention: Manager, Contracts

If to the County:

County of Los Angeles
Office of the County Counsel
648 Kenneth Hahn Hall of Administration
500 West Temple Street, Suite 648
Los Angeles, CA 90012-2713
Attention: Property Division

With a copy to:

County of Los Angeles
Chief Executive Office, Real Estate Division
Attention: Senior Manager
555 West 5th Street, 36th Floor
Los Angeles, CA 90013
Voice: 213-974-4300

A Party may change its address for notice under this ARTA by giving written notice to the other Party in the manner provided in this section 12. Any notice or communication sent under this section 12 will be deemed to have been duly given as follows: (i) if by personal delivery, on the date actually received by the addressee or its representative at the address provided above; or (ii) if sent by certified U.S. mail, return receipt requested, on the first business day that is at least three calendar days after the date deposited in the U.S. Mail.

## 13. SURVIVAL OF TERMS AND PROVISIONS

This ARTA will survive and remain in full force and effect notwithstanding the Transfer of Responsibility and the Transfer of Title.

## 14. MISCELLANEOUS

14.1 Amendments. This Agreement may be amended only by written agreement signed by both of the Parties.

14.2 Waivers. No waiver of any provision of this ARTA will be valid unless it is in writing and signed by the Party making such waiver. Waiver by either Party at any time of any breach of this ARTA cannot be deemed a waiver of or consent to a breach of any other provision of this ARTA or a consent to any subsequent breach of the same or another provision of this ARTA. If a Party's action requires the consent or approval of the other Party, that consent or approval on any one occasion cannot be deemed a consent to or approval of that action on any subsequent occasion or a consent or approval of any other action.

14.3 Force Majeure. Neither Party will be responsible for performance in accordance with the terms of this ARTA to the extent performance is prevented, hindered, or delayed by fire, flood, earthquake, elements of nature, acts of God, acts of war (declared and undeclared), riots, rebellions, revolutions, or terrorism, whether foreseeable or unforeseeable.

14.4 Assignment. Neither Party may assign this ARTA in whole or in part, whether by operation of law or otherwise, to any other entity, agency, or person without the prior written consent of the other Party. Even if that consent is given, any assignment made in contravention of any Law will be void and of no effect.

14.5 Binding Effect. This ARTA binds the Parties and their permitted successors and assigns. On and after the Amended and Restated Effective Date, this ARTA supersedes and replaces the Original Transfer Agreement, but the Original Transfer Agreement continues to govern and control as to the periods from the Original Effective Date to the Amended and Restated Effective Date.

14.6 Third Parties Benefited. The Superior Court is an intended beneficiary of all provisions of this ARTA and the Transfer Documents that are for the benefit of the Council.

14.7 Governing Law. This ARTA, and the Parties' performance under this ARTA, will be exclusively governed by the laws of the State without regard to its conflict of law provisions.

14.8 Construction. The headings used in this ARTA are for convenience only and will not affect the meaning or interpretation of this ARTA. The word "or" when used in this ARTA, is inclusive, and can mean both. This ARTA and the Transfer Documents will not be construed against either Party as the principal draftsperson. The words "include" and "including" when used are not exclusive and mean "include, but are not limited to" and "including but not limited to," respectively. The capitalized terms used in this ARTA have the meanings ascribed to them in this ARTA.

14.9 Integration. From and after the Amended and Restated Effective Date, this ARTA and the Transfer Documents contain the entire agreement of the Parties with respect to the Transfers, and supersede all previous communications, representations, understandings, and agreements, whether verbal, written, express, or implied, between the Parties.

14.10 Exhibits; Incorporation By Reference. The Exhibits attached to this ARTA modify, supersede, and replace the exhibits attached to the Original Transfer Agreement as of the Amended and Restated Effective Date. The factual recitals and Exhibits contained in or attached to this ARTA are all incorporated into and made a part of this ARTA for all purposes, and all references to this ARTA in any of the recitals or Exhibits will be deemed to include the entirety of this ARTA.

14.11 Severability. If a term of this ARTA is inconsistent with applicable Law, then on the request of either Party, the Parties shall promptly meet and confer to determine how to amend the inconsistent term in a manner consistent with Law, but all parts of this ARTA not affected by the inconsistency will remain in full force and effect.

14.12 Further Assurances. The Parties agree to cooperate reasonably and in good faith with one another to (i) implement the terms and provisions set forth in this ARTA, the Transfer Documents, and the Act, and (ii) consummate the transactions contemplated herein, and the Parties shall execute any further agreements and perform any additional acts that may be reasonably necessary to carry out the purposes and intent of this ARTA, the Transfer Documents, and the Act.

14.13 Replacement of Administrative Office of the Courts' Name. All references to "Administrative Office of the Courts" and "AOC" in the Original Transfer Agreement are hereby replaced by "Judicial Council" or "Council" with no prejudice to the substantive rights of the Parties, and the Council will continue to perform all duties, responsibilities, functions, and other obligations, and bear all liabilities, and exercise all rights, powers, authorities, benefits, and other privileges attributed to the "Administrative Office of the Courts" or the "AOC" in the Original Transfer Agreement, as amended by this ARTA.

14.14 Counterparts and Electronic Execution. This ARTA may be executed in counterparts (including PDF copies), each of which shall be deemed an original as against the Party signing such counterpart and which together shall constitute one and the same instrument. The Parties agree that the signature pages of this ARTA may be executed, scanned, and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this ARTA, with such scanned and electronic signatures having the same legal effect as original signatures

**[SIGNATURES ON FOLLOWING PAGE(S)]**

IN WITNESS WHEREOF, the Parties enter into this ARTA as of the Amended and Restated Effective Date.

| **COUNTY OF LOS ANGELES** | **JUDICIAL COUNCIL OF CALIFORNIA** |
|---|---|
| By: ______________________ | By: ______________________ |
| Name: John T. Cooke | Name: Alice Lee |
| Title: Assistant Chief Executive Officer | Title: Manager, Contracts |
| Date: ______________________ | Date: July 6, 2026 |

| APPROVED AS TO FORM:<br>Dawyn R. Harrison<br>County Counsel | APPROVED AS TO FORM:<br>Judicial Council of California,<br>Legal Services |
|---|---|
| By: ______________________ | By: ______________________ |
| Name: Roberto Saldaña | Name: Maggie W. Stern |
| Title: Senior Deputy County Counsel | Title: Attorney |
| Date: July 7, 2026 | Date: July 1, 2026 |

Pasadena Courthouse ARTA
Court Facility #19-J1, 19-J2
County LACO #5397, 5398, 5399
Owned/Shared (TOR/DTOT)

# PURCHASE AND SALE AGREEMENT
# AND
# JOINT ESCROW INSTRUCTIONS

This Purchase and Sale Agreement and Joint Escrow Instructions ("Agreement") is effective as of ____________, 2026 ("Effective Date"), by and between the COUNTY OF LOS ANGELES, a body corporate and politic ("County"), as seller, and CITY OF PASADENA, a municipal corporation, as buyer ("City"). Each of City and County are occasionally referred to herein as a "Party" and collectively as the "Parties."

## RECITALS

A. County holds title to that certain real property located in the City of Pasadena, County of Los Angeles, State of California with APN 5723-018-901, as more particularly described on Exhibit "A" ("Land").

B. A portion of the Land includes the Pasadena Courthouse Parking Structure ("Parking Structure"), also known as County Auto Park 53, with a street address of 240 Ramona Street, as shown on Exhibit "B", containing 963 parking spaces, as more particulary described on Exhibit "C" .

C. The County and the City are parties to that certain Joint Powers Agreement for Parking Structure, Pasadena Civic Center (No. 7256), dated November 22, 1966, as amended by that certain Amendment to Joint Powers Agreement No. 11599 for Parking Structure in the Pasadena Civic Center, dated October 13, 1970, and as further amended by that certain Amendment No. 2 Supplementing Joint Powers Agreement No. 11599 for a Parking Structure in the Pasadena Civic Center, dated February 14, 1989 (collectively, the "JPA").

D. Pursuant to the JPA, on or about November 22, 1966, the City conveyed to Los Angeles County Employees' Retirement Association ("LACERA") fee title in and to City owned land to build the Parking Structure, and LACERA thereafter caused the Parking Structure to be constructed on said Parking Structure land.

E. The County and the City have disputed the nature and rights of ownership of the Parking Structure and certain other adjacent property, and have entered into a stand-still agreement as part of Amendment No. 2 to the JPA.

F. The Judicial Council of California, an entity established by the Constitution of the State of California ("Council") and the County are parties to that certain Transfer Agreement for the Transfer of Responsibility for and Transfer of Title to the Pasadena Courthouse ("Transfer Agreement") and that certain Joint Occupancy Agreement for the Pasadena Courthouse ("JOA"), both dated as of October 21, 2008. Under the terms of the Transfer Agreement, the Judicial Council and the County completed the transfer of responsibility for the court facility commonly known as the Pasadena Courthouse, located at 300 East Walnut Street (with an alternate address of 200 North Garfield), Pasadena, CA 9101 (the "Courthouse") and the related parking structure, common known as the Pasadena Courthouse Parking Structure (aka county Auto Park 53), located at 240 Ramona Street, Pasadena, CA 91101 (the "Parking Structure"). Pursuant to the Transfer Agreement and the JOA, the Judicial Council and County agreed to share the operation, use, maintenance, and repair of the Parking Structure in accordance with their respective pro rata equity interests in the Courthouse.

G. A dispute arose among the Council, the County, and the City regarding: (i) whether the City is entitled, under the terms of the JPA, to receive from the County an undivided 30.0

percent interest in fee title to the Parking Structure; (ii) whether the County is obligated to convey to the Council fee simple title in and to the Parking Structure; (iii) what rights and entitlements the Council, the County, and the City have, respectively, to receive any and all revenues that arise from operation of the Parking Structure; and (iv) what obligations the Council, the County, and the City have, respectively, to perform the operation of the Parking Structure and to share in payment of the costs arising from operation of the Parking Structure.

H. The Council, County, and the City are parties to that certain Pasadena Courthouse Parking Structure Operating and Use Agreement and General Release for the Pasadena Courthouse dated ______________, 2026 ("Operating Agreement"), whereby the Council, the County, and the City agreed to fully, finally, and forever settle, compromise, and resolve any and all "City Claims," "County Claims," and "Council Claims," as defined and on the terms set forth in the Operating Agreement.

I. As part of the resolution of the various outstanding claims between the Parties, the City wishes to purchase from the County a portion of the Parking Structure, of 30.0 percent interest in fee title to the Parking Structure ("City Interest") and a portion of the Land, that does not include the Parking Structure, of approximately 7,290 sqaure feet (45' x 162') on the eastern side of the Land, as more particulary described on Exhibit "D" ("Panhandle Portion"). The City of Pasadena Police station is currently encroaching on the northern and western side of this portion of the Land (more particularly, the Panhandle Portion), and the portion of the Land not affected by the encroachment totals 3,636 square feet with 1,840 square feet located on the west side of the subject and 1,796 square feet located on the east side of the Land.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are hereby deemed a contractual part of this Agreement, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the City hereby agree as follows:

1. Purchase and Sale; Property. Subject to satisfaction of the terms and conditions set forth in this Agreement, County agrees to sell, assign and convey to City, and City agrees to purchase, assume and accept all of the following (collectively, the "Property"):

1.1 The Panhandle Portion;

1.2 The City Interest;

1.3 All easements, rights of way and other rights appurtenant to the City Interest and Panhandle Portion (the City Interest and Panhandle Portion and all rights appurtenant to the City Interest and Panhandle Portion are collectively referred to as the "Real Property"); and

1.4 Any intangible property used and necessary in connection with the Real Property, including, without limitation, surveys, reports, plans and specifications, contract rights, warranties, guaranties, licenses, permits, entitlements, governmental approvals and certificates of occupancy (if any) that benefit the Real Property, in each case to the extent assignable or transferable (collectively, the "Intangible Personal Property").

2. Purchase Price. The purchase price for the Real Property shall be eight hundred four thousand, two hundred twenty-two dollars ($804,222) ("Purchase Price"), which is comprised of the following: (i) option fee of two hundred thirty thousand dollars ($230,000), which gives the City

a 30% interest in the Land pursuant to that certain option in the JPA, (ii) sixty one thousand seven hundred twenty two dollars ($61,722) which is interest on option fee, and (iii) five hundred twelve thousand five hundred dollars ($512,500), which is equal to seventy percent (70%) of the Panhandle Portion's current appraised value. With the City's 30% interest in the Land, which includes Panhandle Portion, the 70% Panhandle Portion share will give the City 100% interest in the Panhandle Portion. The Purchase Price shall be paid to County by City in immediately available funds. At least one (1) Business Day prior to the Closing Date (defined in Section 9.1), City shall deposit with Escrow Holder (as defined in Section 4) the Purchase Price, together with all other sums required under Section 6.1 in the form of a wire transfer or other immediately available funds.

2.1 Opening of Escrow.

2.1.1 Within five (5) Business Days after the Effective Date, City and County shall deposit one (1) fully executed copy of this Agreement into Escrow (as defined in Section 4). Receipt by Escrow Holder of a copy of this Agreement executed by both Parties, as evidenced by Escrow Holder's acknowledgement thereof, shall constitute the opening of Escrow.

2.1.2 "Business Day" means any day of the year that is not a County holiday (as such County holidays are disclosed on https://lacounty.gov/government/about-la-county/about/), City holiday (as such City holidays are disclosed on https://www.cityofpasadena.net/city-closures/), and any other day in which commercial banks are either not required to open or are authorized to close in the County of Los Angeles, California.

2.2 Independent Consideration. Notwithstanding any provision set forth in this Agreement, One Hundred Dollars ($100.00) shall be deposited into Escrow by City concurrently with the delivery of City's executed copy of the Agreement to Escrow Holder, which amount City and County agree is full and satisfactory consideration for City's rights under this Agreement and County's agreement to enter into this Agreement, each being bound by the terms hereof (Independent Consideration). The Independent Consideration shall be non-refundable to City in all circumstances and shall not be applicable to the Purchase Price at Closing.

3. Quitclaim Deeds; General Assignment. County shall convey (a) the Real Property to City by quitclaim deeds in the form attached hereto as Exhibit E ("Quitclaim Deeds"), and (b) the Intangible Personal Property (if any) to City by general assignment ("General Assignment"), in the form attached hereto as Exhibit F.

4. Escrow; Instructions. The purchase and sale of the Real Property shall be consummated by means of an escrow ("Escrow") to be opened pursuant to Section 2.1.1 with Commonwealth Land Title Insurance Company acting as both escrow agent and title agent (the "Escrow Holder" or "Title Company", as the case may be), whose contact information is as follows: 4400 MacArthur Blvd., Suite 800, Newport Beach, California 92660, Attention: Grace Kim, Escrow Officer, Telephone: (949) 724-3141, E-mail: gukim@cltic.com. This Agreement, together with such further written instructions, if any, as the Parties shall provide to Escrow Holder shall constitute the instructions to Escrow Holder ("Escrow Instructions") with respect to the transaction contemplated by this Agreement. Any additional or supplemental instructions given to Escrow Holder shall be consistent with the terms of this Agreement, and the terms of this Agreement shall prevail if there is any inconsistency. By executing this Agreement, Escrow Holder acknowledges that this Agreement constitutes the Escrow Instructions for the sale of the Property and agrees to follow the Escrow Instructions provided in this Agreement.

5. Title Review. Prior to the Effective Date, County obtained, and provided to City (a) a standard preliminary title report, Order No. _______________, with an effective date of _______________ (as the same may have been amended, referred to as the "PTR") issued by Title Company, with respect to Land, and (b) hyperlinked copies of all recorded documents referred to in the PTR. City hereby approves of the title exceptions and other matters disclosed on the PTR, subject to Section 5.1.

5.1 Monetary Liens. By not later than the Closing Date (as defined in section 6) and notwithstanding anything in this Agreement to the contrary, County covenants and agrees, at County's sole cost and expense, to cause the removal as exceptions to the Title Policy (as defined herein in Section 5.5) any and all money judgments and liens arising from County's activities, deeds of trust, mortgages, security interests, and related encumbrances and any delinquent real property taxes and assessments (collectively, "Monetary Liens"), but excluding any money judgments and liens (including any mechanic's and materialmen's liens or liens or other claims) arising from or related to City, its officers, partners, shareholders, members, employees, contractors, consultants, agents or invitees (each or collectively, as the case may be, the "City Parties"), or their respective actions or failure to act.

5.2 New Title Matters. If, following the Effective Date, any new title information is received by County or City from a supplemental title report that is not the result of the acts or omissions of City or the City Parties (including City's failure to diligently and promptly take any investigation, action or consideration reasonably necessary to conclude City's title investigation) (each, a "New Title Matter"), City shall have until ten (10) Business Days following City's receipt of written notice describing in reasonable detail such the New Title Matter ("Objection Deadline"), to deliver a written notice ("City's Title Notice") to County and Escrow Holder disapproving the New Title Matter. City's failure to deliver a City's Title Notice by the Objection Deadline shall conclusively be deemed City's approval of the New Title Matter (other than Monetary Liens) and waiver of any further right to object with respect thereto (other than Monetary Liens). Within ten (10) Business Days after County's receipt of City's Title Notice, County may deliver written notice to City and Escrow Holder identifying which disapproved New Title Matter (other than Monetary Liens) County shall undertake to cure ("County's Title Response"). If County does not deliver a County's Response agreeing to undertake to cure such New Title Matter within such ten (10) Business Day period, County shall be deemed to have elected not to cure or remove the New Title Matter disapproved by City (other than Monetary Liens). If County elects, or is deemed to have elected, not to cure or remove the New Title Matter disapproved by City (other than Monetary Liens), City may elect, by written notice to County and Escrow Holder delivered within two (2) Business Days following the date County elects or is deemed to have elected not to cure or remove the New Title Matter, to (x) waive its prior disapproval of any such matter(s), in which event such previously disapproved matter(s) shall be deemed approved, or (y) terminate this Agreement, in which event one-half (1/2) of any Title Company or Escrow Holder fees shall be immediately returned to City, and this Agreement, the Escrow and the rights and obligations of the Parties shall terminate, except for those obligations that expressly survive the termination of this Agreement. If the Title Company raises any New Title Matter, the Closing Date shall be delayed as needed to accommodate the objection and response process and time periods specified in this subsection.

5.3 Permitted Exceptions. At Closing, City shall accept title to the Real Property subject to: (a) all encumbrances, reservations, and easements of record shown on the PTR; (b) the lien of all ad valorem real estate taxes and assessments not yet due and payable as of the date of Closing (if any), subject to adjustment as herein provided; (c) local, state, and federal laws, ordinances or governmental regulations, including but not limited to, building and zoning laws, ordinances and regulations, now or hereafter in effect relating to the Property; (d) such statement of facts as may be shown in an ALTA survey of the Real Property; and (e) such other exceptions as may be disclosed on the PTR after the Effective Date that are not created by, through or under County (clauses (a) through (e), collectively, the "Permitted Exceptions").

5.4 Choice of Policy and Expenses. At Closing, City shall obtain (at County's sole cost and expense) a standard CLTA owner's policy of title insurance issued by the Title Company insuring fee title to the Real Property vested in City, subject only to the Permitted Exceptions with liability in the amount reasonably determined by City and agreed to by Title Company ("CLTA Policy"); provided, however, City may elect to obtain from the Title Company an ALTA extended coverage owner's policy of title insurance insuring fee title to the Real Property vested in City, subject only to the Permitted Exceptions with liability in the amount reasonably determined by City and agreed to by Title Company ("ALTA Policy"). In the event that City elects to obtain an ALTA Policy, it shall be at City's sole cost and expense, which shall include the cost of any related survey, if any. City shall pay the cost of any endorsements to the CLTA Policy or ALTA Policy that City may elect to obtain.

5.5 Condition of Closing. The selected policy (whether it be a CLTA Policy or an ALTA Policy) shall be referred to herein as the "Title Policy," and the issuance of, or commitment by Title Company to issue, the Title Policy shall be a condition to the Closing for the benefit of City.

5.6 Covenant Not to Encumber. During the term of this Agreement, County shall not convey or encumber any portion of the Property or any rights therein, nor enter into any conveyance, security document, easement, or other agreement granting to any person or entity any rights with respect to the Property or any part thereof, or any interest whatsoever therein (except for this Agreement, as the same may be amended from time to time), or any option with respect thereto, without the prior written consent of City, which may be withheld in City's sole and absolute discretion.

6. Closing Costs. Transaction costs (collectively, the "Closing Costs") shall be paid by each of the Parties as set forth below in this Section 6, the provisions of which shall survive Closing and delivery and recording of the Quitclaim Deeds:

6.1 Paid by City. At Closing, City shall pay the cost of:

6.1.1 (a) The additional cost of an ALTA Policy over a CLTA Policy cost (if an ALTA Policy is requested by City), (b) any title endorsements requested by City, (c) any survey ordered by City, and (c) any desired lender's title policy;

6.1.2 One-half of Escrow Holder's actual and reasonable (a) fees, (b) costs and (c) any additional charges customarily charged in accordance with common escrow practices in Los Angeles County (collectively, the "Escrow Fees");

6.1.3 Any documentary transfer taxes due with respect to recording of the Quitclaim Deeds;

6.1.4 Any recording fees required in connection with the acquisition of the Property, including recordation of the Council quitclaim deed ("Council Quitclaim Deed") from the Council relinquishing all of Council's right, title and interest in and to the Parking Structure;

6.1.5 Any other charges, fees, taxes or costs relating to Closing that are customarily paid by buyers of commercial properties in the County of Los Angeles.

6.2 Paid by County. At Closing, County shall pay the cost of:

6.2.1 The Cost of the CLTA Policy

6.2.2 One-half of Escrow Fees;

6.2.3 Any other charges, fees, taxes or costs relating to Closing that are customarily paid by sellers of commercial properties in the County of Los Angeles; and

6.2.4 Any and all prorated amounts to be paid pursuant to Section 7.

7. Prorations

7.1 Proration Date and Basis. Except as otherwise provided herein, all income and expenses relating to the Property, if any, shall be prorated as of 11:59 p.m. on the day prior to Closing ("Proration Date") on a 365-day year basis. Alternatively, the parties may elect a 30/360 basis by written amendment.

8. Conditions Precedent to Closing. In addition to any other conditions precedent to Closing expressly set forth elsewhere in this Agreement, prior to the Closing Date, each as a condition precedent to Closing:

8.1 County's Deliveries. As a condition precedent to Closing for the benefit of City, County shall deliver to Escrow Holder:

8.1.1 The Quitclaim Deed for Panhandle Portion in recordable form, executed by County and acknowledged by a notary;

8.1.2 The General Assignment (if any) executed by County;

8.1.3 Any other documents that may be reasonably requested by Escrow Holder and the Title Company and that are customarily delivered in connection with the closing of real estate transactions in Los Angeles County;

8.1.4 JPA Termination Agreement, executed by County;

8.1.5 The Quitclaim Deed for 30.0 percent interest in fee title to the Parking Structure in recordable form, executed by County and acknowledged by a notary;

8.1.6 Operating Agreement executed by County and Council; and

8.1.7 Termination of Setback Covenant, executed by the County.

8.2 City's Deliveries. As a condition precedent to Closing for the benefit of County, City shall deliver to Escrow Holder:

8.2.1 The Purchase Price as required under Section 2 hereof, (ii) all of the sums required under Section 6.1 hereof and (iii) any other cash required for Closing from City pursuant to this Agreement;

8.2.2 The General Assignment (if any) executed by City;

8.2.3 Any other documents that may be reasonably requested by Escrow Holder and the Title Company and that are customarily delivered in connection with the closing of a real estate transaction in Los Angeles County;

8.2.4 JPA Termination Agreement, executed by City;

8.2.5 Operating Agreement executed by City; and

8.2.6 Certificates of Acceptance executed by the City for the Quitclaim Deeds that comply with California Government Code Section 27281.

8.2.7 Termination of Setback Covenant, executed by the City.

8.3 Closing Documents. All documents and sums required to be deposited under Sections 8.1 and 8.2 may be singularly referred to as a "Closing Document" and collectively as the "Closing Documents."

8.4 County's Performance. As a condition precedent to Closing for the benefit of City, County shall have duly performed in all material respects each and every covenant of County hereunder.

8.5 City's Performance. As a condition precedent to Closing for the benefit of County, City shall have duly performed in all material respects each and every covenant of City hereunder.

8.6 Accuracy of Representations and Warranties. On the Closing Date, all representations and warranties made by County and City in Section 13 shall be true and correct in all material respects as if made on and as of the Closing Date.

8.7 Failure of Conditions Precedent to City's Obligations. City's obligations with respect to the transactions contemplated by this Agreement are subject to the satisfaction of the conditions precedent to such obligations for City's benefit set forth in Sections 8.1, 8.4 and 8.6. If any of such conditions is not fulfilled (or so waived in writing) pursuant to the terms of this Agreement, then City may terminate by written notice to County. In such event, County shall pay any escrow cancellation fees or charges, and except for obligations under the Agreement which expressly survive termination of the Agreement, the Parties shall have no further rights or obligations to one another under this Agreement.

8.8 Failure of Conditions Precedent to County's Obligations. County's obligations with respect to the transactions contemplated by this Agreement are subject to the satisfaction of the conditions precedent to such obligations for County's benefit set forth in Sections 8.2, 8.5 and 8.6. If any of such conditions is not fulfilled (or so waived in writing) pursuant to the terms of this Agreement, then County may terminate by written notice to City. In such event, City shall pay any escrow cancellation fees or charges, including the transaction costs set forth in Section 16.1 to the extent applicable, and except for obligations under the Agreement which expressly survive termination of the Agreement, the Parties shall have no further rights or obligations to one another under this Agreement.

9. Closing; Closing Date; Closing Procedure. The close of the purchase and sale transaction contemplated by this Agreement ("Closing") shall be deemed to occur as of the date and time that

the Purchase Price is paid to County and the Quitclaim Deeds are recorded in the Official Records of Los Angeles County ("Recorded").

9.1 The Closing shall occur by not later than the date that is thirty (30) days from the Effective Date, or such other date as County and City may agree in writing ("Closing Date").

9.2 By not later than two (2) Business Days prior to the Closing Date, City and County shall deliver to Escrow Holder the Closing Documents.

9.3 By not later than ten (10) days prior to the Closing Date, Escrow Holder shall commence preparation of an estimated settlement statement reflecting the allocation of the Purchase Price, any Prorations and Closing Costs ("Settlement Statement"), which it shall provide to City and County for review and approval no later than five (5) days prior to the Closing Date.

9.4 Upon (a) County's and City's written approval of the Settlement Statement, (b) confirmation from County that all of County's conditions precedent set forth in this Agreement below have been satisfied, and (c) confirmation from City that all of City's conditions precedent set forth in this Agreement have been satisfied, Escrow Holder shall cause the Quitclaim Deeds to be Recorded and then pay the entirety of the Purchase Price and any other funds due County under this Agreement in accordance with the Settlement Statement to County.

10. Acknowledgement of Condition of Property.

10.1 AS-IS SALE.

10.1.1 Neither County (except as expressly set forth in this Agreement or in any Closing Documents), nor any parent, affiliate, advisor, broker, officer, elected official, director, trustee, member, employee, agent, attorney or contractor of or for County, nor any employee, agent or affiliate of any of the foregoing (all of the foregoing including County are referred to herein, individually and collectively, as the "County Parties") is making or shall be deemed to have made, nor does any County Party have the authority to make, any express or implied representation, warranty, promise or statement, express or implied, of any kind or nature as to the Property (or its use or development thereof), County or the transaction provided for in this Agreement, including, without limitation, as to (A) the financial status of the Property, including without limitation, income or expenses generated, paid or incurred in connection with the Property, (B) the nature, physical or environmental condition, safety or any other aspect of the Property, including, without limitation, any patent or latent defects, surface or subsurface soil conditions, grading or construction defects or flaws, ground water issues, status of entitlements, adequacy of existing entitlements, availability of new entitlements, availability of water or other utilities or services at the Property, (C) the Property's compliance with applicable federal, state or municipal laws, statutes, ordinances, orders, rules, regulations, codes or other requirements (collectively, "Laws"), including, without limitation, zoning ordinances, subdivision Laws, building codes (including, without limitation, the Americans With Disabilities Act) and environmental, hazardous material and endangered species statutes, (D) the accuracy or completeness of any information or data provided or to be provided by County Parties, including, without limitation, copies of any reports or documents prepared for County Parties whether by third parties or otherwise which may be included with such information, or (E) any other matter relating to the Property, County or the transaction provided for in this Agreement.

10.1.2 City acknowledges and agrees that, except as otherwise expressly set forth in this Agreement or in any Closing Document: (1) City has been in possession of the Property and has had an opportunity to inspect and investigate the Property, and all aspects relating thereto, either independently or through agents and experts of City's choosing; (2) City shall rely upon City's own due diligence in determining whether the Property is suitable for purchase by City; (3) City is acquiring the Property based exclusively upon City's own investigations and inspections thereof; (4) County has no obligation to repair or correct any facts, circumstances, conditions or defects or compensate City therefor; and (5) by reason of all of the foregoing except as set forth in this Agreement or in any Closing Documents, City shall assume the full risk of any loss or damage occasioned by any fact, circumstance, condition or defect pertaining to the Property.

10.1.3 Without limiting the generality of the foregoing, City hereby acknowledges that, except as expressly set forth in this Agreement or in any Closing Documents, the Property will be sold to City "AS IS," "WHERE IS" and "WITH ALL FAULTS," and there are no representations or warranties, express or implied, made by County Parties in connection with the transaction contemplated in this Agreement.

10.2 MUTUAL RELEASE AND WAIVER.

10.3 EFFECTIVE UPON THE CLOSING, CITY HEREBY WAIVES, RELINQUISHES AND RELEASES EACH OF THE COUNTY PARTIES AND COUNTY HEREBY WAIVES, RELINQUISHES AND RELEASES EACH OF THE CITY, ITS ELECTED OFFICIALS, OFFICERS, ATTORNEYS, AGENTS, EMPLOYEES, DESIGNATED VOLUNTEERS, SUCCESSORS, ASSIGNS, AND CONTRACTORS (COLLECTIVELY, "CITY PARTIES") FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION (INCLUDING CAUSES OF ACTION IN TORT), LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES OF ANY AND EVERY KIND OF CHARACTER, KNOWN OR UNKNOWN (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND COSTS), ARISING FROM OR RELATING TO THE PROPERTY OR THE TRANSACTION DESCRIBED IN THIS AGREEMENT, WHICH, BUT FOR THIS RELEASE, CITY COULD ASSERT OR ALLEGE AGAINST THE COUNTY PARTIES OR COUNTY COULD ALLEGE AGAINST THE CITY PARTIES AND ANY AND ALL ACTS, OMISSIONS, EVENTS, CIRCUMSTANCES OR MATTERS ARISING FROM OR RELATING TO OR OTHERWISE REGARDING THE PROPERTY WHATSOEVER, EXCEPT AS EXPRESSLY SET FORTH OTHERWISE IN THIS AGREEMENT OR IN ANY CLOSING DOCUMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION 10.2, THE FOREGOING WAIVER, RELINQUISHMENT AND RELEASE SHALL NOT RELEASE COUNTY OR CITY, AS APPLICABLE, FROM (I) ANY TERMS OF, OR OBLIGATIONS UNDER, THIS AGREEMENT THAT EXPRESSLY SURVIVE THE CLOSING, OR (II) COUNTY'S OR CITY'S, AS APPLICABLE, FRAUD, WILLFUL MISCONDUCT, OR INTENTIONAL MISREPRESENTATION, OR (III) A BREACH BY COUNTY OF COUNTY'S EXPRESS REPRESENTATIONS IN SECTION 13.1 OF THIS AGREEMENT.

IN CONNECTION THEREWITH CITY AND COUNTY EXPRESSLY WAIVE ALL RIGHTS AND PRIVILEGES UNDER SECTION 1542 OF THE CALIFORNIA CIVIL CODE (AND UNDER ANY OTHER SIMILAR APPLICABLE LAW OR LEGAL PRINCIPLE) WHICH PROVIDES AS FOLLOWS:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER

SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

CITY AND COUNTY SHALL PLACE THEIR INITIALS BELOW TO AFFIRM THEIR RESPECTIVE AGREEMENT WITH THE FOREGOING WAIVER AND RELEASE.

City MV______ County______

THE FOREGOING WAIVER AND RELEASE SHALL SURVIVE THE CLOSING AND THE DELIVERY AND RECORDING OF THE QUITCLAIM DEEDS.

10.4 Survival. This Section 10 shall survive indefinitely the Closing, and delivery and recording of the Quitclaim Deeds, and shall remain in effect even if the other terms of the Agreement cease to be effective.

11. Cooperation. After the Effective Date and prior to the Closing Date, County shall use commercially reasonable efforts to cooperate with City in the satisfaction or removal of contingencies to Closing; provided, however, except for County's express obligations under this Agreement, County shall not be obligated to take any actions that may be reasonably expected to (a) adversely affect the Property or its value if the Closing does not occur and (b) give rise to any liability by County.

11.1 Assignment. City shall not have the right to assign this Agreement without the prior written consent of County, which shall be at County's sole and absolute discretion, and any such prohibited assignment shall be void. Any assignee shall assume all of City's obligations hereunder and succeed to all of City's rights and remedies hereunder and City shall deliver notice of such assignment to County not less than fourteen (14) Business Days prior to the Closing Date. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the respective legal representatives, successors, assigns, heirs and devisees of City, including successors in title.

12. Representations and Warranties.

12.1 County's Representations and Warranties. County represents and warrants to City that, except as otherwise disclosed to City, the following matters are true and correct as of the Effective Date and shall also be true and correct as of the Closing:

12.1.1 Organization. County is a body corporate and politic.

12.1.2 Authority. County has the full power and authority to enter into and comply with the terms of this Agreement and has obtained all necessary consents and approvals required for County to enter into and consummate the transaction described in this Agreement. The individual executing this Agreement on behalf of County and any other documents or agreements to be executed and/or delivered by County in connection with or pursuant to this Agreement has been duly authorized to do so.

12.1.3 Valid and Binding Obligations. This Agreement, and all instruments referenced herein to be executed by County in connection with the transaction described in this Agreement, are, or at the time of Closing will be, duly authorized, executed and delivered by County, and are, or at Closing will be, legal, valid and binding obligations of County and do not, and at the time of Closing will not, violate any provisions of any agreement or judicial order to which County is a party or to which County is subject.

12.1.4 No Breach. The execution and delivery of this Agreement, the consummation of the transaction contemplated by this Agreement and the compliance with the terms of this Agreement, will not, to County's actual knowledge, constitute a default under any contract or agreement to which County is a party or to which any portion of the Property is bound.

12.1.5 Insolvency. County is not the subject of any bankruptcy, insolvency, or reorganization proceeding.

12.1.6 Compliance with Recorded Documents. To County's actual knowledge, County has received no written notice that the Property is in violation of any easement, covenant, condition, restriction or similar provision in any instrument of record or other unrecorded agreement affecting the Property.

12.1.7 Litigation. There are no actions, suits, proceedings or claims pending and served, or to County's actual knowledge, contemplated, pending and unserved, or threatened, before any court, commission, regulatory body, administrative agency or other governmental or quasi-governmental body with respect to the Property, or the ability of County to consummate the transaction contemplated by this Agreement.

As used herein, the term "County's actual knowledge" means the current, actual and personal knowledge of (and only of), Joyce Chang, Senior Manager, Chief Executive Office – Real Estate Division, and does not include knowledge imputed to County from any other person or entity. County represents and warrants that the named individual is the person employed by the County most knowledgeable about the Property. The named individual is acting for and on behalf of County and in a capacity as an employee of County and is in no manner expressly or impliedly making any representations or warranties in an individual capacity. City waives any right to sue or to seek any personal judgment or claim against the named individual.

12.2 City's Representations and Warranties. City represents and warrants to County that the following matters are true and correct as of the Effective Date and also shall be true and correct as of the Closing:

12.2.1 OFAC Compliance. City is not a person or entity with whom U.S. persons or entities are restricted from doing business under the Office of Foreign Assets Control ("OFAC") regulations of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under and any U.S. statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action relating thereto.

12.2.2 Organization of City. The City is a municipal corporation, duly organized, validly existing, and in good standing under the laws of the State of California, and has full right, power, and authority to execute, deliver, and perform this Agreement and to consummate the transactions contemplated hereby.

12.2.3 Due Authorization, Execution and Delivery. City has taken all actions necessary to authorize the execution, delivery and performance of the terms and conditions of this Agreement and all other documents and agreements to be executed and/or delivered in connection with or pursuant to this Agreement. No further consent of any person or entity is required in connection with the execution and delivery of, or performance by City of its obligations under this Agreement.

12.2.4 Valid and Binding Obligations. This Agreement is, and all the Closing Documents executed by City shall be legal, valid, and binding obligations of City enforceable against City in accordance with their respective terms (except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency, moratorium and other principles relating to or limiting the right of contracting parties generally), and does not and shall not violate any provisions of any agreement to which City is a party or to which it is subject.

12.2.5 Insolvency. City is not the subject of any bankruptcy, insolvency, or reorganization proceeding.

12.2.6 No Breach. The execution and delivery of this Agreement, the consummation of the transaction contemplated by this Agreement and the compliance with the terms of this Agreement, will not, to City's actual knowledge, constitute a default under any contract or agreement to which City is a party or to which any portion of the Property is bound.

12.2.7 Authorized Signatory. The individual executing this Agreement on behalf of City and any other documents or agreements to be executed and/or delivered by City in connection with or pursuant to this Agreement has been duly authorized to do so.
As used herein, the term "City's actual knowledge" means the current, actual and personal knowledge of (and only of) Mr. Jeffrey Hernandez and does not include knowledge imputed to City from any other person or entity. City represents and warrants that the named individual is the person employed by the City most knowledgeable about City. The named individual is acting for and on behalf of City and in a capacity as a representative of City and is in no manner expressly or impliedly making any representations or warranties in an individual capacity. County waives any right to sue or to seek any personal judgment or claim against the named individual.

12.3 Survival. The representations and warranties contained in this Section 12 shall survive Closing and delivery and recording of the Quitclaim Deed and the Closing for a period of twelve (12) months and shall be deemed to have been made again at Closing as a condition to the Closing, and shall remain in full force and effect regardless of any investigation made by or on behalf of any Party or of the actual or constructive knowledge by any Party of any inaccuracy or breach thereof; provided, however, that in the case of County's or City's fraud or intentional or willful misrepresentation with respect to any representation or warranty, such representation and/or warranty shall survive until the expiration of the longest running applicable statute of limitations period.

13. Covenants. After the Effective Date, no part of the Property, or any interest therein, will be sold, further encumbered or otherwise transferred, and County will not, without City's prior written consent, which consent may be withheld in City's sole discretion, enter into any contracts or agreements that will affect the Property after the Closing. During the period commencing on the Effective Date, and ending on the first day after the earliest to occur of (a) City's default under this Agreement (after the expiration of all applicable notice and cure periods) or (b) any termination of this Agreement, County shall not list the Property with any broker (but any listing agreements entered into prior to the Effective Date may remain in effect in accordance with their terms, but may not be extended), solicit or accept any offers to purchase the Property (including obtaining backup offers), enter into any agreements (binding or not binding) to sell the Property or engage in discussions or negotiations with any third party with respect to the sale of the Property.

14. Risk of Loss.

14.1 Damage. City and County each waive the provisions of any applicable law (including, without limitation, the Uniform Vendor and Purchaser Risk Act, as enacted in California (Cal. Civil Code § 1662) that would render this Agreement unenforceable, or provide for any reduction in, or credit toward, the Purchase Price, in the event any of the Property is damaged or destroyed prior to the Close of Escrow.

14.2 Taking. If prior to the Closing, all or any portion of the Property is subject to a taking by any public authority, then this Agreement shall terminate, in which event the Parties shall each pay one-half (1/2) of any Escrow termination charges, any other funds or Closing Documents in Escrow shall be returned to the Party depositing the same, and neither Party shall have any further rights or obligations under this Agreement, except for those obligations that expressly survive the termination of this Agreement.

15. Default and Remedies.

15.1 County's Remedies. If City or County should fail to consummate this transaction by reason of City's default under this Agreement, then County may provide City written notice of County's intent to cancel the escrow and terminate this Agreement ("County Default Notice"). The County Default Notice shall set forth the nature of City's default in reasonable detail. City shall have ten (10) Business Days after receipt of the County Default Notice ("City Cure Period") to cure any defaults set forth in the County Default Notice and any other default that may thereafter arise. In the event that City does not cure the default described in the County Default Notice or any other City default that arises during the City Cure Period, then, upon expiration of the City Cure Period, County may instruct Escrow Holder to cancel the Escrow, and City shall reimburse County for all of County's transaction costs actually incurred in connection with this Agreement, not to exceed $50,000, and County shall thereupon be released from its obligations under this Agreement, except for those obligations that survive the termination of this Agreement. For purposes of this Section, the term "transaction costs" means all out-of-pocket title, escrow, legal, appraisal, and other fees and costs actually incurred by County in connection with entering into this Agreement. Promptly following Escrow Holder's receipt of County's instruction to cancel the Escrow, Escrow Holder shall (a) cancel the Escrow, and (b) disburse to County the amount of the transaction costs and any deficiency thereof shall be paid by City immediately upon demand by County or Escrow Holder. Without limiting the foregoing provisions of this Section 16.1, County waives any and all rights which County otherwise would have to all other claims to damages or other remedies or to specifically enforce this Agreement. This Section 16.1 shall not limit any attorneys' fees or costs to which County shall be entitled under Section 17.10 below or any indemnification obligations of City under this Agreement.

15.2 City's Remedies. If the Closing does not occur on or before the Closing Date as a result of a material default by County under this Agreement (and City is not otherwise in material default under this Agreement), then City may provide County written notice of County's default under this Agreement ("City Default Notice"). The City Default Notice shall set forth the nature of County's default in reasonable detail. County shall have ten (10) Business Days after receipt of the City Default Notice ("County Cure Period") to cure any defaults set forth in the City Default Notice and any other defaults that may thereafter arise. In the event that County does not cure the default described in the City Default Notice or any other County default that arises during the County Cure Period, then, upon expiration of the County Cure Period, as City's sole and exclusive remedy, City may elect any one of the following by delivering written notice to County within twenty (20) Business Days after the end of the County Cure Period: (a) pursuing specific performance of this Agreement so long as any petition for specific performance commenced by City against County shall be filed with the Superior Court of Los Angeles County and served within sixty (60) days after the scheduled Closing Date; or (b) waive the County default and proceed to the Close of Escrow; or (c) terminate this Agreement, and both City and County will thereafter be relieved of any further obligations or liabilities under this Agreement, except for those obligations which expressly survive any termination hereof. The foregoing options are mutually exclusive and are the exclusive rights and remedies available to City at law or in equity in the event the sale of the Property is not consummated because of a material default under or material breach of this Agreement on the part of County. Notwithstanding the foregoing, if County shall default under this Agreement by voluntarily conveying the Real Property to a third party prior to any termination of this Agreement, then City shall be entitled to bring an action against County for any and all damages suffered or incurred by City as a result of such default by County. City shall not record or file a notice of lis pendens or notice of pendency of action or similar notice against any portion of the Real Property, except if required only as a prerequisite to instituting legal proceedings for specific performance.

15.2.1 Special Remedies. County acknowledges the unique and special character of the Property and its utility to City and agrees that specific performance is an appropriate remedy for County's default under this Agreement.

15.2.2 Waiver of Other Remedies. City hereby waives all remedies not expressly set forth in this Section 15.2, including without limitation, any claim against County for damages of any type or kind (other than as expressly provided in this Section 15.2).

15.2.3 Time Periods. Failure of City to make the election described above in Section 16.2 within the twenty (20) Business Day period set forth above shall be conclusively deemed an election by City to pursue the remedy set forth in Section 15.2(b) above.

15.3 No Consequential or Punitive Damages. Notwithstanding anything to the contrary elsewhere in this Agreement, for matters arising under or related to this Agreement, each of County and City waives any right to bring an action or proceeding against the other for any consequential or punitive damages (other than as expressly provided in Section 15.2). This Section 15 shall indefinitely survive Closing and delivery and recording of the Quitclaim Deeds or termination of this Agreement.

16. Miscellaneous.

16.1 Exculpation of Certain Persons. No individual trustee, officer, elected official, director, shareholder, member, constituent partner, employee or agent of any Party, in his or her individual capacity as such, shall have any personal liability for the performance of any obligation of such Party under this Agreement solely by reason of such status.

16.2 Headings. Section headings of this Agreement are solely for convenience of reference and shall not govern the interpretation of any of the provisions of this Agreement. References to "Sections" are to sections of this Agreement, unless otherwise specifically provided.

16.3 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws.

16.4 Entire Agreement. This Agreement (together with its exhibits) contains the entire agreement and understanding between City and County with respect to the subject matter hereof. There are no oral understandings, terms or conditions, and neither Party has relied upon any representation, express or implied, that is not contained in this Agreement. This Agreement cannot be changed or supplemented orally, but only by an agreement in writing signed by both Parties.

16.5 Binding Effect. The covenants, terms, conditions, provisions, and undertakings in this Agreement shall extend to, and be binding upon, the successors and permitted assigns of the Parties.

16.6 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute a duplicate original hereof.

16.7 Exhibits. All references in this Agreement to "Exhibits" shall be construed as though the words "hereby made a part hereof and incorporated herein by this reference" were, in each case, appended thereto.

16.8 Brokers. The Parties hereby warrant that they have dealt with no real estate broker in this transaction and that no broker or other person is entitled to any commission, finder's fee or other similar compensation by virtue of the Parties entering into or consummating this Agreement. Each Party hereby defends and indemnifies the other Party against any claims, losses, liability and damages, including reasonable attorneys' fees and costs, in connection with any commissions, finders' fees or other similar compensation sought, based upon some obligation of the indemnifying Party with respect to this transaction. This Section 16.8 shall survive indefinitely the Closing and shall remain in effect even if the other terms of the Agreement cease to be effective.

16.9 Time of Essence. Time is of the essence of this Agreement and of the Escrow provided for herein.

16.10 Attorneys' Fees. If the services of an attorney are required by any Party to secure the performance of the other Party or otherwise upon the breach or default of the other Party, or if any judicial remedy is necessary to enforce or interpret any provision of this Agreement or the rights and duties of any Party in relation thereto, the prevailing Party shall be entitled to reasonable attorneys' fees, costs and other expenses, in addition to any other relief to which such Party may be entitled. This Section 17.10 shall survive indefinitely the Closing and shall remain in effect even if the other terms of the Agreement cease to be effective.

16.11 Waiver. Any of the terms or conditions of this Agreement may be waived at any time by the Party entitled to the benefit thereof, but no such waiver shall affect or impair the right of the waiving Party to require observance, performance or satisfaction either of that term or condition as it applies on a subsequent occasion or of any other term or condition of this Agreement.

16.12 Severability. If (a) any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable and (b) the invalidity or unenforceability of such a provision does not deny a Party the material benefit of this Agreement, then the remainder of the Agreement which can be given effect without the invalid provision shall continue in full force and effect and shall in no way be impaired or invalidated.

16.13 Real Estate Reporting Person. The Escrow Holder is hereby designated the "real estate reporting person" for purposes of Section 6045 of Title 26 of the United States Code and Treasury Regulation 1.6045-4 and any instructions or settlement statement prepared by the

Escrow Holder shall so provide. Upon the consummation of the transaction contemplated by this Agreement, the Escrow Holder shall file the Form 1099 information return and send the statement to County as required under the aforementioned statute and regulation.

16.14 Notice. All notices shall be in writing and either (a) personally served at the appropriate address (including by means of professional messenger service or recognized overnight delivery service, provided that any such delivery is confirmed by written receipts signed on behalf of the receiving Party or by adequate proof of service) or (b) deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, addressed to the appropriate addressee and shall be deemed received and effective on the day such notice is actually received if received before 5:00 p.m. on a Business Day, or on the following Business Day if received at any other time. All addresses of the Parties for receipt of any notice to be given pursuant to this Agreement are as follows:

If to County:

County of Los Angeles
Chief Executive Office
Real Estate Division
555 West Fifth Street, 36th Floor
Los Angeles, CA 90013
Attention: Joyce L. Chang

With a copy to:

County of Los Angeles
Office of the County Counsel
Property Division
500 West Temple Street, 6th Floor
Los Angeles, California 90012
Attn: Roberto Saldaña

If to City:

City of Pasadena
Office of the City Manager
100 North Garfield Avenue, Room S228
Pasadena, CA 91101
Attention: Miguel Márquez

With a copy to:

City of Pasadena
City Attorney's Office
100 N. Garfield Avenue, Room N-210
Pasadena, CA 91101
Attention: City Attorney

16.15 Further Assurances. In addition to the acts and deeds recited herein and contemplated to be performed, executed and/or delivered by either party at Closing, each Party agrees to perform, execute and deliver, but without any obligation to incur any additional liability or expense, on or after the Closing, any further deliveries and assurances as may be reasonably necessary to consummate the transactions contemplated hereby or to further perfect the conveyance, transfer and assignment of the Property to City.

[*Signatures on following page*.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

BUYER:

CITY OF PASADENA,
a municipal corporation

By: ______________________________
Nicholas G. Rodriguez, Assistant City Manager

ATTEST:

By: ______________________________ 8/4/26
Mark Jomsky, City Clerk

APPROVED AS TO FORM:

By: ______________________________
Dion O'Connell, Assistant City Attorney

SELLER:

COUNTY OF LOS ANGELES,
a body corporate and politic

JOSEPH M. NICCHITTA
Chief Executive Officer

By: ______________________________
Name: ____________________________
Title: ______________________________

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/County Clerk

By:______________________________
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: Roberto Saldaña
Roberto Saldaña
Senior Deputy County Counsel

ACKNOWLEDGMENT OF RECEIPT AND AGREEMENT OF ESCROW HOLDER

Commonwealth Land Title Insurance Company acknowledges receipt of a fully-executed copy or executed counterparties of this Agreement and agrees to act as Escrow Holder in accordance with the terms of this Agreement and to be bound by and perform the terms thereof as such terms apply to Escrow Holder.

Commonwealth Land Title Insurance Company

By:______________________________
Name:____________________________
Its:______________________________

Dated as of  ___________ __, 2026

# EXHIBIT A

## LEGAL DESCRIPTION

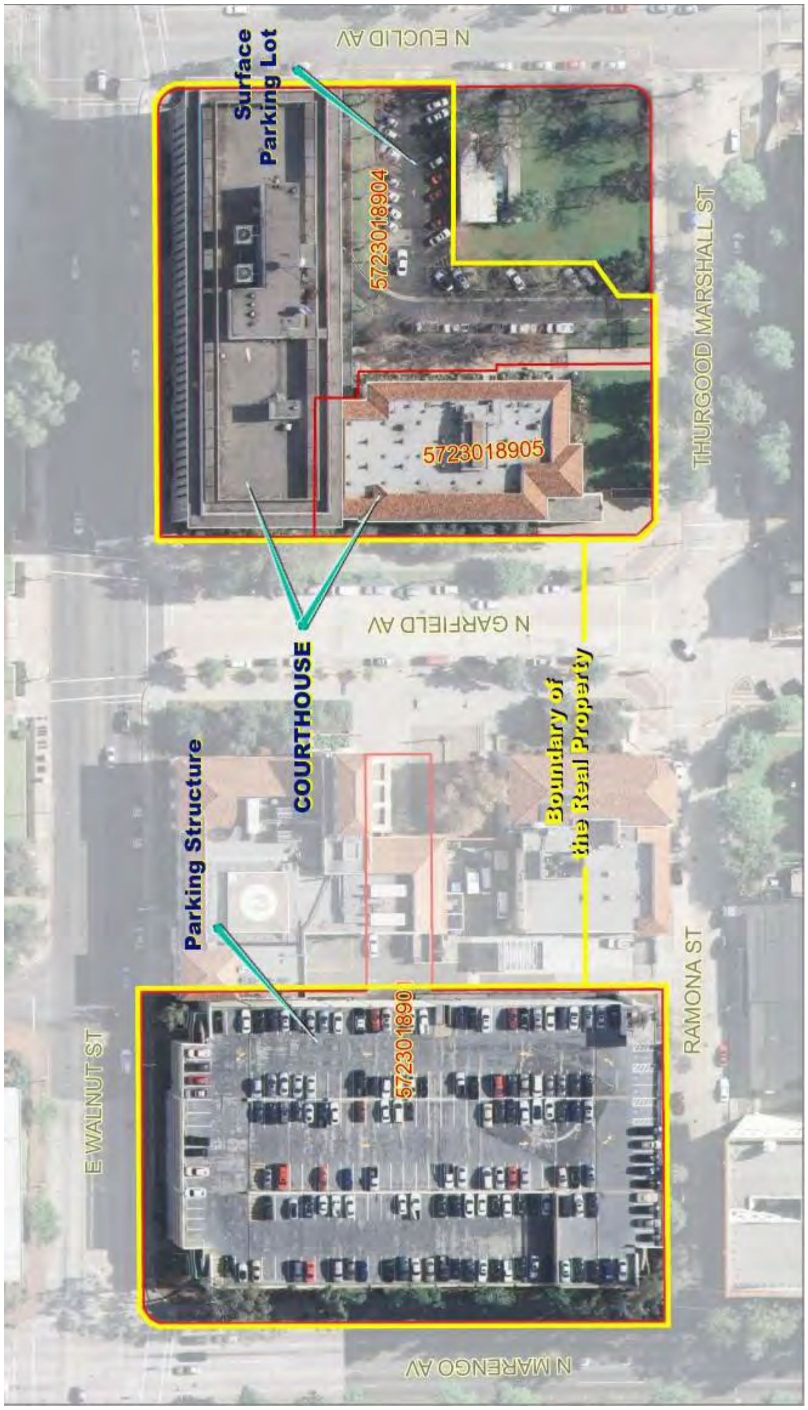
A PARCEL OF LAND, IN THE CITY OF PASADENA, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING A PORTION OF LOT 8 IN BLOCK "C" OF THE SAN PASQUAL TRACT, AS PER MAP RECORDED IN BOOK 3, PAGE 315, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND ALSO A PARTION OF LOTS 1, 2 AND 3 OF OGDEN'S SUBDIVISION, AS PER MAP RECORDED IN BOOK 14 PAGE 39 OF MISCELLANEOUS RECORDS, DESCRIBED AS A WHOLE AS FOLLOWS:

BIGINNING AT THE INTERSECTION OF THE WESTERLY LINE OF GARFIELD AVENUE, AS SHOWN ON MAP OF THE PASADENA CIVIC CENTER, AS RECORDED IN BOOK 181 PAGE 13 OF MAPS, IN THE OFFICE OF THE COUNTY RECORD OF SAID COUNTY, WITH THE NORTHERLY LINE OF SAID OGDEN'S SUBDIVISION, THENCE NORTHERLY ALONG SAID WESTERLY LINE OF GARFIELD AVENUE TO A LINE THAT IS PARALLEL WITH AND 45 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM SAID NORTHERLY LINE OF OGDEN'S SUBDIVISIONS; THENCE WESTERLY ALONG SAID PARALLEL LINE TO A LINE THAT IS PARALLEL WITH AND 228 FEET EASTERLY, MEASURED AT RIGHT ANGLES, FROM THE EXISTING EASTERLY LINE OF MARENGO AVENUE, 69 FEET IN WIDTH; THENCE NORTHERLY ALNG SAID LAST MENTIONED PARALLEL LINE TO THE SOUTHERLY LINE OF WALNUT STREET, AS SAID SOUTHERLY LINE WAS ESTABLISHED BY FINAL JUDGMENT IN CONDEMNATION HAD IN SUPERIOR COURT CASE NO 219347, AS RECORDED IN BOOK 7232 PAGE 202, OFFICIAL RECORDS OF SAID COUNTY RECORDER; THENCE WESTERLY AND SOUTHWESTERLY ALING SAID SOUTHERLY LINE OF WALNUT STREET TO SAID EASTERLY LINE OF MARENGO AVENUR; THENCE SOUTHERLY ALING SAID EASTERLY LINE TO THE NOTHERLY LINE OF ROMONA STREET, AS SAID NORTHERLY LINE WAS ESTABLISHED BY FINAL JUDGMENT IN CONDEMNATION HAD IN SUPERIOR COURT CASE NO. 144636, AS RECORDED IN BOOK 4607 PAGE 172, OFFICIAL RECORDS OF SAID COUNTY RECORDER, THENCE EASTERLY ALONG SAID LAST MENTIONED NORTHERLY LINE TO THE HEREINBEFORE MENTIONED LINE THAT IS PARALLEL WITH AND 223 FEET EASTERLY FROM SAID EASTERLY LINE OF MARENGO AVENUE; THENCE NORTHERLY ALONG SAID LAST MENTIONED PARALLEL LINE TO THE NORTHERLY LINE OF OGDEN'S SUBDIVISION AFORESAID; THENCE EASTERLY ALONG SAID LAST MENTIONED NORTHERLY LINE TO THE POINT OF BEGINNING.

APN: 5723-018-901 (Complete)

<u>EXHIBIT B</u>

SITE PLAN OF COURTHOUSE REAL PROPERTY AND PARKING STRUCTURE REAL PROPERTY



## EXHIBIT C

## LEGAL DESCRIPTION PARKING STRUCTURE

That portion of Lot 8, Block C, San Pasqual Tract, as shown on map recorded in Book 3, page 315, of Miscellaneous Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles and those portions of Lots 1, 2, and 3, Ogden's Subdivision, as shown on map recorded in Book 14, page 39, of said Miscellaneous Records, within the following described boundaries:

Beginning at the intersection of a line parallel with and 228 feet easterly, measured at right angles, from the easterly line of Marengo Avenue, 69 feet wide, as shown on map of Pasadena Civic Center, recorded in Book 181, pages 12 and 13, of Maps, in the office of said Registrar-Recorder/County Clerk and the southerly line of Walnut Street, as said southerly line was established by a Final Order of Condemnation, had in Superior Court Case No. 219347, a certified copy of which is recorded in Book 7232, page 202, of Official Records, in the office of said Registrar-Recorder/County Clerk; thence westerly and southwesterly along said southerly line to said easterly line; thence southerly along said easterly line to the northerly line of Ramona Street, 60 feet wide, as shown on said map of Pasadena Civic Center; thence easterly along said northerly line to said parallel line; thence northerly along said parallel line to the point of beginning.

APN: 5723-018-901 (Portion)

# EXHIBIT D

## LEGAL DESCRIPTION PANHANDLE PORTION

All that certain real property situate in the City of Pasadena, County of Los Angeles, State of California being a portion of that portion of Lot 8, Block C of the San Pasqual Tract as said Tract is shown on map recorded in book 3 page 315 of Miscellaneous Records in the office of the County Recorder of Los Angeles County, described as "Parcel 1" in that certain grant deed to the City of Pasadena recorded in Book 26774 page 417 of Official Records, being more particularly described as follows:

Beginning at the intersection of the Westerly line of Garfield A venue, 150 feet wide, as shown on map of the Pasadena Civic Center recorded in book 181 pages 12 and 13 of maps, in the office of the county Recorder of said County, with the Northerly line of Ogden's Subdivision as said Subdivision is shown on map recorded in Book. 14 page 39 of Miscellaneous Records of Los Angeles County; Thence Northerly along said Westerly line of Garfield Avenue N 0° 07' 00" E 45.00 Feet to a line that is parallel with and perpendicularly distant 45 Feet Northerly of said Northerly line of Ogden's Subdivision; Thence Westerly along said parallel line N 89° 53' 57" W 163.10 Feet to a line that is parallel with and 228 feet Easterly, measured at right angles, from the Easterly Right of Way Line of Marengo Avenue ,69 Feet in width, as shown on said map of Pasadena Civic Center, thence Southerly along last mentioned parallel line S 0° 08' 06" W 45.00 feet to said Northerly line of Ogden's Subdivision; Thence Easterly along said Northerly line of Ogden's Subdivision S 89° 53' 57" E 163.12 feel to the Point of Beginning.

EXHIBIT E-1

FORM OF QUITCLAIM DEED
(City Interest)

WHEN RECORDED
MAIL THIS DOCUMENT TO:

City of Pasadena
Office of the City Attorney
100 N. Garfield Avenue, Room S228
Pasadena, CA 91101
Attn: Brad Fuller, Assistant City Attorney

SPACE ABOVE THIS LINE FOR RECORDER'S USE

THIS DOCUMENT IS EXEMPT FROM DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11922 OF THE REVENUE & TAXATION CODE.

Assessor's Parcel Number:
______________________________

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE GOVERNMENT CODE.

**QUITCLAIM DEED**

For valuable consideration, receipt of which is hereby acknowledged, the COUNTY OF LOS ANGELES, a body corporate and politic, does hereby remise, release, and forever quitclaim to the CITY OF PASADENA, a municipal corporation, a thirty percent (30%) undivided interest, and to the COUNTY OF LOS ANGELES, a seventy percent (70%) undivided interest, together as tenants-in-common, in any and all rights, title, and interest that the COUNTY OF LOS ANGELES has or may have in and to the real property in the City of Pasadena, County of Los Angeles, State of California, described in **Exhibit A** attached hereto and by this reference made a part hereof.

**IN WITNESS WHEREOF,** the COUNTY OF LOS ANGELES, pursuant to Chapter 2.08.162 of the Los Angeles County Code, has caused this Quitclaim Deed to be executed on its behalf by the Chief Executive Officer, or her designee, on the __ day of _________, 20__.

[SIGNATURE ON FOLLOWING PAGE]

In WITNESS WHEREOF, Grantor has executed this Quitclaim Deed as of the date set forth below:

Dated: _______________, 2026

COUNTY OF LOS ANGELES,
a body corporate and politic

JOSEPH M. NICCHITTA
Chief Executive Officer

By: ______________________________
Name: ____________________________
Title: ____________________________

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/County Clerk

By:_____________________
Deputy

ACKNOWLEDGMENT

| |
|---|
| A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document. |

State of California )
County of Los Angeles )

On __________________ before me, ____________________________________________
(date) (insert name and title of the officer)
personally appeared ___________________________________________________________,
who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _________________________________ (Seal)

EXHIBIT A TO FORM OF QUITCLAIM DEED
(City Interest)

LEGAL DESCRIPTION

That portion of Lot 8, Block C, San Pasqual Tract, as shown on map recorded in Book 3, page 315, of Miscellaneous Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles and those portions of Lots 1, 2, and 3, Ogden's Subdivision, as shown on map recorded in Book 14, page 39, of said Miscellaneous Records, within the following described boundaries:

Beginning at the intersection of a line parallel with and 228 feet easterly, measured at right angles, from the easterly line of Marengo Avenue, 69 feet wide, as shown on map of Pasadena Civic Center, recorded in Book 181, pages 12 and 13, of Maps, in the office of said Registrar-Recorder/County Clerk and the southerly line of Walnut Street, as said southerly line was established by a Final Order of Condemnation, had in Superior Court Case No. 219347, a certified copy of which is recorded in Book 7232, page 202, of Official Records, in the office of said Registrar-Recorder/County Clerk; thence westerly and southwesterly along said southerly line to said easterly line; thence southerly along said easterly line to the northerly line of Ramona Street, 60 feet wide, as shown on said map of Pasadena Civic Center; thence easterly along said northerly line to said parallel line; thence northerly along said parallel line to the point of beginning.

APN: 5723-018-901 (Portion)

CERTIFICATE OF ACCEPTANCE

(California Government Code Section 27281)

This is to certify that interests in real property conveyed to or created in favor of the City of Pasadena by that certain Quitclaim Deed dated _________, 2026, executed by County of Los Angeles is hereby accepted by the undersigned officer on behalf of the City of Pasadena pursuant to the authority conferred by action or resolution of the City of Pasadena taken or adopted on _____________, 2026, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____________, 2026

____________________

EXHIBIT E-2

FORM OF QUITCLAIM DEED
(Panhandle Portion)

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

County of Los Angeles
Chief Executive Office
Real Estate Division
555 West Fifth Street, 36th Floor
Los Angeles, CA 90013
Attention: Joyce L. Chang

APNs: 5723-018-901 (Portion) (Space Above Line for Recorder's Use Only)

THIS DOCUMENT IS EXEMPT FROM DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11922 OF THE REVENUE & TAXATION CODE.

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE GOVERNMENT CODE.

QUITCLAIM DEED

For a valuable consideration, receipt of which is hereby acknowledged, the COUNTY OF LOS ANGELES, a body corporate and politic, does hereby remise, release, and forever quitclaim to the CITY OF PASADENA, a municipal corporation, all of the County's right, title, and interest in and to the real property in the City of Pasadena, County of Los Angeles, State of California, described in Exhibit A attached hereto and by this reference made a part hereof.

Subject to all covenants, conditions, restrictions, reservations, easements, rights, and rights-of-way of record, if any.

[*Signatures on Following Page*]

In WITNESS WHEREOF, Grantor has executed this Quitclaim Deed as of the date set forth below:

Dated: _______________, 2026

COUNTY OF LOS ANGELES,
a body corporate and politic

JOSEPH M. NICCHITTA
Chief Executive Officer

By: ______________________________
Name: ____________________________
Title: _____________________________

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/County Clerk

By:_____________________
Deputy

ACKNOWLEDGMENT

| A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document. |
|---|

State of California )
County of Los Angeles )

On __________________ before me, ___________________________________________
(date) (insert name and title of the officer)
personally appeared ________________________________________________________,
who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _________________________________ (Seal)

<u>EXHIBIT A TO FORM OF QUITCLAIM DEED</u>

<u>(Panhandle Portion)</u>

LEGAL DESCRIPTION

All that certain real property situate in the City of Pasadena, County of Los Angeles, State of California being a portion of that portion of Lot 8, Block C of the San Pasqual Tract as said Tract is shown on map recorded in book 3 page 315 of Miscellaneous Records in the office of the County Recorder of Los Angeles County, described as "Parcel 1" in that certain grant deed to the City of Pasadena recorded in Book 26774 page 417 of Official Records, being more particularly described as follows:

Beginning at the intersection of the Westerly line of Garfield A venue, 150 feet wide, as shown on map of the Pasadena Civic Center recorded in book 181 pages 12 and 13 of maps, in the office of the county Recorder of said County, with the Northerly line of Ogden's Subdivision as said Subdivision is shown on map recorded in Book. 14 page 39 of Miscellaneous Records of Los Angeles County; Thence Northerly along said Westerly line of Garfield Avenue N 0° 07' 00" E 45.00 Feet to a line that is parallel with and perpendicularly distant 45 Feet Northerly of said Northerly line of Ogden's Subdivision; Thence Westerly along said parallel line N 89° 53' 57" W 163.10 Feet to a line that is parallel with and 228 feet Easterly, measured at right angles, from the Easterly Right of Way Line of Marengo Avenue ,69 Feet in width, as shown on said map of Pasadena Civic Center, thence Southerly along last mentioned parallel line S 0° 08' 06" W 45.00 feet to said Northerly line of Ogden's Subdivision; Thence Easterly along said Northerly line of Ogden's Subdivision S 89° 53' 57'' E 163.12 feel to the Point of Beginning.

APN: 5723-018-901 (Portion)

CERTIFICATE OF ACCEPTANCE

(California Government Code Section 27281)

This is to certify that interests in real property conveyed to or created in favor of the City of Pasadena by that certain Quitclaim Deed dated _________, 2026, executed by County of Los Angeles is hereby accepted by the undersigned officer on behalf of the City of Pasadena pursuant to the authority conferred by action or resolution of the City of Pasadena taken or adopted on _____________, 2026, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____________, 2026

City Manager

EXHIBIT F

FORM OF GENERAL ASSIGNMENT

THIS ASSIGNMENT (Assignment) is made as of ___________, 2026, by and between COUNTY OF LOS ANGELES, a body corporate and politic (Assignor), and CITY OF PASADENA, a municipal corporation (Assignee).

Assignor, as seller, and Assignee, as buyer, have entered into an Purchase and Sale Agreement and Joint Escrow Instructions, dated as of ___________, 2026 (Purchase Agreement), under the terms of which the Assignor has sold to the Assignee the real property (Real Property) located in the City of Pasadena, County of Los Angeles, State of California, and described on Schedule A attached hereto. Capitalized words used but not defined in this Assignment shall have the meaning ascribed to them in the Purchase Agreement.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, the Assignor grants, sells, conveys, transfers and assigns to the Assignee, 30.0 percent interest of the Assignor's right, title and interest, if any, in, to and under the Real Property, including, without limitation, surveys, reports, plans and specifications, contract rights, warranties, guaranties, licenses, permits, entitlements, governmental approvals and certificates of occupancy (if any) which benefit the Real Property, in each case to the extent assignable or transferable (collectively referred to as the "Assigned Property"). The Assigned Property shall include but is not limited to (a) all right, title and interest of Assignor as landlord under the any leases which are identified on the rent roll attached hereto as Schedule B; and (b) all right, title and interest of Assignor in and to the contracts which are identified on the contract list attached hereto as Schedule C, to the extent that they are assignable, and have not been excluded pursuant to the terms of the Purchase Agreement.

By execution and delivery of the Assignment, Assignee acknowledges and agrees that Assignor shall be deemed to have delivered the items identified in the preceding paragraph, and Assignor shall have no further obligation to deliver such items.

The Purchase Agreement and each exhibit thereto as incorporated herein and by this reference made a part hereof.

Assignee assumes any and all obligations with respect to the Assigned Property arising from and after the date hereof.

The provisions of this Assignment are binding upon, and inure to the benefit of, the successors and assigns of the Assignor and the Assignee, respectively.

If any party files an action to enforce or construe the provisions of this Assignment, the prevailing party shall be entitled to recover from the other party all of its costs, expenses and reasonable attorneys' fees, including on appeal, in any bankruptcy proceeding and in connection with the enforcement of any judgment. As used herein, the term "prevailing party" shall mean the party who recovers a greater relief in an action to enforce or construe the provisions of this Assignment, whether or not damages are actually awarded to such party.

THIS ASSIGNMENT IS MADE AS-IS, WHERE IS, WITHOUT ANY WARRANTIES AND REPRESENTATIONS AS TO THE CONDITION OF THE ASSIGNED PROPERTY, AND THE

ASSIGNOR HAS MADE NO REPRESENTATIONS OR WARRANTIES EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ALL SUCH WARRANTIES BEING EXPRESSLY DISCLAIMED, AND ASSIGNEE HAS NOT RELIED ON ANY SUCH REPRESENTATIONS AND WARRANTIES. THIS INSTRUMENT SHALL NOT BE COVERED BY THE WARRANTIES PROVIDED BY ARTICLE 2 OF THE UNIFORM COMMERCIAL CODE OR ANY SIMILAR LAWS OF ANY JURISDICTION.

This Assignment may be executed in any number of counterparts, each of which will be deemed an original, but all of which when taken together constitute one and the same instrument. An emailed or electronic signature shall be sufficient to bind a party to this Assignment.

ASSIGNOR:

COUNTY OF LOS ANGELES,
a body corporate and politic

JOSEPH M. NICCHITTA
Chief Executive Officer

By: ______________________________
Name: ____________________________
Title: ______________________________

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/County Clerk

By:______________________________
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By:______________________________
Roberto Saldaña
Senior Deputy County Counsel

ASSIGNEE:

CITY OF PASADENA,
a municipal corporation

By: ______________________________
Nicholas G. Rodriguez, Assistant City Manager

ATTEST:

By: ______________________________ 8/4/26
Mark Jomsky, City Clerk

APPROVED AS TO FORM:

By: ______________________________
Dion O'Connell, Assistant City Attorney

[Signature Page]

CERTIFICATE OF ACCEPTANCE

(California Government Code Section 27281)

This is to certify that interests in real property conveyed to or created in favor of the City of Pasadena by that certain Quitclaim Deed dated _________, 2026, executed by County of Los Angeles is hereby accepted by the undersigned officer on behalf of the City of Pasadena pursuant to the authority conferred by action or resolution of the City of Pasadena taken or adopted on _____________, 2026, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: 8/3, 2026

City Manager

HOA.105671677.7

SCHEDULE A TO FORM OF GENERAL ASSIGNMENT

LEGAL DESCRIPTION
(City Interest + Panhandle Portion)

APN: 5723-018-901 (Portions)

# LEGAL DESCRIPTION PARKING STRUCTURE

That portion of Lot 8, Block C, San Pasqual Tract, as shown on map recorded in Book 3, page 315, of Miscellaneous Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles and those portions of Lots 1, 2, and 3, Ogden's Subdivision, as shown on map recorded in Book 14, page 39, of said Miscellaneous Records, within the following described boundaries:

Beginning at the intersection of a line parallel with and 228 feet easterly, measured at right angles, from the easterly line of Marengo Avenue, 69 feet wide, as shown on map of Pasadena Civic Center, recorded in Book 181, pages 12 and 13, of Maps, in the office of said Registrar-Recorder/County Clerk and the southerly line of Walnut Street, as said southerly line was established by a Final Order of Condemnation, had in Superior Court Case No. 219347, a certified copy of which is recorded in Book 7232, page 202, of Official Records, in the office of said Registrar-Recorder/County Clerk; thence westerly and southwesterly along said southerly line to said easterly line; thence southerly along said easterly line to the northerly line of Ramona Street, 60 feet wide, as shown on said map of Pasadena Civic Center; thence easterly along said northerly line to said parallel line; thence northerly along said parallel line to the point of beginning.

LEGAL DESCRIPTION PANHANDLE PORTION

All that certain real property situate in the City of Pasadena, County of Los Angeles, State of California being a portion of that portion of Lot 8, Block C of the San Pasqual Tract as said Tract is shown on map recorded in book 3 page 315 of Miscellaneous Records in the office of the County Recorder of Los Angeles County, described as "Parcel 1" in that certain grant deed to the City of Pasadena recorded in Book 26774 page 417 of Official Records, being more particularly described as follows:

Beginning at the intersection of the Westerly line of Garfield A venue, 150 feet wide, as shown on map of the Pasadena Civic Center recorded in book 181 pages 12 and 13 of maps, in the office of the county Recorder of said County, with the Northerly line of Ogden's Subdivision as said Subdivision is shown on map recorded in Book. 14 page 39 of Miscellaneous Records of Los Angeles County; Thence Northerly along said Westerly line of Garfield Avenue N 0° 07' 00" E 45.00 Feet to a line that is parallel with and perpendicularly distant 45 Feet Northerly of said Northerly line of Ogden's Subdivision; Thence Westerly along said parallel line N 89° 53' 57" W 163.10 Feet to a line that is parallel with and 228 feet Easterly, measured at right angles, from the Easterly Right of Way Line of Marengo Avenue ,69 Feet in width, as shown on said map of Pasadena Civic Center, thence Southerly along last mentioned parallel line S 0° 08' 06" W 45.00 feet to said Northerly line of Ogden's Subdivision; Thence Easterly along said Northerly line of Ogden's Subdivision S 89° 53' 57" E 163.12 feel to the Point of Beginning.

SCHEDULE B TO FORM OF GENERAL ASSIGNMENT

RENT ROLL

None

SCHEDULE C TO FORM OF GENERAL ASSIGNMENT

LIST OF CONTRACTS

None

# TERMINATION AGREEMENT
# REGARDING JOINT POWERS AGREEMENT
# FOR PARKING GARAGE PASADENA CIVIC CENTER

This Termination Agreement ("Termination Agreement") is entered into effective as of the last date signed ("Effective Date"), by and between the County of Los Angeles, a body corporate and politic ("County"), and the City of Pasadena, a municipal corporation ("City"), who are collectively referred to herein as the "Member Agencies" of the Pasadena Civic Center Joint Powers Authority, a California Joint Powers Authority ("Authority").

## RECITALS

A. The Authority was formed by the Member Agencies pursuant to the authority granted under that certain Joint Powers Agreement (No. 7256) dated November 22, 1966, as amended by that certain Amendment to Joint Powers Agreement No. 11599 for Parking Garage in the Pasadena Civic Center, dated October 13, 1970, and as further amended by that certain Amendment No. 2 Supplementing Joint Powers Agreement No. 11,599 for a Parking Garage in the Pasadena Civic Center, dated February 14, 1989 (collectively, the "JPA Agreement"), through which agreement the Member Agencies formed the Authority under the Joint Exercise of Powers Law of the State of California (constituting Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California) ("JPA Law").

B. The intent of the JPA Agreement, as amended, was to form a joint powers organization for the construction and use of a parking garage on certain real property located at 199 North Garfield Avenue, Pasadena, California as further described in Exhibit A to the JPA Agreement (Structure).

C. WHEREAS, the Member Agencies, subject to approvals by their respective governing bodies, desire to terminate the JPA Agreement, dissolve the Authority, and split all liabilities and obligations of the JPA Agreement pursuant to the terms and conditions set forth herein.

D. WHEREAS, the Authority has served its purpose and is no longer a party to any outstanding financing of public capital improvements or working capital requirements and the Authority has no Bonds or obligations remaining under the terms of any indenture, trust agreement, contract, agreement, lease, sublease, or other instrument.

E. WHEREAS, subject to the provisions hereof, the Member Agencies desire to, pursuant to Government Code Section 6510, to terminate JPA Agreement and to dissolve the Authority.

## AGREEMENT

NOW, THEREFORE, the Member Agencies hereby agree as follows:

1. Incorporation of Recitals. The Member Agencies hereby affirm the facts set forth in the Recitals above. Said Recitals are incorporated into this Termination Agreement by this reference.

2. Termination of JPA Agreement. Pursuant to Government Code Section 6510 of the JPA Law, the Member Agencies hereby agree that the JPA Agreement shall terminate, all obligations of the Member Agencies under the JPA Agreement shall cease, and all rights and powers of the Authority under the JPA Agreement shall cease, as of the _______________,

2026 ("Termination Date"). By virtue of the termination of the JPA Agreement, the Authority is dissolved as of the Termination Date.

3. Transition Period. Prior to termination, the Authority will continue to operate for the sole purpose of winding up its affairs ("Transitional Activities"). It is contemplated that all Transitional Activities will be completed prior to the Termination Date. In the event that the Transitional Activities cannot be completed prior to the Termination Date, then the Termination Date may be extended up to ninety (90) days with the written confirmation of each of the Member Agencies with the concurrence of their respective legal counsel.

4. Book and Records. The books and records of the Authority will be archived and stored by County for a period of five (5) years following the Termination Date or such longer period as may be required by applicable law. County has agreed to serve as a depository only and the Member Agencies agree that County will have no ongoing obligations with respect to the maintenance of such books and records following dissolution.

5. Dissolution of the Authority. Prior to the Termination Date, the Authority will make such filings as are necessary with the California Secretary of State and the State Controller to formalize the dissolution of the Authority.

6. Costs and Liabilities. The Member Agencies hereby agree to split equally amongst themselves all unpaid costs and liabilities upon dissolution of the Authority, including any necessary ordinary business expenses associated with winding up the affairs of the Authority.

7. Assets. On the Termination Date, it is anticipated that the Authority will own zero assets. If at any time in the future, an asset of the Authority is discovered, then the Member Agencies agree to liquidate that asset and distribute the proceeds to the County.

8. No Additional Funding; No Liability. In no event will any Member Agency be obligated to provide any additional funding for the operation or termination of the Authority other than those committed to in this Termination Agreement.

9. Future Claims. In the event that any third party makes a claim against the Authority or the Member Agencies following the Termination Date, the Member Agencies agree to meet and confer with respect to any such claim and mutually agree on the appropriate action to be taken to protect the Member Agencies. The Member Agencies agree that the terms of Section 12 of the JPA Agreement remain in full force and effect and will survive the termination of the JPA Agreement with regards to any third-party claim against the Authority or the Member Agencies following the Termination Date.

10. Notices, Demands and Communications Between the Member Agencies. Any notice to be given or to be served upon any of the Member Agencies hereto in connection with this Termination Agreement must be in writing and shall be deemed to have been given and received: (i) when personally delivered; (ii) two (2) days after it is sent by Federal Express or similar overnight courier, postage prepaid and addressed to the Member Agency for whom it is intended, at that Member Agency's address specified below; (iii) three (3) days after it is sent by certified or registered United States mail, return receipt requested, postage prepaid and addressed to the Member Agency for whom it is intended, at that Member Agency's address specified below; or (iv) as of the date of electronic mail transmission addressed to the Member Agency for whom it is intended, at that Member Agency's electronic mail address specified below subject to written verification of receipt by the receiving party, and provided that an

original of such notice is also sent to the intended addressee by means described in clauses (i), (ii), or (iii) within two (2) business days after such transmission. Either Member Agency may change the place for the giving of notice to it at any time by written notice to the other Member Agency as provided herein.

If to City:

City of Pasadena
City Attorney
City Hall
100 N. Garfield Avenue, Room N-210
Pasadena, CA 91109
Attention: Michele Bagneris, City Attorney
Email:________________________

If to the County:

County of Los Angeles
Chief Executive Office
Real Estate Division
555 West Fifth Street, 36th Floor
Los Angeles, CA 90013
Attention: Joyce L. Chang
Email: jchang@ceo.lacounty.gov

11. Counterparts. This Termination Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same instrument. Signatures may be delivered electronically and shall be binding upon the Member Agencies as if they were originals.

12. Mutual Cooperation; Further Actions and Instruments. Each of the Member Agencies shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Termination Agreement and the satisfaction of the conditions of this Termination Agreement. Each Member Agency agrees to perform any further acts and to execute and deliver any documents which may be reasonably necessary to carry out the provisions of this Termination Agreement.

13. Waiver. No delay or omission in the exercise of any right or remedy of a non-defaulting Member Agency on any default shall impair such right or remedy or be construed as a waiver. Either Member Agency's consent or approval of any act by the other Member Agency requiring its consent or approval shall not be deemed to waive or render unnecessary its consent to or approval of any subsequent act of the other Member Agency. Any waiver by either Member Agency of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Termination Agreement.

14. Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Termination Agreement, the rights and remedies of the Member Agencies are cumulative and the exercise by either Member Agency of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Member Agencies.

15. Legal Counsel. Each Member Agency acknowledges that: (i) it has read this Termination Agreement; (ii) it has had the opportunity to have this Termination Agreement explained to it by legal counsel of its choice; (iii) it is aware of the content and legal effect of this Termination Agreement; and (iv) it is not relying on any representations made by the other Member Agency or any of the employees, agents, representatives, or attorneys of the other Member Agencies, except as expressly set forth in this Termination Agreement.

16. Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Termination Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Termination Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder.

17. Binding Effect. The terms of this Termination Agreement shall inure to the benefit of, and shall be binding upon, each of the Member Agencies and their respective successors and assigns.

18. Authorized Representatives. The person or persons executing this Termination Agreement on behalf of the County and City warrant and represent that they have the authority to execute this Termination Agreement on behalf of that Member Agency and that they have the authority to bind that Member Agency to the performance of its obligations hereunder.

19. Dispute Resolution. In the event of any dispute, claim, or controversy arising out of or relating to this Agreement, the Member Agencies agree that they shall first attempt to settle the matter through good-faith mediation before resorting to litigation or any other legal procedure. The Member Agencies shall mutually agree upon a single mediator. If the Member Agencies cannot agree on a mediator within ten (10) business days of a written request for mediation, they shall request that a neutral third-party mediator be appointed by a recognized mediation service. The mediation shall be held in Pasadena, California and shall commence within 30 days of the selection of the mediator. The Member Agencies agree to participate in at least one full day of mediation sessions before declaring an impasse.

20. Financial Obligations. Regarding the financial obligations of the mediation process, the fees and expenses of the mediator and the cost of any hearing facility shall be shared equally by the Member Agencies. Each Member Agency shall be responsible for its own legal fees, expert witness fees, travel expenses, and any other costs associated with preparing for and attending the mediation. Even if a Member Agency later prevails in a subsequent lawsuit or arbitration, the costs incurred during this mediation phase shall remain the sole responsibility of each respective Member Agency and shall not be subject to reimbursement or fee-shifting. All offers, promises, conduct, and statements made in the course of the mediation shall be confidential and inadmissible in any subsequent legal proceeding to the maximum extent permitted by law.

21. Mutual Release. The Member Agencies each for itself and for each and all of their respective officers, agents, and employees, hereby agree to release, fully and forever, one another and all of each other Member Agencies' officers, agents, and employees, from any and all claims, damages, actions, judgments, obligations, attorney fees and disbursements, indemnities, subrogations, duties, demands, and liabilities, of any and every kind whatsoever, at law or in equity, liquidated or unliquidated, known or unknown, matured or unmatured,

foreseeable or unforeseeable, caused by or arising or resulting from any obligation of the Member Agencies under the JPA except for the obligations addressed by that certain Pasadena Courthouse Parking Structure Operating and Use Agreement And General Release, By and Among, The Judicial Council Of California, The County of Los Angeles, and The City of Pasadena, dated substantially concurrently herewith.

IN WITNESS WHEREOF, the parties hereto have executed this Termination Agreement as of the Effective Date.

[*Signature Page(s) Immediately Follow*]

CITY OF PASADENA,
a municipal corporation

By: ______________________________
Name: NICHOLAS G. RODRIGUEZ
Title: Assistant City Manager

ATTEST:

By: ______________________________
Mark Jomsky 8/4/26, City Clerk

APPROVED AS TO FORM:

By: ______________________________
Dion O'Connell, Assistant City Attorney

APPROVED AS TO FORM:

RICHARDS, WATSON & GERSHON

By: Andrew S. Bragin
Andrew S. Bragin, Esq., Outside Counsel

COUNTY OF LOS ANGELES,
a body corporate and politic

JOSEPH M. NICCHITTA
Interim Chief Executive Officer

By: ______________________________
John T. Cooke
Assistant Chief Executive Officer

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/County Clerk

By:______________________________
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: Roberto Saldaña
Roberto Saldaña
Senior Deputy County Counsel

Court Facility # 19-J3
County LACO #5399
Pasadena Courthouse Parking Structure
240 Ramona Street, Pasadena, CA 91101

**PASADENA COURTHOUSE PARKING STRUCTURE**

**OPERATING AND USE AGREEMENT AND GENERAL RELEASE**

**BY AND AMONG**

**THE JUDICIAL COUNCIL OF CALIFORNIA,**

**THE COUNTY OF LOS ANGELES, AND**

**THE CITY OF PASADENA**

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# PASADENA COURTHOUSE PARKING STRUCTURE OPERATING AND USE AGREEMENT AND GENERAL RELEASE

This Pasadena Courthouse Parking Structure Operating and Use Agreement and General Release is made an entered into on this ___ day of __________, 20__, by and among the JUDICIAL COUNCIL OF CALIFORNIA, an entity established by the Constitution of the State of California, the COUNTY OF LOS ANGELES, a body corporate and politic , and the CITY OF PASADENA, a municipal corporation, with reference to the following:

## RECITALS

**A.** Capitalized terms used in this Agreement shall have the meanings given to them in section 1 hereof.

**B.** The County and the City are parties to that certain Joint Powers Agreement for Parking Garage, Pasadena Civic Center (No. 7256), dated November 22, 1966, as amended by that certain Amendment to Joint Powers Agreement No. 11599 for Parking Garage in the Pasadena Civic Center, dated October 13, 1970, and as further amended by that certain Amendment No. 2 Supplementing Joint Powers Agreement No. 11,599 for a Parking Garage in the Pasadena Civic Center, dated February 14, 1989 (collectively, the **"JPA"**).

**C.** Pursuant to the JPA, on or about November 22, 1966, the City conveyed to **LACERA** fee title in and to the Parking Structure Land, and LACERA thereafter caused the Parking Structure to be constructed on the Parking Structure Land.

**D.** The County and the City have disputed the nature and rights of ownership of the Parking Structure Real Property and certain other adjacent property, and have entered into a stand-still agreement as part of Amendment No. 2 to the JPA.

**E.** On October 21, 2008, the Council and the County entered into that certain Original Transfer Agreement setting forth the terms and conditions for the transfer of responsibility for funding and Operation of the court facility commonly known as the Pasadena Courthouse (**"Pasadena Courthouse"**) and for conveyance to the State of California of the County's fee title to the Real Property, including the Parking Structure Real Property.

**F.** On October 21, 2008, the Council and the County entered into that certain Original JOA setting forth the terms for the ongoing joint occupancy, use, and Operation of the Real Property, including the Parking Structure Real Property, by the Council and the County.

**G.** Sections 5.2.2 and 7.1.4 of the Original Transfer Agreement make reference to certain "issues" in dispute between the County and the City related to the ownership of title in and to the Parking Structure Real Property. Pursuant to documents provided to the Council by the County during the negotiation of the Original Transfer Agreement and the Original JOA, the City has claimed that it is entitled to receive from the County an undivided 30.046 percent tenancy-in-common interest in fee title to the Parking Structure Real Property under the JPA.

**H.** A dispute has arisen among the Council, the County, and the City regarding: (i) whether the City is entitled, under the terms of the JPA, to receive from the County an undivided 30.046 percent interest in fee title to the Parking Structure Real Property; (ii) the County is obligated, under the terms of the Original Transfer Agreement, to convey to the State fee simple title in and to the Parking Structure Real Property; (iii) what rights and entitlements the Council, the County, and the City have, respectively, to receive any and all revenues that arise from Operation of the Parking Structure; and (iv) what obligations the Council, the County, and the City have, respectively, to perform the Operation of the Parking Structure and to share in payment of the costs arising from Operation of the Parking Structure.

**I.** Based on the terms of the JPA, the City claims and asserts that (i) the City is entitled to the ongoing use of 30.046 percent of the parking spaces in the Parking Structure; (ii) the City is entitled to receive from the County an undivided 30.046 percent interest in fee title to the Parking Structure Real Property; (iii) upon and after receipt of such fee title interest in the Parking Structure Real Property, the City is entitled to receive and share in 30.046 percent of all net revenues arising from Operation of the Parking Structure Real Property; and (iv) upon and after receipt of such fee title interest in the Parking Structure Real Property, the City will be obligated to pay a pro rata portion of the costs of Operation of the Parking Structure Real Property (collectively, the **"City Claims"**).

**J.** Based on the terms of the JPA, the Original Transfer Agreement, and the Original JOA, the County claims and asserts that (i) under the JPA, the City is entitled to the ongoing use and occupancy of 30.046 percent of the parking spaces in the Parking Structure; (ii) the City is entitled to receive from the County an undivided 30.046 percent interest in title to the Parking Structure Real Property; (iii) upon and after the City's receipt of such fee title interest in the Parking Structure Real Property, the City is entitled to receive and share in 30.046 percent of all net revenues arising from Operation of the Parking Structure Real Property; (iv) upon and after receipt of such fee title interest in the Parking Structure Real Property, the City is obligated to pay 30.046 percent of the costs of Operation of the Parking Structure Real Property; (v) the State Parties knew or should have known, based on the County's disclosure of the JPA and the terms of the Original Transfer Agreement and the Original JOA, each and all of the matters described in subparts (i) through (iv) of this Recital; and (vi) all provisions of the Original Transfer Agreement and the Original JOA were intended to be interpreted, and should be interpreted, in a manner consistent with the foregoing provisions of this Recital (collectively, the **"County Claims"**).

**K.** Based on the terms of the Original Transfer Agreement and the Original JOA, the Council claims and asserts that (i) the County is obligated to complete the Transfer of Title including conveyance to the State of fee title to the entirety of the Courthouse Real Property and the entirety of the Parking Structure Real Property; (ii) the Council did not actually know and did not have constructive knowledge of the City Claims or the County Claims at the time the Council entered into Original Transfer Agreement and the Original JOA; (iii) under the express terms of the Original JOA, the Council is entitled to receive all net revenues arising from Operation of the Parking Structure Real Property and the County received separate consideration for that promise in connection with the calculation of the County Facilities Payment for the court facility located in the Courthouse Real Property; and (iv) to the extent that the City is legally entitled to the ongoing use and occupancy of 30.046 percent of the parking spaces in the Parking Structure, all such parking spaces that are in excess of those allocated to the City pursuant to the Original Transfer

Agreement and the Original JOA must be provided to the City from the County Parking in the Parking Structure that is provided for in the Original Transfer Agreement (collectively, the **"Council Claims"**).

**L.** Section 5.2.2 of the Original Transfer Agreement provides that the Transfer of Title will not occur until after the County has fully and finally resolved with the City all issues related to ownership of title in and to the Parking Structure Real Property.

**M.** For purposes of this Agreement, the City Claims, the County Claims, and the Council Claims are sometimes collectively referred to as the **"Existing Party Claims."**

**N.** The Council, the County, and the City now wish to fully, finally, and forever settle, compromise, and resolve any and all City Claims, County Claims, and Council Claims on the terms set forth in this Agreement.

## AGREEMENT

**NOW, THEREFORE,** in consideration of the foregoing recitals, which are hereby deemed a contractual part of this Agreement, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Council, the County, and the City hereby agree as follows:

**1. Defined Terms.** In this Agreement, the following terms shall have the meanings given to them in this section 1.

**"Act"** means the Trial Court Facilities Act of 2002 (Chapter 1082, Statutes of 2002), as amended by later statutes.

**"Agreement"** means this Pasadena Courthouse Parking Structure Operating and Use Agreement and General Release.

**"ARJOA"** means the Amended and Restated Joint Occupancy Agreement between the Council and the County of approximately even date with this Agreement.

**"ARTA"** means the Amended and Restated Transfer Agreement between the Council and the County of approximately even date with this Agreement.

**"Building Equipment"** means all installed equipment and systems that serve the Parking Structure generally, and only that plumbing that is within the walls of the Parking Structure, but excludes any plumbing fixtures (e.g., sinks, toilets, showers, etc.) that are physically located within the City Exclusive Parking Area. The Building Equipment also excludes the City Exclusive Parking Area Equipment and any City Equipment.

**"City"** means the City of Pasadena, a municipal corporation.

**“City Exclusive Parking Area”** means the fenced and gated area on the first floor of the Parking Structure containing 189 parking stalls, which 189 parking stalls comprise a portion of the City Parking and are for the exclusive use of the City, together with all City Exclusive Parking Area Equipment. For clarification, the City Exclusive Parking Area does <u>not</u> include any: (a) Building Equipment; (b) the foundations, exterior walls, load-bearing walls, support beams, posts, and pillars, exterior windows, the roof, and/or any other structural parts of the Parking Structure Real Property; (c) driveways, drive aisles, walkways, stairwells, and other means of access to, from, and through the Parking Structure Real Property other than those that are (i) for the primary purpose of providing ingress to and/or egress from the City Exclusive Parking Area, (ii) primarily for the benefit and use of the City, and/or (iii) physically located within the fences that enclose the City Exclusive Parking Area; and (d) Utilities and/or Utilities raceways, piping, wiring, conduits, or cables for Utilities that serve the Parking Structure Real Property generally and can be differentiated as such, whether they are physically located outside or within the fences that enclose the City Exclusive Parking Area. For additional clarification, those access ways described in subparts (c)(i), (ii), and (iii) of this definition are included in and a part of the City Exclusive Parking Area.

**“City Exclusive Parking Area Equipment”** means all existing and future fixtures, equipment, systems, devices, appurtenances, and other City owned or controlled personal property located within, on, or adjacent to the City Exclusive Parking Area that primarily benefits or serves the City Exclusive Parking Area, including without limitation, fencing, the mechanical gate, and any and all security, life safety, and environmental protection equipment, systems, or devices.

**“City Equipment”** means all existing and future fixtures, equipment, systems, devices, appurtenances, and other City owned or controlled personal property located on, under, over, or within the Parking Structure Real Property (including, without limitation, that certain diesel engine-powered emergency generator and related fuel tank(s), equipment, systems, and devices) that serve any property owned or controlled by the City other than the Parking Structure Real Property.

**“City Parking”** means, with respect to the Parking Structure only, 288 parking spaces in the Parking Structure, 189 of which are located in the City Exclusive Parking Area and dedicated to the exclusive use of the City, and the other 99 of which are parking spaces used by the City on a first come, first served basis together with the County and the Superior Court.

**“City Parking Structure Share”** means 30 percent, which is the percentage of the 963 parking spaces in the Parking Structure that is allocated to the City commencing on the Effective Date.

**“City Parties”** means the City and its officers, elected officials, agents, and employees.

**“City Revenue Share”** means 13 percent, which is the percentage of the Net Revenues to which the City is entitled.

**“City TIC Interest”** means an undivided 30 percent interest in the Parking Structure Real Property held as tenants-in-common with the County.

**"Closing Costs"** means, in connection with any sale, transfer, or conveyance of all or any part of or interest in the Parking Structure Real Property, costs and expenses incurred by the County and/or the City for real estate brokerage commissions, title insurance premiums, escrow fees and charges, recording fees, documentary transfer taxes, and prorations of Utilities and/or assessments affecting the Parking Structure Real Property.

**"Contractors"** means all Third-Party contractors, vendors, service providers, and all levels of subcontractors, and their respective employees, consultants, and representatives, that provide goods, services, or supplies to the Parking Structure Real Property with respect to the Operation or alteration of the Parking Structure Real Property.

**"Contributing Parties"** means the County and the City.

**"Council"** means the Judicial Council of California, an entity established by the Constitution of the State of California.

**"Council Parking Structure Share"** means 49 percent, which is the percentage of the 963 parking spaces in the Parking Structure that is allocated to use by the Superior Court commencing on the Effective Date.

**"Council Revenue Share"** means 87 percent, which is the percentage of the Net Revenues to which the Council is entitled.

**"County"** means the County of Los Angeles, a body corporate and politic.

**"County Authorized Signatory"** means the person or persons authorized by the County Board of Supervisors to execute this Agreement, the Deed, and all other agreements, instruments, or documents to be signed by the County pursuant to the terms of this Agreement, as more fully provided in the County Authorizing Document.

**"County Authorizing Document"** means a copy of one or more certified orders by the County Board of Supervisors evidencing that the County has taken all steps and obtained all approvals required to authorize (a) the County Authorized Signatory to execute, enter into, and deliver this Agreement on behalf of the County; (b) the County Authorized Signatory to execute, enter into, and deliver on behalf of the County all other agreements, instruments, and documents to be signed and delivered by the County pursuant to the terms of this Agreement, including without limitation, the Deed; and (c) the County to perform its obligations under this Agreement, the Deed, and all such other agreements, instruments, and/or documents signed and delivered by the County hereunder.

**"County Parking"** means, with respect to the Parking Structure only, 207 parking spaces in the Parking Structure.

**"County Parking Structure Share"** means 21 percent, which is the percentage of the 963 parking spaces in the Parking Structure that is allocated to use by the County commencing on the Effective Date.

**“County Parties”** means the County and its officers, elected officials, agents, and employees.

**“County Recorder”** means the Office of the County Recorder of Los Angeles County, California.

**“County TIC Interest”** means an undivided 70 percent interest in the Parking Structure Real Property held as tenants-in-common with the City.

**“Courthouse Real Property”** means, together, the building commonly known as the Pasadena Courthouse, having a street address of 300 E. Walnut Street, Pasadena, California 91101, and the land on which said Pasadena Courthouse is situated, as more fully described in the ARTA.

**“Courthouse Shares”** means 69.35 percent for the Council and 30.65 percent for the County. The City occupies no space in the Pasadena Courthouse and has no Courthouse Share.

**“Deed”** means the document titled Quitclaim Deed that is similar in form and content to the document attached to this Agreement as **Exhibit “C”** and by which the County will convey the City TIC Interest to the City when the Deed has been authorized and signed by the County, accepted by the City Council via the City’s **“Acceptance Document”** to be affixed thereto, and recorded with the County Recorder.

**“Defect“** means any condition of, damage to, or defect in the Parking Structure Real Property (other than in or to the City Exclusive Parking Area, the City Exclusive Parking Area Equipment, and/or the City Equipment) that: (a) threatens the life, health, or safety of persons occupying or visiting the Parking Structure Real Property; (b) unreasonably interferes with, disrupts, or prevents any Party’s or the Superior Court’s occupancy or use of the Parking Structure Real Property in an orderly, neat, clean, safe, and functional environment; (c) threatens the security of the employees, guests, invitees, or patrons of any Party or the Superior Court; (d) threatens to diminish the value of the Parking Structure Real Property, or threatens to damage or destroy the personal property of a Party or the Superior Court; or (e) causes or exacerbates an unsafe, unsanitary, unlawful, or non-functional condition affecting the Parking Structure Real Property (other than the City Exclusive Parking Area).

**“Dispute”** means, as of October 21, 2008, each and every pending or threatened claim, liability, litigation, arbitration, mediation, administrative proceeding, settlement negotiation, or other dispute-resolution proceeding, between the County and any third party, related to the Real Property, or any part thereof.

**“Effective Date”** means the date on which this Agreement is signed by the last of the Parties to sign it.

**“Emergency“** means a sudden, unexpected event or circumstance in, on, or affecting the Parking Structure Real Property, that (a) results in a Defect, and (b) constitutes an imminent threat (i) to life, safety, health, or security, or (ii) of reduction in the value of the Parking Structure Real Property.

**"Equipment Permits"** means all governmental permits, plans, certificates, and approvals required for the lawful operation of any Parking Structure Equipment.

**"Equity"** means the term "equity" as used and referred to in the Act, the Original Transfer Agreement, and the Original JOA.

**"Equity Release Agreements"** means the documents titled Equity Release Agreement that will be delivered by the Council and the County to one another concurrently with the recordation of the Deed in the office of the County Recorder, which shall be substantially in form and content as provided in **Exhibit "D"** and **Exhibit "E"** attached hereto and made a part hereof.

**"Estimated Shared Costs of Operation"** means the Managing Party's reasonable, itemized estimate of the Shared Costs for a fiscal year during the Term, exclusive of Utility Costs, costs of Operation of the City Exclusive Parking Area, and costs of any kind or nature whatsoever associated with the City Equipment..

**"Hazardous Substance"** means any hazardous or toxic material, substance, or waste that is regulated or governed by any Law.

**"JPA"** has the meaning given to it in the Recitals of this Agreement.

**"LACERA"** means the Los Angeles County Employees' Retirement Association.

**"Law"** means State, federal, and local codes, ordinances, laws, regulations, the California Rules of Court, and judicial and administrative orders and directives, to the extent binding on the County, the Council, the City, the Superior Court, or the Parking Structure Real Property, and issued by a court or governmental entity with jurisdiction over the County, the Council, the City, the Superior Court, or the Parking Structure Real Property.

**"Liability Claim"** means any demand, complaint, cause of action, or claim alleging (a) bodily injury to or death of a Third Party (excluding any employees of State Parties, County Parties, or City Parties acting within the scope of their employment as such) in, on, or about the Parking Structure Real Property, or (b) damage to or destruction of personal property of a Third Party (other than personal property of a State Party, a County Party, or a City Party) in, on, or about the Parking Structure Real Property.

**"Major Defect"** means any Defect: (a) that cannot, with reasonable diligence, be corrected within 10 days, or (b) as to which the estimated cost to correct is reasonably expected to exceed $10,000.

**"Managing Party"** means the Council.

**"Miles Court Order"** means the executed Master Stipulation and Order Regarding Class Action Settlement filed on January 31, 2006 in the matter captioned *Miles, et al. v. County of Los Angeles, et al.*, USDC-CD No. CV 02-03932.

**"Net Revenues"** means, for a designated period of time, all revenues arising from Operation, occupancy, and/or use of the Parking Structure Real Property by one or more Occupants or other Third Parties including, but not limited to, sums paid by any Occupant of the Parking Structure Real Property under an Occupancy Agreement, net of all Shared Costs incurred with respect to the Parking Structure Real Property for the same time period, including, without limitation, any and all costs and expenses incurred by the Managing Party and/or the Third Party parking manager in connection with the collection of any such Net Revenues.

**"Non-Owning Party"** means the Party or Parties that is or are not the Owner of the Parking Structure Real Property.

**"Occupancy Agreement"** means any written agreement that entitles a Third Party to occupy or use some or all of the Parking Structure Real Property, and solely with respect to the Parking Structure Real Property, the term "Occupancy Agreement" shall include, but not be limited to, any verbal or written license or other agreement or arrangement under which a Third Party parks and/or is entitled to park one or more vehicles in the Parking Structure on a paid basis.

**"Occupant"** means any Third Party that occupies, possesses, or uses the Parking Structure Real Property under an Occupancy Agreement.

**"Operation"** means the administration, management, maintenance, repair, and replacement, as and when necessary, of designated areas of the Parking Structure Real Property.

**"Original JOA"** means the document titled Joint Occupancy Agreement that was signed by the Council and County on October 21, 2008.

**"Original Transfer Agreement"** means the agreement titled "Transfer Agreement" entered into by and between the Council and the County dated October 21, 2008, together with the Exhibits attached thereto.

**"Owner"** means the Party or Parties that own fee title to the Parking Structure Real Property. Before conveyance of the City TIC Interest to the City, the Owner is the County. After conveyance of the City TIC Interest to the City, the Owner will be the County and the City, together as tenants-in-common.

**"Parking Structure"** means the Pasadena Courthouse Parking Structure, also known as County Auto Park 53, located on the Parking Structure Land with a street address of 240 Ramona Street, as shown on **Exhibit "B"** to this Agreement and made a part hereof, containing 963 parking spaces.

**"Parking Structure Equipment"** means all existing and future fixtures, equipment, systems, devices, and/or appurtenances that serve the Parking Structure Real Property generally. For clarification, the Parking Structure Equipment specifically excludes all City Exclusive Parking Area Equipment and all City Equipment.

**"Parking Structure Land"** means the real property on which the Parking Structure is located, comprising approximately 1.9 acres, as described on **Exhibit "A"** to this Agreement, including (a) rights to enter and exit the Parking Structure Land, (b) recorded and unrecorded rights to water, water stock, oil, gas, minerals, and timber related to the Parking Structure Land, (c) existing, granted development permits, entitlements, and air and view rights, but subject to all covenants, conditions, restrictions, reservations, easements, rights, and rights of way of record, if any.

**"Parking Structure Real Property"** means, together, the Parking Structure and the Parking Structure Land. For clarification, the Parking Structure Real Property includes all areas of the Parking Structure and/or the Parking Structure Land that are used non-exclusively and in common by, or for the common benefit of, the Council, the Superior Court, the County, the City, and any Occupants including: (a) Building Equipment; (b) foundations, exterior walls, load-bearing walls, support beams, posts, and pillars, exterior windows, the roof, and all other structural parts of the Parking Structure, whether or not such structural components are located within the fences that enclose the City Exclusive Parking Area; (c) driveways, drive aisles, walkways, stairwells, and other means of access to, from, and through the Parking Structure Real Property, but excluding those that are (i) for the primary purpose of providing ingress to and/or egress from the City Exclusive Parking Area, (ii) primarily for the benefit and use of the City, and/or (iii) physically located within the fences that enclose the City Exclusive Parking Area; and (d) Utilities and Utilities raceways, piping, wiring, conduits, or cables for Utilities that serve the Parking Structure Real Property generally and can be differentiated as such, whether they are physically located outside or within the fences that enclose the City Exclusive Parking Area. For clarification, those access ways described in subparts (c)(i), (ii), and (iii) of this definition are included in and a part of the City Exclusive Parking Area.

**"Parking Structure Shares"** means, collectively, the Council Parking Structure Share, the County Parking Structure Share, and the City Parking Structure Share.

**"Party"** means any one of and **"Parties"** means any two or more of the Council, the County, and the City, as determined by the context in which the term is used.

**"Property Claim"** means any claim or demand submitted by a Party under its Property Insurance Policy arising from or related to the physical loss of or damage to the Parking Structure Real Property.

**"Property Insurance Costs"** means those premiums required to provide or maintain any Property Insurance Policies obtained by a Party.

**"Property Insurance Policies"** means any policies of property insurance, self-insurance, or other forms of coverage obtained by a Party to insure against Property Loss.

**"Property Loss"** means any physical loss of, damage to, or destruction of the Parking Structure Real Property that arises from a cause other than the gross negligence or willful misconduct of a State Party, a County Party, or a City Party. The term Property Loss shall not mean or include physical loss of, damage to, or destruction of any City Exclusive Parking Area Equipment or any City Equipment, which will at all times be the sole and exclusive responsibility of the City.

**"Real Property"** means, together, the Courthouse Real Property and the Parking Structure Real Property.

**“Revenue Shares”** means, together, the Council Revenue Share and the City Revenue Share.

**“Shared Costs”** means: (a) the cost of owned or rented capital replacement items, improvements, equipment, and repairs in or benefiting the Parking Structure Real Property; (b) the cost of normal, day-to-day Operation of the Parking Structure Real Property; (c) the cost of obtaining and maintaining Equipment Permits (but excluding any late fees, interest, penalties, or other charges arising from the Managing Party’s failure to timely pay such cost or keep the Equipment Permits in effect); and (d) Utility Costs for the Parking Structure Real Property. Shared Costs do not include: (a) any cost that is primarily for the purpose of benefiting the City Exclusive Parking Area (including, without limitation, costs associated with (i) those driveways, drive aisles, walkways, stairwells, and other means of access that are for the primary purpose of providing ingress to and/or egress from the City Exclusive Parking Area, and/or primarily for the benefit and use of the City, and/or physically located within the fences that enclose the City Exclusive Parking Area, and (ii) City Exclusive Parking Area Equipment) and can be differentiated as such, which costs shall be the sole and exclusive responsibility of the City, as provided in section 3.3.1 of this Agreement; (b) any cost that is primarily for the purpose of benefiting any or all of the City Equipment and can be differentiated as such, which costs shall be the sole and exclusive responsibility of the City, as provided in section 3.3.1 of this Agreement; (c) overtime charges or late fees related to any item that would otherwise be a Shared Cost, unless those overtime expenses or late fees are pre-approved by all Parties or are necessary to abate or remedy an Emergency; (d) any Property Insurance Costs, unless the Parties enter into the separate, written agreement described in section 7.1 of this Agreement; (e) any fees, fines, penalties, interest, or other charges arising from the Managing Party’s Operation of the Parking Structure Real Property in a negligent manner or a manner that does not comply with Law; or (f) any costs or expenses that are expressly allocated to the City pursuant to this Agreement.

**“State”** means the State of California.

**“State Parties”** means, collectively, the State, the Council, and the Superior Court, and **“State Party”** means any one of the State Parties, as determined by the context in which the term is used.

**“Superior Court”** means the Superior Court of California, County of Los Angeles.

**“Superior Court Parking”** means, with respect to the Parking Structure only, 468 parking spaces in the Parking Structure.

**“Term”** means the term of this Agreement, which commences on the Effective Date and ends when the Parties have entered into a separate written agreement terminating this Agreement.

**“Third Party”** means any person, entity, or governmental body other than a State Party, a County Party, or a City Party, and **“Third Parties”** means any two or more such persons, entities, or governmental bodies other than a State Party, a County Party, or a City Party.

**“Transfer of Responsibility”** means the County’s full and final grant, transfer, and absolute assignment, and conveyance to the Council, and the Council’s full and final acceptance and assumption of, entitlement to, and responsibility for, all of the County’s rights, duties, and liabilities arising from or related to the Court Facility, in accordance with the Original Transfer Agreement, as superseded, modified, and replaced by the ARTA, except that the Transfer of Responsibility did not and does not include those duties and liabilities expressly retained by the County under the Original Transfer Agreement, the ARTA, and/or the Act, or any responsibility for Disputes arising from or related to facts or circumstances occurring prior to October 21, 2008, which was the **"Responsibility Transfer Date."**

**"Transfer of Title"** means the County's conveyance to the State of any and all right, title, and interest the County has, or may have, in and to the Courthouse Real Property.

**"Utilities"** means all utilities (including without limitation, electricity, water, sewer, and trash removal) provided to the Parking Structure Real Property, except for telecommunications and internet services provided by Third Parties.

**"Utility Costs"** means the actual cost of providing Utilities to the Parking Structure Real Property.

**2. Title to and Equity in the Parking Structure Real Property.**

2.1. Council's Waiver. Subject to the terms set forth in section 2.3.1, below, the Council hereby fully and forever waives, relinquishes, releases, and agrees to forego any and all right that the Council has, or may have, under the terms of the Act, the Original Transfer Agreement, the Original JOA, or otherwise, to receive from the County fee simple title to the Parking Structure Real Property.

2.2. Conveyance of TIC Interest to the City. Within 10 business days after the Effective Date, the County shall quitclaim and convey to the City the City TIC Interest in the Parking Structure Real Property. The County's conveyance of such City TIC Interest to the City shall be achieved by virtue of the County's execution of the Deed and delivery of the original executed and notarized Deed to the City along with a copy of the County Authorizing Document. As promptly as possible following the City's receipt of the original Deed and a copy of the County Authorizing Document, the City shall cause (a) the City's Acceptance Document to be signed and affixed to the original Deed; and (b) the original Deed to be recorded with the County Recorder. Upon recordation of the Deed, the City shall provide the County and the Council with conformed copies of the recorded Deed.

2.3. Equity Interests in Parking Structure Real Property. Pursuant to the Original Transfer Agreement, by virtue of the Transfer of Responsibility completed on October 21, 2008, the Council and the County were entitled to certain Equity interests in the Real Property, as follows: a 69.35 percent Equity interest for the Council; and a 30.65 percent Equity interest for the County. In consideration of the transactions contemplated in this Agreement, the Council and the County agree to modify and reduce their respective Equity interests in the Parking Structure Real Property, but without any reduction of or modification to their respective Equity interests in the Courthouse Real Property, and the City agrees to such arrangements as they pertain to the Parking Structure Real Property, all on the terms set forth in this section 2.3.

2.3.1. Council's Equity Interest. In connection with the Council's foregoing waiver and relinquishment of its right to receive from the County fee simple title in and to the Parking Structure Real Property, the Council agrees to the reduction of its Equity interest in the Parking Structure Real Property from 69.35 percent to 49 percent (but without any reduction in the Council's Equity interest in the Courthouse Real Property). Notwithstanding the terms of section 4.3.13 of the Original Transfer Agreement and section 3.3.13 of the ARTA, the Council's agreement to reduce its Equity interest in the Parking Structure Real Property shall be in consideration of the transactions contemplated in this Agreement, and the Council shall not otherwise be entitled to any compensation of any kind in exchange for its agreement to relinquish a 20.35 percent Equity interest in the Parking Structure Real Property. Such reduction in the Council's Equity interest shall take effect upon the recordation of the Deed with the County Recorder. From and after the recordation of the Deed:

2.3.1.1. The Council's Equity interest in the Parking Structure Real Property shall be 49 percent;

2.3.1.2. The City TIC Interest in the Parking Structure Real Property that the County conveys to the City shall be free and clear of any Equity interest of the Council;

2.3.1.3. The Council's Equity interest in the Courthouse Real Property shall remain unchanged and shall continue to be 69.35 percent; and

2.3.1.4. In the event of any sale, transfer, or conveyance by the County and the City of all or any part of the Parking Structure Real Property, the Council will be entitled to receive 49 percent of the proceeds of such sale, transfer, or conveyance net of the Council Parking Structure Share of any Closing Costs incurred by the City and/or the County in connection therewith.

On or before the date the Deed is recorded, the Council shall deliver to the City an original Equity Interest Release Agreement, in form and content substantially similar to **<u>Exhibit "D"</u>** attached hereto and made a part hereof, evidencing and memorializing the Council's agreement to the above-described reduction in its Equity interest in the Parking Structure Real Property.

2.3.2. <u>County's Equity Interest</u>. In connection with the County's foregoing agreement to convey to the City the City TIC Interest in and to the Parking Structure Real Property, the County agrees to the reduction of its Equity interest in the Parking Structure Real Property from 30.65 percent to 21 percent (but without any reduction in the County's Equity interest in the Courthouse Real Property). Notwithstanding the terms of section 3.3.13 of the Original Transfer Agreement and section 3.3.13 of the ARTA, the County's agreement to reduce its Equity interest in the Parking Structure Real Property shall be in consideration of the transactions contemplated in this Agreement, and the County shall not otherwise be entitled to any compensation of any kind in exchange for its agreement to relinquish a 9.65 percent Equity interest in the Parking Structure Real Property. Such reduction in the County's Equity interest shall take effect upon the recordation of the Deed with the County Recorder. From and after the recordation of the Deed:

2.3.2.1. The County's Equity interest in the Parking Structure Real Property shall be 21 percent;

2.3.2.2. The City TIC Interest in the Parking Structure Real Property that the County conveys to the City shall be free and clear of any Equity interest of the County;

2.3.2.3. The County's Equity interest in the Courthouse Real Property shall remain unchanged and shall continue to be 30.65 percent; and

2.3.2.4. In the event of any sale, transfer, or conveyance by the County and the City of all or any part of the Parking Structure Real Property, the County will be entitled to receive 21 percent of the proceeds of such sale, transfer, or conveyance and the County shall be entitled to receive reimbursement from such proceeds of all but the County Parking Structure Share of any Closing Costs incurred by the County in connection with such transaction.

On or before the date the Deed is recorded, the County shall deliver to the City an original Equity Interest Release Agreement in form and content substantially similar to **Exhibit "E"** attached hereto and made a part hereof, evidencing and memorializing the County's agreement to the above-described reduction in its Equity interest in the Parking Structure Real Property.

2.3.3. City's Interest. In connection with the City's foregoing agreement to accept the City TIC Interest in full and final satisfaction of any obligation the County has or may have under the JPA to convey to the City a 30.046 percent interest in fee title to the Parking Structure Real Property, the City agrees that upon and after recordation of the Deed with the County Recorder:

2.3.3.1. The City shall own the City TIC Interest, the County shall own the County TIC Interest in fee title to the Parking Structure Real Property, and the State Parties shall own no interest in fee title to the Parking Structure Real Property, but shall hold a 49 percent Equity interest therein;

2.3.3.2. The City shall have no fee title interest or Equity interest whatsoever in or to the Courthouse Real Property;

2.3.3.3. In the event of any sale, transfer, or conveyance by the County and the City of all or any part of the Parking Structure Real Property, the proceeds of such sale, transfer, or conveyance (net of the Closing Costs) shall be allocated among the Parties as follows: 49 percent to the Council; 21 percent to the County; and 30 percent to the City;

2.3.3.4. The City acknowledges that the Council is entitled to receive 49 percent of the proceeds of any such sale, transfer, or conveyance notwithstanding that the State Parties own no fee title interest in or to the Parking Structure Real Property; and

2.3.3.5. The City hereby fully and finally waives, relinquishes, and releases any right or claim that it has or may have, under the JPA, at Law, or in equity, to receive any right, title, or interest in or to the Parking Structure Real Property other than the City TIC Interest.

**3. Operation and Use of Parking Structure Real Property.** Commencing on the Effective Date, the Parties shall have the following rights, duties, and liabilities with respect to Operation and use of the Parking Structure Real Property:

3.1. Allocation and Use of Parking Spaces in Parking Structure. The Parties hereby agree that on and after the Effective Date, the parking spaces in the Parking Structure shall be allocated to use by the Parties based on the County Parking, the Superior Court Parking, and the City Parking notwithstanding the terms set forth in the JPA, the Original Transfer Agreement, the Original JOA, or any other prior or contemporaneous agreement between or among any of the Parties. The City shall have exclusive use of the City Exclusive Parking Area and all of the parking spaces therein. All other City Parking shall be undesignated. The County Parking may be used by the County Parties and their Contractors, invitees, licensees, and patrons; the Superior Court Parking may be used by the State Parties, and their judges, jurors, Contractors, invitees, licensees, and patrons; and the City Parking may be used by the City Parties and their Contractors, invitees, licensees, and patrons. Except as otherwise expressly provided for in this Agreement, all undesignated and unreserved parking spaces in the Parking Structure shall be used by the Parties on a first come, first served basis.

3.1.1. Effect of Adjustments to Parking Space Allocations. In the event that, at any time after the Effective Date, the total number of parking spaces in the Parking Structure is greater or lesser than a total of 963 parking spaces, whether as a result of re-striping of the entire Parking Structure, casualty, condemnation, alterations, improvements to the Parking Structure, or for any other reason whatsoever, then the new total number of parking spaces in the Parking Structure shall be allocated among the Council, the County, and the City in proportion to their respective Parking Structure Shares. Notwithstanding the foregoing, however, no Party shall have the right to take any voluntary action that will or might result in a change to the total number of parking spaces in the Parking Structure (e.g., if one Party's actions results an increase or decrease to only that Party's parking spaces, thereby altering the total number of parking spaces) without the prior, written express consent of the other Parties to this Agreement. No reallocation or modification of the parking spaces in the Parking Structure under this section 3.1.1 will affect, or be deemed to affect, the Parties' respective Parking Structure Shares or Equity interests in the Parking Structure Real Property unless the Parties expressly so agree in a written amendment to this Agreement that is signed and approved by all of the Parties hereto.

3.2. Cooperation. The Parties shall cooperate with one another, reasonably and in good faith, to ensure that each Party can peacefully enjoy, possess, use, and occupy the Parking Structure Real Property. The City and the County, as owners of fee title to the Parking Structure Real Property, shall cooperate in good faith to ensure that the Non-Owning Party can exercise its rights and responsibilities under this Agreement. Any Party may delegate its responsibilities under this Agreement to another Party or to a Third Party, but no delegation will relieve the delegating Party from its obligations under this Agreement.

3.3. Responsibility for Operation of Parking Structure Real Property. Except as otherwise expressly provided in section 3.3.1 and section 3.7 of this Agreement, below, during the Term, the Managing Party shall be responsible for Operation of the Parking Structure Real Property, and the Contributing Parties shall be responsible for paying their respective Parking Structure Shares of the Shared Costs pursuant to section 4 of this Agreement.

3.3.1. Responsibility for Operation of City Exclusive Parking Area and City Equipment. Notwithstanding the provisions of sections 3.3 and 3.4 of this Agreement, during the Term, the City shall be solely and exclusively responsible for Operation of the City Exclusive Parking Area including, without limitation, the City Exclusive Parking Area Equipment. The City's responsibility for the City Exclusive Parking Area and City Exclusive Parking Area Equipment shall include, but shall not be limited to, correction of any Defects or Major Defects in or affecting any part of the City Exclusive Parking Area and/or the City Exclusive Parking Area Equipment, and the costs and expenses incurred by the City in connection with such Operation of the City Exclusive Parking Area and the City Exclusive Parking Area Equipment shall not be Shared Costs, but shall be the sole and exclusive responsibility of the City. Additionally, at all times before, during, and after the Term, the City shall be solely and exclusively responsible and liable for the City Equipment including, but not limited to, administration, permitting, operation, management, maintenance, repair, and replacement, as and when necessary, of any and all such City Equipment, wherever located, and the costs and expenses incurred by the City in connection with such administration, permitting, operation, management, maintenance, repair, and replacement of such City Equipment shall in no event be Shared Costs, but shall be the sole and exclusive responsibility of the City.

3.4. Correction of Defects.

3.4.1. Defect. Upon the Managing Party's discovery of a Defect, the Managing Party shall either (a) correct the Defect within 10 calendar days, or (b) if the Defect is reasonably expected to be a Major Defect, send a written notice to the Contributing Parties, within three business days, describing the Defect (the **"Major Defect Notice"**). If the Managing Party does not provide an estimate of the time and cost to correct the Defect as part of its initial Major Defect Notice, the Managing Party shall keep the Contributing Parties reasonably apprised of the status of the obtaining such an estimate, and shall provide such estimate to the Contributing Parties promptly following its completion. After delivery of any Major Defect Notice, the Managing Party shall make available to the Contributing Parties, upon the Contributing Parties' request, any information that the Managing Party has in its possession that would assist the Contributing Parties in their evaluation of the nature and extent of the Major Defect, including any written reports, photographs, Incident reports (pursuant to section 7.5 of this Agreement), and information that was, or is being, used to develop an estimate for the time and cost to correct the Defect.

3.4.2. Contributing Parties' Right to Correct. If the Managing Party neither corrects the Defect nor sends a Major Defect Notice within the time periods provided in section 3.4.1, above, and if the Managing Party's discovery of the Defect in section 3.4.1 was by written notice received from one or both of the Contributing Parties, then the Contributing Parties may, without obligation and without giving any further notice or otherwise commencing any cure period pursuant to section 11.1 of this Agreement, correct any Defect in any reasonable manner under the circumstances; provided that, for any Major Defect, the Contributing Parties must first prepare a Correction Plan pursuant to section 3.4.3 of this Agreement.

3.4.3. Major Defect Correction Plan. For any Major Defect, within 15 days following the Contributing Parties' receipt of a Major Defect Notice or the Contributing Parties' notification to the Managing Party, the Parties shall meet and confer, in good faith, in person or by telephone, to determine a plan (**"Correction Plan"**) for the correction of the Major

Defect, including the method, estimated cost, and time period for the correction. If the Managing Party does not thereafter diligently pursue correction of the Major Defect in accordance with the Correction Plan, one or both of the Contributing Parties may, without obligation and without giving any further notice or otherwise commencing any cure period pursuant to section 11.1 of this Agreement, correct the Major Defect in a manner consistent with the Correction Plan. If the Party that actually performs the correction of the Defect (the **"Correcting Party"**) at any time determines that the time or cost for correcting the Defect may exceed the time or cost set forth in the Correction Plan by more than 10 percent, the Correcting Party shall so inform the other Parties, and the Parties shall promptly thereafter meet and confer, in good faith, to determine how best to amend or revise the Correction Plan to correct the Defect within a mutually acceptable timeframe and at a mutually acceptable cost.

3.4.4. Not Applicable to City Exclusive Parking Area Equipment or City Equipment. This section 3.4 does not apply to any condition of, damage to, or defect in the City Exclusive Parking Area Equipment or the City Equipment, all of which will at all times be the sole and exclusive responsibility of the City except only to the extent that any such condition, damage, or defect is caused by the Council and/or the County.

3.4.5. Not Applicable to Emergencies. This section 3.4 does not apply to any Defect that arises from an Emergency, which Defects will be governed by section 3.5 of this Agreement.

3.5. Emergencies. If any Emergency occurs, the Parties shall immediately notify one another of the Emergency by telephone or any other means reasonable under the circumstances, and the Managing Party shall promptly take steps to correct any Defect that arises from the Emergency. If the Managing Party does not promptly correct any such Defect arising from an Emergency, one or both of the Contributing Parties may, without obligation and without giving any notice or commencing any cure period under section 11.1 of this Agreement, correct that Defect without making any further demand on the Managing Party, and shall notify the Managing Party of the steps taken to correct the Defect as soon as reasonably possible. The Party that corrects a Defect arising from an Emergency under this section 3.5 is entitled to reimbursement from the other Parties of their respective Parking Structure Shares, as applicable, of the actual cost of correcting the Emergency pursuant to section 3.6 of this Agreement. This section 3.5 does not apply to any damage, destruction, or injury to any City Exclusive Parking Area Equipment and/or any City Equipment that is caused by or results from an Emergency, which will at all times be the sole and exclusive responsibility of the City.

3.6. Correcting Party; Reimbursement. The Correcting Party shall be responsible for diligently pursuing the correction of any Defect pursuant to sections 3.4 or 3.5 of this Agreement, and the non-Correcting Parties shall reimburse the Correcting Party for the non-Correcting Parties' respective Parking Structure Shares of the actual costs that the Correcting Party incurs in correcting any Defect. If the Correcting Party is the Managing Party, the Correcting Party shall be reimbursed by the Contributing Parties in accordance with section 4 of this Agreement, and if the Correcting Party is one of the Contributing Parties, the other Parties shall reimburse the Correcting Party for their respective Parking Structure Shares of the costs to correct the Defect within 45 days after the Correcting Party has delivered to the other Parties an invoice and reasonable supporting documents evidencing the actual costs to correct the Defect.

Notwithstanding the foregoing, the Correcting Party shall not be entitled to reimbursement for amounts greater than 110 percent of the costs set forth in the Correction Plan (including any amendments or revisions thereto) approved by the non-Correcting Parties pursuant to section 3.4.3 of this Agreement. If one or both of the non-Correcting Parties do not timely reimburse the Correcting Party for the non-Correcting Parties' respective Parking Structure Shares of the actual costs of correction, the Correcting Party may (but shall not be obligated to) offset each non-Correcting Party's Parking Structure Share of the costs to correct the Defect against any amounts that the Correcting Party owes to such non-Correcting Party under this Agreement or any other agreement.

3.7. Utilities. Each Party will be responsible to pay its Parking Structure Share of the Utility Costs for Utilities provided to the Parking Structure Real Property on and after the Effective Date. The Managing Party will be responsible to: (a) maintain in its name all Utility accounts for the Parking Structure Real Property; (b) cause all Utilities to be provided to the Parking Structure Real Property; (c) document usage and collect from the Contributing Parties their respective Parking Structure Shares of Utility Costs in accordance with section 4 of this Agreement; and (d) make timely, direct payment to Third Parties of all Utility Costs owed to such Third Parties in respect of the Parking Structure Real Property, all in accordance with the terms of this Agreement.

3.7.1. Installation of Electricity Sub-Meter. The Managing Party shall have the right to install an electricity sub-meter to measure only the consumption of electricity by the Parking Structure, separate from electricity consumption by the Courthouse Real Property. All costs and expenses to acquire, install, and operate the electricity sub-meter will be paid by the Parties in accordance with their respective Parking Structure Shares. The Managing Party shall make available to the County and the City all electricity consumption data recorded by the electricity sub-meter upon written request.

3.8. Equipment Permits. The Managing Party is responsible for obtaining and maintaining the Equipment Permits, the cost of which will be a Shared Cost that the Parties shall pay based on their respective Parking Structure Shares. The City is solely and entirely responsible for obtaining and maintaining any governmental permits, plans, certificates, and approvals required for the lawful operation of the City Exclusive Parking Area Equipment and the City Equipment including, without limitation, any required Hazardous Materials Business Plan and/or air quality permit that may be required therefor.

3.9. Contract Parking Management. From and after the Effective Date, the Council, the County, and the City shall pay the Shared Costs of any Third Party parking manager engaged by the Managing Party based on their respective Parking Structure Shares.

3.10. Occupancy Agreements; Entitlement to Net Revenues. The Managing Party is responsible for management and administration of all Occupancy Agreements under which any Occupant occupies or uses the Parking Structure Real Property, and all costs and expenses associated with management and administration of any such Occupancy Agreements shall be a Shared Cost. The Council and the City shall share all Net Revenues based on their respective Revenue Shares. The City shall receive its Revenue Share of the Net Revenues as and when set forth in section 4.2.2 of this Agreement.

3.11. Miles Court Order. Notwithstanding any provision of the ARTA or the ARJOA, or any other provision of this Agreement, the County is and shall remain responsible, at its sole cost and expense, for all of the County's obligations under the Miles Court Order with respect to the Parking Structure Real Property in its interior and exterior layout and configuration as of the Responsibility Transfer Date, and upon reasonable notice to the City and the Superior Court, and subject to any reasonable restrictions by the Council, the Superior Court, and/or the City, respectively, the County shall be allowed to enter any and all parts of the Parking Structure Real Property for all purposes related thereto. The Parties agree as follows with respect to performance of the obligations set forth in the Miles Court Order:

3.11.1. Maintaining Compliance. The County shall perform, at the County's sole cost, the work necessary for initial compliance with each of the County's obligations under the Miles Court Order, and the Parties shall thereafter share the costs and expenses of maintaining the Parking Structure Real Property in a condition that complies with the requirements of the Miles Court Order in accordance with the terms of this Agreement based on their respective Parking Structure Shares. As such, from and after the County's initial compliance with each of the County's obligations under the Miles Court Order pertaining to the Parking Structure Real Property, the Managing Party shall be solely responsible to maintain the Parking Structure Real Property in compliance with the requirements of the Miles Court Order in accordance with the terms of this Agreement, and the costs of such compliance will be Shared Costs pursuant to section 4 of this Agreement, which the Council, the County, and the City shall be responsible to pay based on their respective Parking Structure Shares. Notwithstanding the foregoing, following the County's initial compliance with each of the County's obligations, if any, under the Miles Court Order that pertain to the City Exclusive Parking Area, the City shall be solely and exclusively responsible, at the City's sole cost, to perform any and all maintenance, repairs, and replacements to the City Exclusive Parking Area that are required for compliance with the requirements of the Miles Court Order or to comply with applicable Law.

3.11.2. Obligations Triggered by Refurbishment or Repair Work. If alteration or repair work in or on the Parking Structure Real Property triggers additional obligations for compliance with the Miles Court Order, then the Managing Party will cause the work necessary for such additional compliance to be performed and the costs of such compliance will be Shared Costs paid by the Parties based on their respective Parking Structure Shares pursuant to section 4 of this Agreement; provided that, the City shall be solely and exclusively responsible to perform, at the City's sole cost, any and all such work in or to the City Exclusive Parking Area.

## 4. Shared Costs.

4.1. Estimate of Shared Costs of Operations. The Managing Party shall make timely, direct payment of all Shared Costs owed to Third Parties, and the Contributing Parties shall reimburse the Managing Party for their respective Parking Structure Shares of all Shared Costs under this section 4. At least 120 days before the first day of each fiscal year after the Effective Date, the Managing Party shall deliver to each of the Contributing Parties a statement (the **"Estimate Statement"**) itemizing the Estimated Shared Costs of Operation, together with copies of reasonable documentation supporting the Estimated Shared Costs of Operation and, to the extent not already provided, copies of invoices, bills, and other similar supporting documentation for

Utility Costs. Each of the Contributing Parties shall either comment on or approve the Estimate Statement within 30 days, and if either or both of the Contributing Parties disapproves any of the Estimated Shared Costs of Operation in the Estimate Statement, the Parties shall promptly meet and discuss the reason for the disapproval. When the Parties reach agreement with respect to all Estimated Shared Costs of Operation, the Managing Party shall, if necessary, revise the Estimate Statement, which all Parties shall approve. Until both of the Contributing Parties approve the Estimate Statement, the Contributing Parties shall pay their respective Parking Structure Shares of the Shared Costs based on the approved Estimate Statement for the prior fiscal year.

4.2. Payment of Actual Shared Costs. Within 30 days after the end of each calendar month, the Managing Party shall deliver to the Contributing Parties a statement (the **"Monthly Invoice"**) itemizing the actual Shared Costs incurred during the previous calendar month (**"Actual Shared Costs"**). Within 30 days after a written request by a Contributing Party, the Managing Party shall also deliver to the Contributing Parties copies of supporting documents for any of the Actual Shared Costs shown on the Monthly Invoice. Each Contributing Party shall pay its Parking Structure Share of the Actual Shared Costs to the Managing Party within 30 days after its receipt of the Monthly Invoice, up to the Contributing Party's Parking Structure Share of 110 percent of the Estimated Shared Costs of Operation and Utility Costs for that fiscal year. If the Actual Shared Costs for any fiscal year exceed the sum of Estimated Shared Costs of Operation plus Utility Costs for such fiscal year (**"Excess Costs"**) by more than 10 percent, or if the Managing Party has failed to provide the Contributing Parties with adequate documentation supporting the Actual Shared Costs within 10 days following written request by a Contributing Party, or if one or both of the Contributing Parties reasonably believes that the amount of Actual Shared Costs may be in error, the Contributing Parties will not be obligated to pay such Excess Costs until the Parties meet and reach agreement regarding the amount of the Excess Costs, which subsequently agreed-upon Excess Costs shall then be promptly paid as appropriate.

4.2.1. Agreement for Quarterly Invoicing and Payment. The Managing Party may, upon 30 days prior written notice to the Contributing Parties, elect to deliver invoices itemizing Actual Shared Costs on a quarterly basis rather than on a monthly basis, in which event, the Contributing Parties shall pay all invoices itemizing Actual Shared Costs on a quarterly basis, and all references to "calendar month" in section 4.2 of this Agreement will be automatically amended to refer to "fiscal quarter" and the defined term "Monthly Invoice" in this Agreement will be automatically amended to "Quarterly Invoice."

4.2.2. Offset of City Revenue Share of Net Revenues. The Managing Party shall show, in each Monthly Invoice or Quarterly Invoice that it delivers to the City, the amount of Net Revenues arising from the Parking Structure for the calendar month or fiscal quarter to which the Monthly Invoice or Quarterly Invoice pertains. The amount that the City shall be obligated to pay under section 4.2 of this Agreement shall be the City Parking Structure Share of the Actual Shared Costs shown on the Monthly Invoice or Quarterly Invoice, as applicable, after factoring in and applying the City Revenue Share of any profits or loss from the Net Revenues shown on such Monthly Invoice or Quarterly Invoice. In the event that the City Revenue Share of the Net Revenues for any calendar month or fiscal quarter, as applicable, exceeds the City Parking Structure Share of the Actual Shared Costs for such time period, the Managing Party shall apply the excess City Revenue Share of the Net Revenues for such period toward the City's payment or payments of the City Parking Structure Share of Actual Share Costs next coming due until all Net

Revenues to which the City is entitled have been so applied; provided that, when all Actual Shared Costs have been paid by the Parties for a fiscal year, if there are any Net Revenues owed to the City with respect to such fiscal year that have not been applied toward the City's payment of the City Parking Structure Share of Actual Shared Costs for that fiscal year, then within 60 days after a written request by the City to the Managing Party, the Managing Party shall pay directly to the City the City Revenue Share of such Net Revenues.

4.3. Council as Managing Party. Notwithstanding the provisions of sections 4.1 and 4.2 of this Agreement to the contrary: (a) following its approval of the annual Estimate Statement, the Contributing Parties shall pay their respective Parking Structure Shares of (i) the Estimated Shared Costs of Operation based on the approved Estimate Statement, and (ii) the estimated Utility Costs, plus all additional amounts owed by the Contributing Party for the period during which the Parties were in the process of reaching agreement as to the Estimate Statement, in equal quarterly installments in advance on the first day of each fiscal quarter; (b) if the Actual Shared Costs are less than the Estimated Shared Cost of Operation plus Utility Costs for a particular fiscal quarter, the Managing Party shall refund the amounts overpaid to the Contributing Parties within 60 days after the Managing Party's delivery of the Quarterly Invoice except that, if a Contributing Party consents, the Managing Party may retain the consenting Contributing Party's overpayment and offset it against future amounts owed by that Contributing Party under this Agreement; and (c) the Contributing Parties shall pay their respective Parking Structure Shares of any Excess Costs to the Managing Party within 30 days after their receipt of the Quarterly Invoice, except that (i) if the Excess Costs are more than 10 percent of the sum of Estimated Shared Costs of Operation and Utility Costs for any fiscal quarter, or (ii) if a Contributing Party has requested, but not received, supporting documents for any Excess Costs by 10 days prior to the date that payment is due, then the Contributing Parties shall continue to make payment of their respective Parking Structure Shares of the Shared Costs based on the Estimate Statement, but may defer payment of the Excess Costs (or, in the case of (ii) above, the Excess Costs to which the supporting documents relate) for that fiscal quarter, until the Parties have met and reached an agreement regarding the amount of the Excess Costs.

4.4. Notice of Anticipated Excess Costs. Prior to incurring any Shared Cost that the Managing Party reasonably believes will result in an Excess Cost in an amount greater than 10 percent of the Estimated Shared Costs of Operation shown on the Estimate Statement, the Managing Party must give written notice to the Contributing Parties describing the amount and reason for such Excess Costs, except that no notice need be given to the Contributing Parties under this section 4.4 if the Excess Costs arise from the correction of a Major Defect under section 3.4.3 of this Agreement. If one or both of the Contributing Parties objects in writing to the Excess Costs within 30 days after receiving the Managing Party's notice, the Parties must meet and confer within 10 calendar days to resolve their dispute concerning the Excess Costs. If the Parties do not reach agreement concerning the Excess Costs during that meet and confer process, the Parties shall promptly seek to resolve their dispute concerning the Excess Costs under the terms of section 12 of this Agreement. If the Contributing Parties do not respond to the Managing Party's notice within 30 days of receiving the notice, the Managing Party may proceed with expenditure of the Excess Costs in the amount and for the purpose described in the notice, and the Contributing Parties must pay their respective Parking Structure Shares of those Excess Costs.

4.5. Records Retention; Audit Rights. The Parties shall maintain all records relating to this Agreement in compliance and consistent with applicable Law. The Managing Party shall also maintain an accounting system, supporting fiscal records, and agreements related to the Parking Structure Real Property, adequate to ensure that all claims and disputes arising under this Agreement can be resolved in accordance with the requirements of this Agreement and the Act, for the period of time generally required by applicable Law and to be held by the Managing Party in a manner in compliance with applicable law, including data protection and cybersecurity standards. The Contributing Parties may, at their sole cost and upon reasonable notice to the Managing Party, inspect the Managing Party's books, records, and supporting documents concerning the Actual Shared Costs for up to 18 calendar months prior to the date of the Contributing Parties' inspection. The Parties shall cooperate reasonably with each other to ensure that any such inspection is performed promptly and without undue interference by any Party. If a Contributing Party disputes any Actual Shared Costs for any of the immediately preceding 18 calendar months, that Contributing Party may engage an independent certified public accountant, acceptable to all Parties, to audit the Managing Party's books and records to determine the amount of the Actual Shared Costs in dispute. The results of the audit will be binding on all Parties. If the audit reveals that the Contributing Parties overpaid or underpaid Actual Shared Costs for a fiscal year, the Parties shall make the payments necessary to resolve that overpayment or underpayment within 30 days following the completion of the audit and receipt of the final audit document by all Parties. The Contributing Parties must pay the entire cost of the audit. The Contributing Parties' payment of Shared Costs will not prevent them from disputing the accuracy of any Actual Shared Costs under this section 4.5.

4.6. Quarterly Meetings. The Managing Party agrees to meet not less frequently than once every three (3) months with representatives of all the Parties (the "Regular Meetings"). In the Regular Meetings, the Managing Party shall keep minutes of the proceedings with such minutes subject to being retained as provided in Section 4.5. The Managing Party shall be responsible for preparing a report to be presented at such meetings of all material operational issues affecting the subject matter of this Agreement. At each Regular Meeting, there shall be a reasonable opportunity for the Parties to present any issues to be addressed to the Managing Party concerning the subject matter of this Agreement. Adequate notice of such meetings must be given by the Managing Party to all Parties.

**5. Compatible Use; Hazardous Substances.**

5.1. Compatible Use. Each Party shall use, and the Managing Party shall require that any Occupant uses, the Parking Structure Real Property in a manner that is compatible with the Parties' use of the Parking Structure Real Property on the Responsibility Transfer Date and that does not deteriorate or diminish the other Parties' ability to use the Parking Structure Real Property effectively.

5.2. Hazardous Substances. No Party shall store, use, treat, manufacture, or sell, or allow any other person to store, use, treat, manufacture, or sell, any Hazardous Substance on the Parking Structure Real Property or in the Parking Structure except in compliance with Law.

## 6. Termination of This Agreement.

If the Parties agree for any reason whatsoever to terminate this Agreement, the Parties shall enter into a separate written agreement terminating this Agreement.

## 7. Property Losses; Insurance.

7.1. Property Insurance. The Owner may, without obligation and at the Owner's sole cost, obtain one or more Property Insurance Policies to insure against Property Losses, and the Owner will be solely entitled to all proceeds from such Property Insurance Policies. The Owner may, in its sole discretion, agree in writing to make the Non-Owning Party an additional insured or a joint loss payee in respect of its Equity interest in the Parking Structure Real Property under Owner's Property Insurance Policies; provided, however, that the Non-Owning Party agrees in its discretion to pay its Parking Structure Share of the Property Insurance Costs arising from such Property Insurance Policies. The Parties agree reasonably coordinate in good faith to enter into a separate written agreement by no later than the date on which the Owner adds the Non-Owning Party as an additional insured or joint loss payee under the Property Insurance Policies, which agreement will provide for the allocation of the proceeds from the Property Insurance Policies following a Property Loss. Whether or not the Non-Owning Party becomes an additional insured or joint loss payee under the terms of any Property Insurance Policy obtained by the Owner, the Owner shall waive and require the provider of the Property Insurance Policy to waive any right of recovery it may have against the Non-Owning Party.

7.1.1. Compliance with Requirements of Property Insurance Policies. If a Party obtains any Property Insurance Policies (the **"Insuring Party"**), each non-Insuring Party shall comply in all material respects with the reasonable requirements for use of the Parking Structure Real Property set forth in such Property Insurance Policies; provided that (a) the Insuring Party has provided reasonable notice of such requirements to each non-Insuring Party, and (b) such requirements are consistent with, and do not materially limit, the non-Insuring Party's use of the Parking Structure Real Property.

7.2. Relocation Costs. Any Party may, without obligation and at its own sole cost, obtain one or more Property Insurance Policies to insure against the cost of relocation to and occupancy of alternative space necessitated by a Property Loss for which it is responsible pursuant to section 8.1 of this Agreement, and the Party obtaining such Property Insurance Policies shall be solely entitled to all proceeds from such Property Insurance Policies.

7.3. Allocation of Risk for Property Claims. Subject to damage and destruction provisions of section 8 of this Agreement, the Parties shall be jointly responsible for all Property Losses that affect the Parking Structure Real Property in accordance with their respective Parking Structure Shares. The Managing Party shall be responsible to collect from the Contributing Parties their respective Parking Structure Shares of any such Property Losses that affect the Parking Structure Real Property.

7.3.1. State Parties' Right to Buy Property Insurance. The State Parties may, without obligation and at the State Parties' sole cost, obtain one or more Property Insurance Policies to insure against Property Loss, and the State Parties will be solely entitled to all proceeds from any such Property Insurance Policies. If any State Party purchases a Property Insurance Policy, it shall ensure, by specific endorsement to the Property Insurance Policy, that the Property Insurance Policy will neither impair the County's right to recover under the terms of any Property Insurance Policy that the County obtains under section 7.1 of this Agreement, nor impair the City's right to recover under the terms of any Property Insurance Policy that the City obtains under section 7.1 of this Agreement, and the State Parties shall waive and shall require the provider of its Property Insurance Policy to waive any right of recovery it may have against the County and/or the City.

7.4. Full Cost of Repairs. The Parties agree that the Parties' obligations under section 7.3 of this Agreement include the responsibility for the full cost and expense of restoring or replacing the damaged portions of the Parking Structure Real Property arising from the Property Loss (**"Damaged Property"**) to the condition immediately preceding the Property Loss in compliance with the applicable Law, including the demolition and replacement of the undamaged components of the Parking Structure Real Property, but only to the extent necessary to restore or replace the Damaged Property, and the upgrade or alteration of components or systems of the Parking Structure Real Property, but only to the extent required by applicable Law, and subject to the limitations set forth in section 8 of this Agreement. However, the Parties shall be responsible for the cost and expense of alterations, improvements, or upgrades to the Damaged Property that are above and beyond the restoration or replacement of the Damaged Property in accordance with their respective Parking Structure Shares.

7.5. Reporting and Processing Claims.

7.5.1. Party Responsible for Claims. If any Party receives any demand, complaint, notice, document, or information alleging the existence or occurrence of any incident, event, circumstance, or occurrence in, on, or about the Parking Structure Real Property (**"Incident"**) that is or could result in any Property Loss, Property Claim, or Liability Claim (each, a **"Claim"**; and together, **"Claims"**), or if a Party otherwise becomes aware that an Incident has occurred, that Party shall make best efforts to promptly notify the other Parties of that Incident. Following that notice, the Parties shall work together, diligently and in good faith, with one another to determine which of them bears responsibility for the loss or injury alleged and whether any Party is entitled to indemnification by the other in respect of the Incident under sections 9.1 or 9.2 of this Agreement. If the Parties are not able to so agree, then they shall proceed as set forth in section 12 of this Agreement.

7.5.2. Incident Reports. The Managing Party shall maintain copies of any Incident reports that it prepares for a period of five years and, at the request of the Contributing Parties, the Managing Party shall provide the Contributing Parties with a complete copy of, or reasonable access to, those Incident reports.

7.6. Third-Party Contractor Insurance. Each Party must require each of its Contractors to (a) obtain and maintain insurance of the type and with coverage amounts that are usual and customary to the type of business or exposures related to the work being performed on the Parking Structure Real Property, (b) name all of the County Parties, the State Parties, and the City Parties as additional insureds by specific endorsement to their general liability policies, (c) provide a waiver of subrogation in favor of all of the County Parties, the State Parties, and the

City Parties with respect to all property insurance policies, and (d) provide to the Parties a 30-day notice of cancellation or material change in any insurance coverage required hereunder. Unless the Parties otherwise agree, all Contractors must indemnify, defend, and hold harmless the County Parties, the State Parties, and the City Parties from and against all claims, demands, liabilities, damages, attorney fees, costs, expenses, and losses arising from the performance by the Contractors under their contracts, and no Party waives any right of recovery or subrogation against the others in respect of their contractual arrangements with the Contractors.

7.7. Workers' Compensation Coverage. Each Party shall maintain its own workers' compensation insurance covering its own employees, and neither Party shall have any liability or responsibility for any claims which could be covered by workers' compensation for employees of any other Party.

## 8. Damage or Destruction.

8.1. Damage or Destruction Event. If, due to a Property Loss, the Parking Structure Real Property cannot be occupied by one or more Parties, each Party shall be solely responsible to arrange for its own relocation to and occupancy of alternate space. Promptly after a Property Loss, but in no event later than 180 days after a Property Loss, each Party shall notify the others in writing (**"Restoration Election Notice"**) whether it wishes to restore or replace the Damaged Property.

8.2. All Parties Elect to Restore or Replace. If all Parties elect to restore or replace the Damaged Property, the Parties shall cooperate in good faith to restore or replace the Damaged Property, with each Party contributing its Parking Structure Share of the costs to restore or replace the Damaged Property; provided that if the Parties restore or replace the Damaged Property in a way that results in a change to the Parties' Parking Structure Shares, the Parties shall each pay the costs and expenses to restore or replace the Damaged Property according to their newly determined Parking Structure Shares.

8.3. Fewer Than All Parties Elect to Restore or Replace. If, based on the Restoration Election Notices, fewer than all of the Parties elect to restore or replace the Damaged Property that is in, on, or a part of the Parking Structure Real Property, then within 30 days after the Parties' Restoration Election Notices are given, the Parties shall meet and confer in good faith to determine how to proceed with respect to: (a) the Damaged Property; (b) compensation for the Equity rights of the Council in the Parking Structure Real Property; and (c) compensation for the County's and the City's respective tenancy-in-common ownership interests in the Parking Structure Real Property. If the Parties cannot agree on those matters, they shall proceed as set forth in section 12 of this Agreement.

8.4. All Parties Elect Not to Restore or Replace Parking Structure Real Property. If none of the Parties elect to restore or replace the Damaged Property, and if any portion of the Parking Structure is uninhabitable as a result of the Property Loss, then the Parties shall meet and confer in good faith to determine how to proceed with respect to: (a) the Damaged Property; (b) compensation for the Equity rights of the Council in the Parking Structure Real Property; and (c) compensation for the County's and the City's respective tenancy-in-common ownership interests in the Parking Structure Real Property. Following such meeting, the Owner shall compensate the Non-Owning Party for its Equity rights in the uninhabitable part of the Parking Structure, determined in the manner described in section 4.3.13 of the ARTA, and the Parties shall amend this Agreement to reflect the changes in the Parties' Equity interests in the Parking Structure Real Property, which amendment shall become effective when the Non-Owning Party has been compensated.

**9. Indemnification.**

9.1. Indemnification Obligation of Council. The Council will and does indemnify, defend, and hold harmless the County Parties and the City Parties, with counsel reasonably acceptable to the County and the City, respectively, from and against all liability, damages, attorney fees, costs, expenses, or losses (referred to in this section 9 as **"Indemnified Loss"**) arising from Liability Claims where and to the extent that the Liability Claims result from the willful misconduct or negligence of any of the State Parties.

9.2. Indemnification Obligation of County. The County will and does indemnify, defend, and hold harmless the State Parties and the City Parties, with counsel reasonably acceptable to the Council and the City, respectively, from and against all Indemnified Loss arising from Liability Claims where and to the extent that the Liability Claims result from the willful misconduct or negligence of any of the County Parties.

9.3. Indemnification Obligation of City. The City will and does indemnify, defend, and hold harmless the State Parties and the County Parties, with counsel reasonably acceptable to the Council and the County, respectively, from and against all Indemnified Loss arising from Liability Claims where and to the extent that the Liability Claims result from the willful misconduct or negligence of any of the City Parties.

9.4. Indemnified Party's Participation. The indemnifying Party must manage and be entirely responsible to handle and resolve all Claims for which it is responsible under section 9.1, 9.2, or 9.3, as applicable (the **"Indemnified Claims"**). The indemnified Parties may elect, but are not required, to retain their own attorneys, at each indemnified Party's sole expense, to participate in the litigation, settlement negotiations, or other dispute resolution procedures for any Indemnified Claim as to which it is the indemnified Party. If an indemnified Party elects to retain its own attorney to participate in the litigation, settlement negotiations, or other dispute resolution procedures for an Indemnified Claim, the indemnifying Party shall cooperate with each indemnified Party and the attorney retained by each indemnified Party, and each indemnified Party and its attorney shall cooperate with the indemnifying Party.

9.5. Effect of Indemnification Rights. The rights of a Party to be indemnified under sections 9.1, 9.2, or 9.3 of this Agreement cannot be deemed or construed to limit or diminish the obligation of the indemnified Party to perform its duties at Law or under any agreement between or among any two or more of the County Parties, the City Parties, and the State Parties. The indemnifying Party shall have no right of set-off in respect of payment of any Indemnified Loss to any indemnified Party under this Agreement.

## 10. Condemnation.

If any Party receives written notice advising of an actual or intended condemnation of the Parking Structure Real Property (**"Condemnation Notice"**), that Party shall immediately deliver a copy of the Condemnation Notice to the other Parties. In the event of an actual condemnation, the Parties shall cooperate with each other in good faith to obtain the maximum award that may be obtained from the condemning authority, and each Party will be entitled to its Parking Structure Share of the condemnation proceeds arising from any condemnation of all or any part of the Parking Structure Real Property.

## 11. Default Notice and Cure.

11.1. Event of Default. Upon the occurrence of a breach or default by the Council, the County, or the City of any provision of this Agreement, the non-defaulting Party or Parties shall provide written notice to the defaulting Party or Parties of the breach or default (**"Default Notice"**). Upon receipt of the Default Notice, the defaulting Party or Parties shall have 30 calendar days to cure the breach or default described in the Default Notice and to provide evidence of that cure to the non-defaulting Party or Parties. If the breach or default is not capable of cure within the 30 calendar day period, then no breach or default can be deemed to have occurred so long as the defaulting Party or Parties promptly begin and diligently and continuously perform the cure to completion within a reasonable time period, not to exceed 90 calendar days from commencement of the cure (**"Cure Period"**). If the defaulting Party or Parties do not provide evidence of the cure to the non-defaulting Party or Parties within the Cure Period, then the defaulting Party or Parties will be deemed to have committed an **"Event of Default,"** and the non-defaulting Party or Parties will have the right, but not the obligation, to pursue its or their rights with respect to resolution of disputes under section 12 of this Agreement. The Parties may mutually agree to commence the dispute resolution procedures in section 12 of this Agreement before the end of the Cure Period.

11.2. Insufficient Funds. Notwithstanding anything in this Agreement to the contrary, no default or breach will be deemed to have occurred if the Council is unable to pay any amounts due and owing under this Agreement as a result of either (a) the State of California's failure to timely approve and adopt a State budget, or (b) the State Controller's determination that the Council has insufficient funds to pay such amounts. In such an event, the Council shall promptly pay any previously due and unpaid amounts due and owing under this Agreement upon approval and adoption of the State budget or the State Controller's determination that the Council has sufficient funds to make such payments.

## 12. Dispute Resolution.

In the event of a dispute between or among any two or more of the Parties relating to performance of the Parties' obligations under this Agreement, the Parties shall, before exercising any other right or remedy for resolution of the dispute, meet and confer in good faith to attempt to resolve the dispute through unassisted negotiation. Each of the Parties shall be represented in any such negotiating session by a representative who is familiar with the facts of the dispute, and who has authority to negotiate on behalf of, and to effectively recommend settlement to, the Party that said representative represents.

**13. Notices.**

Any notice or communication required to be sent to a Party pursuant to this Agreement must be sent in writing by personal delivery (including overnight courier service), certified U.S. mail, or postage pre-paid and with return receipt requested to the Parties at their addresses indicated in this section 13 and to the Parties' Designated Representatives pursuant to section 15 of this Agreement. Routine exchange of information may be conducted via telephone or electronic means including email. All other notices or communications, including notices related to estimates, invoices, Emergencies, Defects, Correction Plans, and audits, shall be delivered to the Parties' Designated Representatives pursuant to section 15 of this Agreement.

If to the Judicial Council:

Judicial Council of California
Facilities Services
455 Golden Gate Avenue
San Francisco, CA 94102
Attn: Principal Manager, Facility Operations
Voice: 415-470-2534

With a copy to:

Judicial Council of California
Facilities Services
2860 Gateway Oaks Drive, Suite 400
Sacramento, CA 95833
Attn: Manager, Real Estate
Voice: 916-643-8051
Email: JCCRealEstate@jud.ca.gov

In addition, all audit requests and notices by the County or the City relating to termination of this Agreement or an alleged breach or default by the Council of this Agreement must also be sent to:

Judicial Council of California
Branch Accounting and Procurement
455 Golden Gate Avenue
San Francisco, CA 94102-3688
Attention: Manager, Contracts
Voice: 415-865-7989

If to the County:

County of Los Angeles
Office of the County Counsel
648 Kenneth Hahn Hall of Administration
500 West Temple Street, Suite 648
Los Angeles, CA 90012-2713
Attention: Property Division

With a copy to:

County of Los Angeles
Chief Executive Office, Real Estate Division
Attention: Senior Manager
555 West 5th Street, 36th Floor
Los Angeles, CA 90013
Voice: 213-974-4300

If to the City:

City of Pasadena
Office of the City Manager
Attn: City Manager
City Hall
100 N. Garfield Avenue, Room S228
Pasadena, CA 91101
Voice: 626-744-4333

With a copy to:

City of Pasadena
City Attorney's Office
Attention: City Attorney
100 N. Garfield Avenue, Room N-210
Pasadena, CA 91101
Voice: 626-744-4141

A Party may change its address for notice under this Agreement by giving written notice to the other Parties in the manner provided in this section 13. Any notice or communication sent under this section 13 will be deemed to have been duly given as follows: (a) if by personal delivery, on the date actually received by the addressee or its representative at the address provided above, or (b) if sent by certified U.S. mail, return receipt requested, on the first business day that is at least three calendar days after the date deposited in the U.S. Mail.

**14. General Releases; Waiver of Unknown Claims.**

14.1. Council's Release of County Parties and City Parties. Except for the rights, duties, and obligations set forth in this Agreement including, without limitation, those rights, duties and obligations specified in the Deed and the Equity Release Agreements, the Council for itself and the Superior Court, and for each and all of their respective officers, agents, and employees, hereby agrees to release, fully and forever, the County Parties and the City Parties from any and all claims, damages, actions, judgments, obligations, attorney fees and disbursements, indemnities, subrogations, duties, demands, and liabilities, of any and every kind whatsoever, at law or in equity, liquidated or unliquidated, known or unknown, matured or unmatured, foreseeable or unforeseeable, caused by or arising or resulting from the Existing Party Claims.

14.2. County's Release of State Parties and City Parties. Except for the rights, duties, and obligations set forth in this Agreement including, without limitation, those rights, duties and obligations specified in the Deed and the Equity Release Agreements, the County for itself, and for each and all of its officers, agents, and employees, hereby agrees to release, fully and forever, the State Parties and the City Parties from any and all claims, damages, actions, judgments, obligations, attorney fees and disbursements, indemnities, subrogations, duties, demands, and liabilities, of any and every kind whatsoever, at law or in equity, liquidated or unliquidated, known or unknown, matured or unmatured, foreseeable or unforeseeable, caused by or arising or resulting from the Existing Party Claims.

14.3. City's Release of County Parties and State Parties. Except for the rights, duties, and obligations set forth in this Agreement including, without limitation, those rights, duties and obligations specified in the Deed and the Equity Release Agreements, the City for itself, and for each and all of its officers, agents, and employees, hereby agrees to release, fully and forever, the County Parties and the State Parties from any and all claims, damages, actions, judgments, obligations, attorney fees and disbursements, indemnities, subrogations, duties, demands, and liabilities, of any and every kind whatsoever, at law or in equity, liquidated or unliquidated, known or unknown, matured or unmatured, foreseeable or unforeseeable, caused by or arising or resulting from the Existing Party Claims.

14.4. Waiver of Unknown Claims. The Parties understand and agree that the releases set forth above extend to all claims of every kind, nature, and description whatsoever, caused by, or arising or resulting from, all or any part of the Existing Party Claims, regardless of any and all rights under the provisions of section 1542 of the Civil Code of California or any comparable statute or law. Each Party hereby expressly acknowledges that it is familiar with Section 1542 of the Civil Code of California and it expressly waives and relinquishes each and every right or benefit it has or may have under the provisions of said section 1542 of the Civil Code of California, which reads as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

14.5. No Admission of Liability. This Agreement is executed and entered into by the Council, the County, and the City for the purpose of settling, compromising, and resolving the claims and matters constituting and involved in the Dispute, and it is expressly understood and agreed by all Parties, as a condition of this Agreement, that this Agreement does not constitute and shall not be construed to be an admission of the truth or correctness of any Council Claim, County Claim, or City Claim asserted.

## 15. Designated Representatives.

The Parties shall each identify and appoint an individual who shall have authority to bind it to all matters and approvals related to Operations undertaken with respect to the Parking

Structure Real Property under this Agreement. Each Party may change its Designated Representative by written notice to the other Parties. Each Party hereby acknowledges and agrees that its Designated Representative shall bear primary responsibility for the giving and receipt of notices, and for the coordination of its administrative obligations, under this Agreement, but no Party's Designated Representative has any authority to alter, amend, or modify the rights or obligations of such Party under this Agreement.

The contact information for the initial Council Designated Representative is:

Judicial Council of California
Facilities Services
455 Golden Gate Avenue
San Francisco, CA 94102
Attn: Principal Manager, Facility Operations
Voice: 510-305-0799
Email: Maria.Atayde-Scholz@jud.ca.gov

The contact information for the initial County Designated Representative is:

Tim Braden, General Manager
Facilities Operations Service
Internal Services Department
1100 N. Eastern Avenue
Los Angeles, CA 90063
Voice: 323-267-2107
Email: tbraden@isd.lacounty.gov

The contact information for the initial City Designated Representative is:

Nicholas G. Rodriguez, Assistant City Manager
Office of the City Manager
City Hall
100 N. Garfield Avenue, Room 5228
Pasadena, CA 91101
Voice 626-744-4274
Email: nirodriguez@cityofpasadena.net

**16. Miscellaneous.**

16.1. Amendment. This Agreement may be amended only by written agreement signed by all of the Parties.

16.2. Waivers. No waiver of any provision of this Agreement will be valid unless it is in writing and signed by the Party or Parties making such waiver. Waiver by any Party at any time of any breach of this Agreement cannot be deemed a waiver of or consent to a breach of any other provision of this Agreement or a consent to any subsequent breach of the same or another provision of this Agreement. If a Party's action requires the consent or approval of the other

Parties, that consent or approval on any one occasion cannot be deemed a consent to or approval of that action on any subsequent occasion or a consent or approval of any other action.

16.3. Force Majeure. No Party is responsible for performance in accordance with the terms of this Agreement to the extent performance is prevented, hindered, or delayed by fire, flood, earthquake, elements of nature, acts of God, acts of war (declared and undeclared), riots, rebellions, revolutions, or terrorism, whether foreseeable or unforeseeable.

16.4. Assignment. No Party may assign this Agreement in whole or in part, whether by operation of law or otherwise, to any other entity, agency, or person without the prior written consent of the other Parties. Even if that consent is given, any assignment made in contravention of any Law will be void and of no effect.

16.5. Binding Effect. This Agreement binds the Parties and their permitted successors and assigns.

16.6. Third Parties Benefited. The Superior Court is an intended beneficiary of all provisions of this Agreement for the benefit of the Council. Otherwise, no Third Parties are intended to be benefitted by this Agreement.

16.7. Construction. The headings used in this Agreement are for convenience only and will not affect the meaning or interpretation of this Agreement. The words "hereof," "herein," and "hereunder," and other words of similar import, refer to this Agreement as a whole and not to any subdivision of this Agreement. The word "or" when used in this Agreement is inclusive and can mean both. This Agreement will not be construed against either Party as the principal draftsperson. The words "include" and "including" when used are not exclusive and mean "include, but are not limited to," and "including, but not limited to," respectively. Any capitalized terms used in this Agreement and not otherwise defined herein will have the meanings given to them in the ARTA.

16.8. Integration. This Agreement contains the entire agreement among the Parties with respect to the subject matter of this Agreement, and supersede all previous communications, representations, understandings, and agreements, whether verbal, written, express, or implied, among the Parties; provided, however, that this Agreement is in addition to, and does not supersede or replace, the ARTA and the ARJOA, which are intended to and shall supersede and replace the Original TA and the Original JOA, respectively, commencing on the Effective Date.

16.9. Incorporation By Reference. The Exhibits attached to this Agreement are all incorporated into and made a part of this Agreement for all purposes, and all references to this Agreement in any of the Exhibits will be deemed to include the entirety of this Agreement.

16.10. Severability. If any term of this Agreement is inconsistent with applicable Law, then on the request of any Party, the Parties shall promptly meet and confer to determine how to amend the inconsistent term in a manner consistent with Law, but all parts of this Agreement not affected by the inconsistency will remain in full force and effect.

16.11. Further Assurances. The Parties agree to cooperate reasonably and in good faith with one another to (a) implement the terms and provisions set forth in this Agreement, and (b) consummate the transactions contemplated herein, and shall execute any further agreements and perform any additional acts that may be reasonably necessary to carry out the purposes and intent of this Agreement.

16.12. Signature Authority. The Council, the County, and the City each certify that the individual signing this Agreement on its behalf is duly authorized and empowered to do so.

16.13. Independent Contractors. The relationship of the Parties to each other hereunder will be that of independent contractors, and nothing herein shall be construed to create a partnership, joint venture, employer-employee, or agency relationship between or among any of the County Parties, the State Parties, or the City Parties.

16.14. Counterparts and Electronic Execution. This Agreement may be executed in counterparts (including PDF copies), each of which shall be deemed an original as against the Party signing such counterpart and which together shall constitute one and the same instrument. The Parties agree that the signature pages of this Agreement may be executed, scanned, and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this Agreement, with such scanned and electronic signatures having the same legal effect as original signatures.

**[SIGNATURES ON FOLLOWING PAGE(S)]**

**IN WITNESS WHEREOF,** the Parties enter into this Agreement as of the dates written below .

**COUNCIL:**

APPROVED AS TO FORM:
Judicial Council of California,
Legal Services

By: ______________________
Name: Maggie W. Stern
Title: Attorney
Date: July 1, 2026

**JUDICIAL COUNCIL OF CALIFORNIA**

By: ______________________
Name: Alice Lee
Title: Manager, Contracts
Date: July 6, 2026

**COUNTY:**

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: ______________________
Name: Roberto Saldaña
Title: Senior Deputy County Counsel
Date: July 7, 2026

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/County Clerk

By: ______________________
Title: Deputy

**COUNTY OF LOS ANGELES**

JOSEPH M. NICCHITTA
Chief Executive Officer

By: ______________________
Name: John T. Cooke
Title: Assistant Chief Executive Officer
Date: ______________________

**CITY:**

**CITY OF PASADENA**

By: ______________________________
Name: Nicholas G. Rodriguez
Title: Assistant City Manager
Date: 8/3/2026

ATTEST:

By: ______________________ 8/4/26
Mark Jomsky, City Clerk

APPROVED AS TO FORM:

By: ______________________
Dion O'Connell
Assistant City Attorney

**EXHIBIT "A"**
**TO PARKING STRUCTURE AGREEMENT**

Parking Structure Land

That portion of Lot 8, Block C, San Pasqual Tract, as shown on map recorded in Book 3, page 315, of Miscellaneous Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles and those portions of Lots 1, 2, and 3, Ogden's Subdivision, as shown on map recorded in Book 14, page 39, of said Miscellaneous Records, within the following described boundaries:

Beginning at the intersection of a line parallel with and 228 feet easterly, measured at right angles, from the easterly line of Marengo Avenue, 69 feet wide, as shown on map of Pasadena Civic Center, recorded in Book 181, pages 12 and 13, of Maps, in the office of said Registrar-Recorder/County Clerk and the southerly line of Walnut Street, as said southerly line was established by a Final Order of Condemnation, had in Superior Court Case No. 219347, a certified copy of which is recorded in Book 7232, page 202, of Official Records, in the office of said Registrar-Recorder/County Clerk; thence westerly and southwesterly along said southerly line to said easterly line; thence southerly along said easterly line to the northerly line of Ramona Street, 60 feet wide, as shown on said map of Pasadena Civic Center; thence easterly along said northerly line to said parallel line; thence northerly along said parallel line to the point of beginning.

**EXHIBIT "B"**
**TO PARKING STRUCTURE AGREEMENT**

Site Plan of Parking Structure Real Property

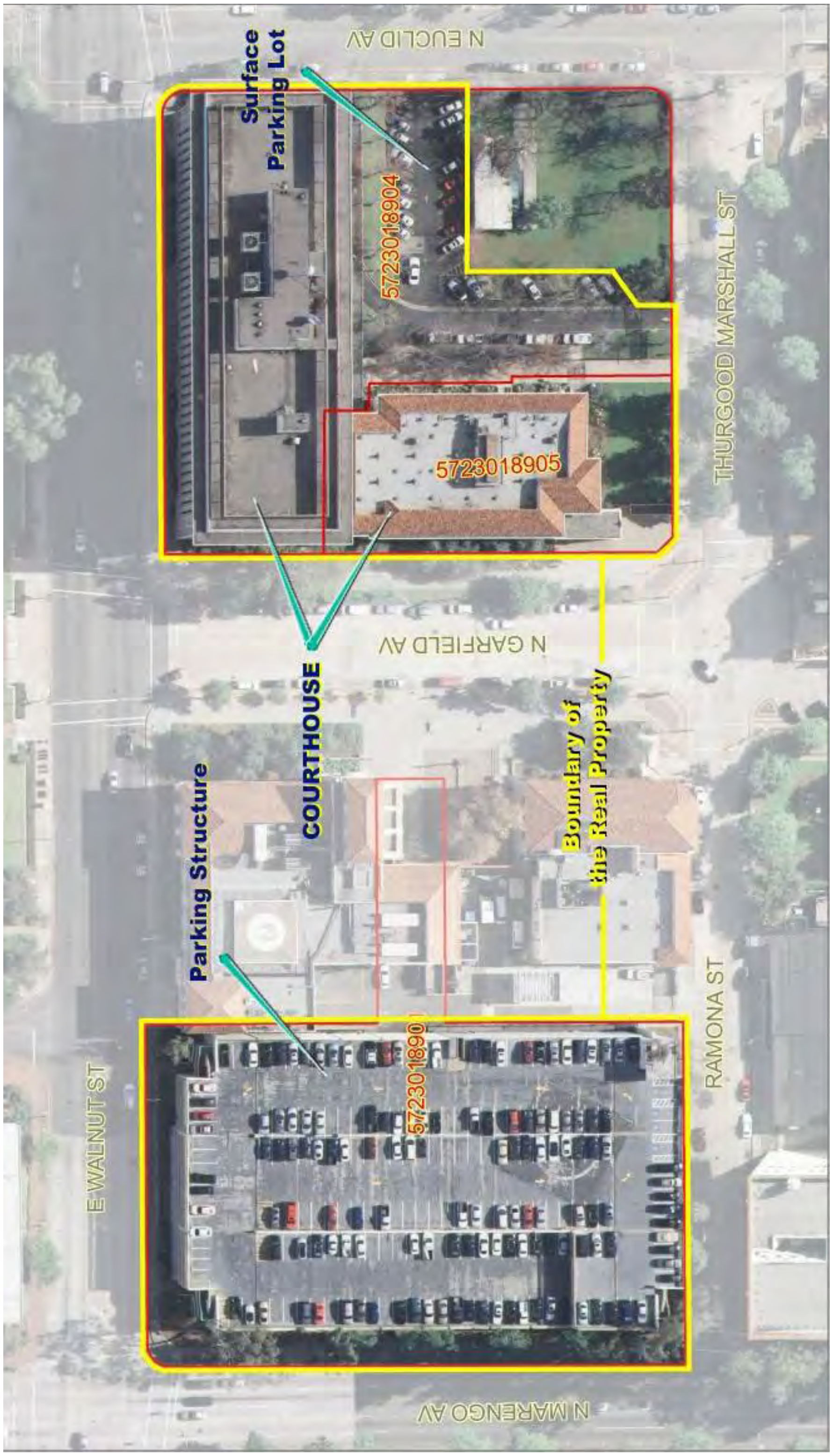

**EXHIBIT "C"**
**TO PARKING STRUCTURE AGREEMENT**

<u>Form of Quitclaim Deed</u>

*Form of Deed enclosed herewith.*

WHEN RECORDED
MAIL THIS DOCUMENT TO:

City of Pasadena
Office of the City Attorney
100 N. Garfield Avenue, Room S228
Pasadena, CA 91101
Attn: City Attorney

SPACE ABOVE THIS LINE FOR RECORDER'S USE

THIS DOCUMENT IS EXEMPT FROM DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11922 OF THE REVENUE & TAXATION CODE.

Assessor's Parcel Number:
5723-018-901

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE GOVERNMENT CODE.

**QUITCLAIM DEED**

For valuable consideration, receipt of which is hereby acknowledged, the COUNTY OF LOS ANGELES, a body corporate and politic, does hereby remise, release, and forever quitclaim to the CITY OF PASADENA, a municipal corporation, a thirty percent (30%) undivided interest, and to the COUNTY OF LOS ANGELES, a seventy percent (70%) undivided interest, together as tenants-in-common, in any and all rights, title, and interest that the COUNTY OF LOS ANGELES has or may have in and to the real property in the City of Pasadena, County of Los Angeles, State of California, described in **Exhibit A** attached hereto and by this reference made a part hereof.

**IN WITNESS WHEREOF,** the COUNTY OF LOS ANGELES, pursuant to Chapter 2.08.162 of the Los Angeles County Code, has caused this Quitclaim Deed to be executed on its behalf by the Chief Executive Officer, or her designee, on the __ day of _________, 20__.

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: ___________________________
Name: ___________________________
Title: Senior Deputy
Date: ___________________________

ATTEST:

**COUNTY OF LOS ANGELES**

JOSEPH M. NICCHITTA
Chief Executive Officer

By: ___________________________________
Name: John T. Cooke
Title: Assistant Chief Executive Officer
Date: ___________________________________

DEAN C. LOGAN
Registrar-Recorder/County Clerk

By: ____________________________
Title: Deputy

## EXHIBIT "A" TO QUITCLAIM DEED

## LEGAL DESCRIPTION OF THE REAL PROPERTY

That portion of Lot 8, Block C, San Pasqual Tract, as shown on map recorded in Book 3, page 315, of Miscellaneous Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles and those portions of Lots 1, 2, and 3, Ogden's Subdivision, as shown on map recorded in Book 14, page 39, of said Miscellaneous Records, within the following described boundaries:

Beginning at the intersection of a line parallel with and 228 feet easterly, measured at right angles, from the easterly line of Marengo Avenue, 69 feet wide, as shown on map of Pasadena Civic Center, recorded in Book 181, pages 12 and 13, of Maps, in the office of said Registrar-Recorder/County Clerk and the southerly line of Walnut Street, as said southerly line was established by a Final Order of Condemnation, had in Superior Court Case No. 219347, a certified copy of which is recorded in Book 7232, page 202, of Official Records, in the office of said Registrar-Recorder/County Clerk; thence westerly and southwesterly along said southerly line to said easterly line; thence southerly along said easterly line to the northerly line of Ramona Street, 60 feet wide, as shown on said map of Pasadena Civic Center; thence easterly along said northerly line to said parallel line; thence northerly along said parallel line to the point of beginning.

STATE OF CALIFORNIA )
) SS.
COUNTY OF LOS ANGELES )

On ______________________________, 20__, before me, DEAN C. LOGAN, Registrar-Recorder/County Clerk of the County of Los Angeles, personally appeared _____________________________________ who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

DEAN C. LOGAN, Registrar-Recorder/
County Clerk of the County of Los Angeles

By: _________________________________
Deputy County Clerk

(Seal)

APPROVED as to title and execution,

________________________, 20___.
DEPARTMENT OF PUBLIC WORKS
Mapping & Property Management Division

Supervising Title Examiner

By: _________________________________

**EXHIBIT "D"**
**TO THE PARKING STRUCTURE AGREEMENT**

Form of Council/City Equity Interest Release Agreement

*Form of the Equity Interest Release between the Council and City enclosed herewith.*

**EQUITY INTEREST RELEASE AGREEMENT**
**BY AND BETWEEN**
**THE JUDICIAL COUNCIL OF CALIFORNIA AND**
**THE CITY OF PASADENA**
**(PASADENA COURTHOUSE PARKING STRUCTURE)**

THIS EQUITY INTEREST RELEASE AGREEMENT (**"Release"**) is made and entered into as of **______________________**, 20**____**, by and between THE CITY OF PASADENA, a municipal corporation (**"City"**), and the JUDICIAL COUNCIL OF CALIFORNIA, an entity established by the Constitution of the State of California (the **"Council"**). For purposes of this Release, the City and the Council are sometimes referred to individually as a **"Party"** and together as the **"Parties."**

## RECITALS

A. On October 21, 2008, the Council and the County of Los Angeles (**"County"**) entered into that certain Transfer Agreement for the Transfer of Responsibility for and Title to the Pasadena Courthouse (**"Original Transfer Agreement"**), setting forth the terms and conditions for the transfer of responsibility for funding and operation of, and transfer of title to, that certain improved real property commonly known as the **"Pasadena Courthouse,"** located at 300 E. Walnut Street, Pasadena, California, and that certain parking structure located at 240 Ramona Street, Pasadena, California (the **"Parking Structure Real Property"**), which Parking Structure Real Property is more particularly described in **Attachment "A"** to this Release.

B. On October 21, 2008, the Council and the County also entered into that certain Joint Occupancy Agreement (**"Original JOA"**) setting forth the terms governing the Council's and the County's respective rights and responsibilities regarding their shared possession, occupancy, and use of the Pasadena Courthouse and the Parking Structure Real Property.

C. On or about the date of this Release, the Council and the County have entered into that certain Amended and Restated Transfer Agreement (the **"ARTA"**), to amend, restate, supersede, and replace the Original Transfer Agreement.

D. Concurrently with entering into the ARTA, the Council and the County have also entered into that certain Amended and Restated Joint Occupancy Agreement, to amend, restate, supersede, and replace the Original JOA.

E. On or about the date of this Release, the Council, the County, and the City have entered into that certain Pasadena Courthouse Parking Structure Operating and Use Agreement and General Release (the **"Parking Structure Agreement"**), under which the Council, the County, and the City agreed, among other things, that: (a) the County will convey to the City by quitclaim deed (the **"Deed"**), and the City will accept from the County, an undivided 30 percent interest in the Parking Structure Real Property as tenants-in-common with the County; and (b) the

County and the Council will relinquish to the City, and the City will accept from the County and the Council, a portion of the County's and the Council's respective Equity interests in the Parking Structure Real Property, the sum of which Equity interests correspond with the 30 percent tenancy-in-common interest in the Parking Structure Real Property that will be conveyed to the City by the Deed.

F. Concurrently with the full execution of this Release, the County and the City will enter into an Equity Interest Release Agreement, under which the County will relinquish to the City a 9.65 percent Equity interest in the Parking Structure Real Property (the **"County/City Equity Interest Release Agreement"**).

G. Capitalized terms used in this Release and not otherwise defined herein will have the meanings ascribed to them in the Parking Structure Agreement.

**NOW, THEREFORE,** for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the City and the Council agree as follows:

1. <u>Effective Date</u>. This Release will take effect, and the transactions provided for herein shall be deemed to have occurred, immediately and automatically, contingent upon: (a) the full execution and delivery of the County/City Equity Interest Release Agreement; and (b) the recordation of the Deed in the Office of the County Recorder for the County (**"Effective Date"**).

2. <u>Release and Acceptance of Equity Interest</u>. In accordance with the terms and conditions set forth in the Parking Structure Agreement, and effective upon the Effective Date:

2.1 The Council hereby fully, finally, and absolutely releases, relinquishes, and transfers to and for the benefit of the City, its successors and assigns, a 20.35 percent Equity interest in and to the Parking Structure Real Property, after which the Council will hold a 49 percent Equity interest in the Parking Structure Real Property;

2.2 The City hereby acquires, accepts, and assumes from the Council, a 20.35 percent Equity interest in and to the Parking Structure Real Property on the terms set forth in this Release, and subject to the terms set forth in the Parking Structure Agreement to the fullest extent that such terms are applicable to this Release, and the City acknowledges that, on and after the Effective Date, the Council will hold a 49 percent Equity interest in the Parking Structure Real Property notwithstanding that the State of California has no fee title interest in the Parking Structure Real Property.

3. <u>No Warranty or Recourse</u>. The Council's foregoing release, relinquishment, and transfer to the City of a 20.35 percent Equity interest in and to the Parking Structure Real Property as and when provided for in this Release, is made and given without warranty or recourse of any kind, express or implied.

4. Miscellaneous.

4.1. Governing Law. This Release is made and given in the State of California and will be governed by the laws of the State of California without resort to any choice of law principles.

4.2. Severability. If any agreement, covenant, or term of this Release is held by a court of competent jurisdiction to be invalid, void, or unenforceable, in whole or in part, the Parties will promptly meet and confer to determine how to amend the inconsistent provision in a manner consistent with law, but all parts of this Release not held invalid, void, or unenforceable will continue in full force and effect.

4.3. Binding Effect. This Release binds the Parties and their respective successors and assigns.

4.4. Counterparts and Electronic Execution. This Release may be executed in counterparts (including PDF copies), each of which shall be deemed an original as against the Party signing such counterpart and which together shall constitute one and the same instrument. The Parties agree that the signature pages of this Release may be executed, scanned, and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this Release, with such scanned and electronic signatures having the same legal effect as original signatures.

**[SIGNATURES ON FOLLOWING PAGE(S)]**

**IN WITNESS WHEREOF,** the Parties enter into this Release as of the dates written below.

**JUDICIAL COUNCIL OF CALIFORNIA**

By: ____________________
Name: Alice Lee
Title: Manager, Contracts
Date: ____________________

APPROVED AS TO FORM:
Judicial Council of California,
Legal Services

By: ____________________
Name: Maggie W. Stern
Title: Attorney
Date: ____________________

**CITY OF PASADENA**

By: 
Name: Nicholas G. Rodriguez
Title: Assistant City Manager
Date: 9/1/2026

ATTEST:

By: 8/4/26
Mark Jomsky, City Clerk

APPROVED AS TO FORM:

By: 
Dion O'Connell
Assistant City Attorney

ATTACHMENT “A” TO
THE COUNCIL/CITY EQUITY INTEREST RELEASE AGREEMENT

Legal Description of Parking Structure Real Property

That portion of Lot 8, Block C, San Pasqual Tract, as shown on map recorded in Book 3, page 315, of Miscellaneous Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles and those portions of Lots 1, 2, and 3, Ogden's Subdivision, as shown on map recorded in Book 14, page 39, of said Miscellaneous Records, within the following described boundaries:

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**EXHIBIT "E"**
**TO THE PARKING STRUCTURE AGREEMENT**

<u>Form of County/City Equity Interest Release Agreement</u>

*Form of the Equity Interest Release between the County and City enclosed herewith.*

**EQUITY INTEREST RELEASE AGREEMENT**
**BY AND BETWEEN**
**THE COUNTY OF LOS ANGELES AND**
**THE CITY OF PASADENA**
**(PASADENA COURTHOUSE PARKING STRUCTURE)**

THIS EQUITY INTEREST RELEASE AGREEMENT (**"Release"**) is made and entered into as of ______________________, 20____, by and between the CITY OF PASADENA, a municipal corporation (**"City"**), and the COUNTY OF LOS ANGELES, a body corporate and politic (**"County"**). For purposes of this Release, the City and the Council are sometimes referred to individually as a **"Party"** and together as the **"Parties."**

## RECITALS

A. On October 21, 2008, the County and the Judicial Council of California (the **"Council"**) entered into that certain Transfer Agreement for the Transfer of Responsibility for and Title to the Pasadena Courthouse (**"Original Transfer Agreement"**), setting forth the terms and conditions for the transfer of responsibility for funding and operation of, and transfer of title to, that certain improved real property commonly known as the **"Pasadena Courthouse,"** located at 300 E. Walnut Street, Pasadena, California, and that certain parking structure located at 240 Ramona Street, Pasadena, California (the **"Parking Structure Real Property"**), which Parking Structure Real Property is more particularly described in **Attachment "A"** to this Release.

B. On October 21, 2008, the County and the Council also entered into that certain Joint Occupancy Agreement (**"Original JOA"**) setting forth the terms governing the County's and the Council's respective rights and responsibilities regarding their shared possession, occupancy, and use of the Pasadena Courthouse and the Parking Structure Real Property.

C. On or about the date of this Release, the County and the Council have entered into that certain Amended and Restated Transfer Agreement (the **"ARTA"**), to amend, restate, supersede, and replace the Original Transfer Agreement.

D. Concurrently with entering into the ARTA, the County and the Council have also entered into that certain Amended and Restated Joint Occupancy Agreement, to amend, restate, supersede, and replace the Original JOA.

E. On or about the date of this Release, the Council, the County, and the City have entered into that certain Pasadena Courthouse Parking Structure Operating and Use Agreement and General Release (the **"Parking Structure Agreement"**), under which the Council, the County, and the City agreed, among other things, that: (a) the County will convey to the City by quitclaim deed (the **"Deed"**), and the City will accept from the County, an undivided 30 percent interest in the Parking Structure Real Property as tenants-in-common with the County; and (b) the County and the Council will relinquish to the City, and the City will accept from the County and the Council, a portion of the County's and the Council's respective Equity interests in the Parking Structure Real Property, the sum of which Equity interests corresponds with the 30 percent tenancy-in-common interest in the Parking Structure Real Property that will be conveyed to the City by the Deed.

F. Concurrently with the full execution of this Release, the Council and the City will enter into an Equity Interest Release Agreement, under which the Council will relinquish to the City a 20.35 percent Equity interest in the Parking Structure Real Property (the **"Council/City Equity Interest Release Agreement"**).

H. Capitalized terms used in this Release and not otherwise defined herein will have the meanings ascribed to them in the Parking Structure Agreement.

**NOW, THEREFORE,** for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the City and the County agree as follows:

1. Effective Date. This Release will take effect, and the transactions provided for herein shall be deemed to have occurred, immediately and automatically, contingent upon: (a) the full execution and delivery of the Council/City Equity Interest Release Agreement; and (b) the recordation of the Deed in the Office of the County Recorder for the County (**"Effective Date"**).

2. Release and Acceptance of Equity Interest. In accordance with the terms and conditions set forth in the Parking Structure Agreement, and effective upon the Effective Date:

2.1. The County hereby fully, finally, and absolutely releases, relinquishes, and transfers to and for the benefit of the City, its successors and assigns, a 9.65 percent Equity interest in and to the Parking Structure Real Property, after which the County will hold a 21 percent Equity interest in the Parking Structure Real Property;

2.2. The City hereby acquires, accepts, and assumes from the County, a 9.65 percent Equity interest in and to the Parking Structure Real Property on the terms set forth in this Release, and subject to the terms set forth in the Parking Structure Agreement to the fullest extent that such terms are applicable to this Release, and the City acknowledges that on and after the Effective Date, the County will hold 21 percent Equity interest in the Parking Structure Real Property notwithstanding that the County will have a 70 percent undivided fee interest in the Parking Structure Real Property as tenants-in-common with the City.

3. No Warranty or Recourse. The County's foregoing release, relinquishment, and transfer to the City of a 9.65 percent Equity interest in and to the Parking Structure Real Property as and when provided for in this Release, is made and given without warranty or recourse of any kind, express or implied.

4. Miscellaneous.

4.1. Governing Law. This Release is made and given in the State of California and will be governed by the laws of the State of California without resort to any choice of law principles.

4.2. Severability. If any agreement, covenant, or term of this Release is held by a court of competent jurisdiction to be invalid, void, or unenforceable, in whole or in part, the

Parties will promptly meet and confer to determine how to amend the inconsistent provision in a manner consistent with law, but all parts of this Release not held invalid, void, or unenforceable will continue in full force and effect.

4.3. Binding Effect. This Release binds the Parties and their respective successors and assigns.

4.4. Counterparts and Electronic Execution. This Release may be executed in counterparts (including PDF copies), each of which shall be deemed an original as against the Party signing such counterpart and which together shall constitute one and the same instrument. The Parties agree that the signature pages of this Release may be executed, scanned, and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this Release, with such scanned and electronic signatures having the same legal effect as original signatures.

**[SIGNATURES ON FOLLOWING PAGE(S)]**

**IN WITNESS WHEREOF,** the Parties enter into this Release as of the dates written below.

**COUNTY OF LOS ANGELES**

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: Roberto Saldana
Name: Roberto Saldana
Title: Senior Deputy
Date: August 5, 2026

JOSEPH M. NICCHITTA
Chief Executive Officer

By: ______________________
Name: John T. Cooke
Title: Assistant Chief Executive Officer
Date: ______________________

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/County Clerk

By: ______________________
Title: Deputy

**CITY OF PASADENA**

By: ______________________
Name: Nicholas G. Rodriguez
Title: Assistant City Manager
Date: Aug 3, 2026

ATTEST:

By: ______________________ 8/4/26
Mark Jomsky, City Clerk

APPROVED AS TO FORM:

By: Dion O'Connell
Dion O'Connell
Assistant City Attorney

ATTACHMENT “A”
THE COUNTY/CITY EQUITY INTEREST RELEASE AGREEMENT

Legal Description of Parking Structure Real Property

That portion of Lot 8, Block C, San Pasqual Tract, as shown on map recorded in Book 3, page 315, of Miscellaneous Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles and those portions of Lots 1, 2, and 3, Ogden's Subdivision, as shown on map recorded in Book 14, page 39, of said Miscellaneous Records, within the following described boundaries:

Beginning at the intersection of a line parallel with and 228 feet easterly, measured at right angles, from the easterly line of Marengo Avenue, 69 feet wide, as shown on map of Pasadena Civic Center, recorded in Book 181, pages 12 and 13, of Maps, in the office of said Registrar-Recorder/County Clerk and the southerly line of Walnut Street, as said southerly line was established by a Final Order of Condemnation, had in Superior Court Case No. 219347, a certified copy of which is recorded in Book 7232, page 202, of Official Records, in the office of said Registrar-Recorder/County Clerk; thence westerly and southwesterly along said southerly line to said easterly line; thence southerly along said easterly line to the northerly line of Ramona Street, 60 feet wide, as shown on said map of Pasadena Civic Center; thence easterly along said northerly line to said parallel line; thence northerly along said parallel line to the point of beginning.