

**AMENDMENT NO. 3 TO CONTRACT NO. C18171872 (RESTAURANT)
BETWEEN THE CITY OF PALO ALTO AND
OB SPORTS GOLF MANAGEMENT (BAYLANDS), LLC**

This Amendment No. 3 (this “Amendment”) to Contract No. C18171872 (the “Contract” as defined below) is entered into as of August 19, 2024, by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“CITY”), and OB SPORTS GOLF MANAGEMENT (BAYLANDS), LLC, a Limited Liability Company, Department of Industrial Relations Registration No.1001184589, located at 15044 North Scottsdale Road, Suite 300, Scottsdale, AZ 85254 (“CONSULTANT”). CITY and CONSULTANT are referred to collectively as the “Parties” in this Amendment.

RECITALS

A. The Contract (as defined below) was entered into by and between the Parties hereto for the provision of restaurant services to provide food and beverages and banquet services, as more fully described in Exhibit “A” (Scope of Services), as detailed therein.

B. The Parties now wish to amend the Contract in order to (1) extend the contract term for two years and nine months through June 30, 2027; (2) retroactive to July 1, 2024, increase monthly rent by ten percent (10%) from four thousand dollars (\$4,000) to forty-four hundred dollars (\$4,400); and (3) increase utilities fees by ten percent (10%) from fifteen hundred dollars (\$1,500) to sixteen hundred fifty dollars (\$1,650), as detailed herein.

NOW, THEREFORE, in consideration of the covenants, terms, conditions, and provisions of this Amendment, the Parties agree:

SECTION 1. Definitions. The following definitions shall apply to this Amendment:

a. **Contract.** The term “Contract” shall mean Contract No. C18171872 between CONSULTANT and CITY, dated April 10, 2018, as amended by:

Amendment No. 1, dated June 21, 2021
Amendment No. 2, dated July 3, 2024

b. **Other Terms.** Capitalized terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Contract.

SECTION 2. Section 2, “TERM AND OPTION”, of the Contract is hereby amended to read as follows:

“The term of this Agreement shall be from the date of its full execution and approval by City’s City Council (the “Commencement Date”) through June 30, 2027 unless terminated earlier pursuant to Section 19 of this Agreement.

Vers.: Aug. 5, 2019

A renewal option for a period or periods of up to 3 years (from July 1, 2021 through June 30, 2024, is available as mutually agreed, to be executed in accordance with Section 27.4 of this Agreement. (In June 2021, the Parties agreed to the first renewal option in Amendment 1 to this Agreement.) A second renewal option for a period or periods of up to an additional 3 years (from July 1, 2024 through June 30, 2027), is available as mutually agreed, to be executed in accordance with Section 27.4 of this Agreement. Absent a mutually extended agreement, the City reserves the right to extend this Agreement for up to six months. During such six-month extension period, the parties may agree to a renewal option as provided for herein.”

SECTION 3. The following exhibit(s) to the Contract is hereby amended, as indicated below, to read as set forth in the attachment to this Amendment, which is hereby incorporated in full into this Amendment and into the Contract by this reference:

- a. Exhibit “B” entitled “COMPENSATION”, AMENDMENT NO. 3”, AMENDED, REPLACES PREVIOUS

SECTION 4. Legal Effect. Except as modified by this Amendment, all other provisions of the Contract, including any exhibits thereto, shall remain in full force and effect.

SECTION 5. Incorporation of Recitals. The recitals set forth above are terms of this Amendment and are fully incorporated herein by this reference.

(SIGNATURE BLOCK FOLLOWS ON THE NEXT PAGE.)

SIGNATURES OF THE PARTIES

IN WITNESS WHEREOF, the Parties have by their duly authorized representatives executed this Amendment effective as of the date first above written.

CITY OF PALO ALTO

City Manager

APPROVED AS TO FORM:

City Attorney or designee

**OB SPORTS GOLF
MANAGEMENT(BAYLANDS), LLC**

Officer 1

DocuSigned by:
Jeff Hansen, Executive Vice President, G
32779AD3A4964E0...

By: _____

Name: _____
Jeff Hansen, Executive Vice President, G

Title: _____
EVP & General Counsel

Officer 2

DocuSigned by:
Jay McGrath, Chief Legal Officer
74E1578ECC414A5...

By: _____

Name: _____
Jay McGrath, Chief Legal Officer

Title: _____
Chief Legal Officer

Attachments:

EXHIBIT "B" entitled "COMPENSATION, AMENDMENT NO. 3", AMENDED, REPLACES PREVIOUS

EXHIBIT "B"
COMPENSATION, AMENDMENT NO. 3
AMENDED, REPLACES PREVIOUS

A. Rent

The rent to be paid by CONSULTANT shall be paid in advance on or before the first day of every month during the term of this Agreement. CONSULTANT shall pay rent to CITY according to the following schedule:

| Time Period | Rent Amount Owed to City |
|---------------------------------------------|--------------------------------------------------------------------------------------|
| May 2018 through June 2019 | \$1 per month |
| July 2019 through June 2020 | \$4,000 per month |
| June 2020 through June 2024 | At least \$4,000 per month but subject to increase based on net revenue expectations |
| July 2024 through the end of this Agreement | At least \$4,400 per month but subject to increase based on net revenue expectations |

B. Utilities

The CITY provides gas, electricity, water, sewer and refuse collections services ("utilities") as required for CONSULTANT'S use. The utilities fees to be paid by CONSULTANT shall be paid in advance on or before the first day of every month during the term of this Agreement. CONSULTANT shall pay utilities fees to CITY according to the following schedule:

| Time Period | Utilities Fees Owed to City |
|---------------------------------------------|------------------------------------|
| May 2018 through June 2019 | No charge to CONSULTANT. |
| July 2019 through June 2024 | \$1,500 per month |
| July 2024 through the end of this Agreement | At least \$1,650 per month |

Notwithstanding the above terms of this Section B, CONSULTANT shall be responsible for gas, electricity, water, sewer and refuse collection services that are not required for CONSULTANT'S use or for uses not authorized by this Agreement.

C. Late Fees

1. CONSULTANT shall pay to CITY all of the fees described above, and any other sums due CITY, at the times, at the places, and in the manner herein provided. If any payment or any part thereof to be made by CONSULTANT to CITY pursuant to the terms hereof shall become overdue for a period of sixty (60) days, a "late charge" may be charged by CITY for the purpose of defraying the expense incident to handling such delinquency.

2. The late charge shall be equal to 1% of the payment owed.

3. In the event any portion of this Section violates any state or federal law or regulation, this Section shall be deemed void and shall have no other effect or make invalid any other provision of this Agreement.