

## SECOND AMENDMENT TO TENANT WORK LETTER

THIS SECOND AMENDMENT TO TENANT WORK LETTER (this “Second Amendment”) is entered into as of \_\_\_\_\_ (“Execution Date”) by and between CITY OF PALO (“City”) and PALO ALTO HISTORY MUSEUM (“Museum”).

### RECITALS

A. WHEREAS, City and Museum are parties to that certain Tenant Work Letter dated as of April 20, 2023 as amended by that certain First Amendment to Tenant Work Letter dated September 6, 2023; and

B. WHEREAS, City and Museum desire to further modify and amend the Tenant Work Letter only in the respects and on the conditions hereinafter stated.

### AGREEMENT

NOW, THEREFORE, City and Museum, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, agree as follows:

1. Definitions. For purposes of this Second Amendment, capitalized terms shall have the meanings ascribed to them in the Tenant Work Letter unless otherwise defined herein.

2. Attachment A. Attachment A of the Tenant Work Letter is hereby deleted and replaced with the Attachment A attached hereto.

3. Attachment B. Attachment B of the Tenant Work Letter is hereby deleted and replaced with the Attachment B attached hereto.

4. Effect of Second Amendment. Except as modified by this Second Amendment, the Tenant Work Letter and all the covenants, agreements, terms, provisions and conditions thereof shall remain in full force and effect and are hereby ratified and affirmed. In the event of any conflict between the terms contained in this Second Amendment and the Tenant Work Letter, the terms herein contained shall supersede and control the obligations and liabilities of the parties.

5. Counterparts and PDF Signatures. This Second Amendment may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same document. A portable document format (PDF) signature using DocuSign on this Second Amendment shall be equivalent to, and have the same force and effect as, an original signature.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Second Amendment as of the day hereinabove first written.

**CITY:**

CITY OF PALO ALTO,  
a California chartered municipal corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Approved as to Form:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**MUSEUM:**

PALO ALTO HISTORY MUSEUM

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

## **ATTACHMENT A PROJECT FUNDING**

This Attachment A details the Parties' respective funding commitments for construction of the Project, based on the estimated Construction Cost set forth in Recital F, which is subject to amendment prior to commencement of Project construction. Pursuant to Section 5.4, this Attachment A will be amended based on the final GMP, as a condition precedent to commencement of Project construction.

1. **Museum Contribution.** The Museum is contributing \$3,108,292.00 to pay for certain hard and soft costs for the construction of the Project as further specified in Section 4.3, which is comprised of the following:

A. The Museum will contribute \$372,011.00 to pay for all construction phase soft costs, including, without limitation, all permit and utility fees that are not expressly waived or reimbursed by the City and the premiums for the Builder's Risk insurance for the Project.

B. The Museum will contribute \$2,736,281.00, based on the difference between the City Contribution and the estimated amount of the GMP as of the Effective Date.

The Museum Contribution shall be funded by pledged and received donations in the amount of \$850,000.00 (the "**Museum Donations**") and, to the extent available and subject to Section 4.3 of the Tenant Work Letter, funds from the HUD Grant in the amount of \$2,258,292.00 (the "**HUD Funds**"). Notwithstanding the foregoing, the amounts set forth herein are subject to amendment pursuant to Section 5.4 to reflect the final GMP and commensurate adjustments to the final amount of the Museum Contribution as a condition precedent to commencement of Project construction.

2. **City Contribution.** The City Contribution is comprised of the following contributions and reimbursements for construction of the Project, for a total City Contribution of \$10,020,000, provided the Museum meets its funding obligations and timely complies with the conditions for Project commencement set forth in this Tenant Work Letter:

A. The City will contribute \$4,900,000.00 from transferable development rights and City general funds.

B. The City will contribute \$2,000,000.00 from Stanford University Medical Center development agreement funds.

C. The City will contribute \$653,000.00 from funds received pursuant to the County Grant Agreements, which is to be allocated solely for the improvements specified in the County Grant Agreements, and conditioned

upon the Museum's compliance with the terms and conditions of the County Grant Agreements, as may be further specified in the Lease.

D. The City will contribute \$1,650,000.00 from Community Center Impact Fees, toward construction cost for the community room facilities in the Building, provided those facilities are available for public community center use as further specified in the Lease.

E. The City will contribute \$350,000.00 from Park Impact Fees toward construction costs for the restroom facilities on the northeast side of the Building, provided those facilities are available as the public restrooms serving Heritage Park as further specified in the Lease.

F. The City will contribute \$300,000.00 from Library Impact Fees toward construction costs for the City Archive Room, provided the City Archive Room is available and accessible for City archives as further specified in the Lease.

G. The City will reimburse the Museum in the amount of \$100,000.00 for permit fees previously assessed for the Project.

H. The City will contribute \$67,000.00 to offset the cost for the General Contractor's procurement of a payment bond and a performance bond.

**ATTACHMENT B**  
**PROJECT SCHEDULE**

Pursuant to Section 6.6 of the Tenant Work Letter, the attached schedule, dated \_\_\_\_\_, constitutes the planned schedule for construction of the Project.











	Activity Name	Duration (Days)	Start Date	Finish Date	% Complete	Predecessors	Successors	Critical	Free Float	CONSTRUCTIO3 PROGRESS UPDATE								2024												
										June	July	August	September	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December		
217	CT and QT @ Baths	10.00	8/2/24	8/15/24	0%	212, 213, 214	224	No	0.00																					
218	Cove Fixtures @ Lobby, Theater, Exhibits	10.00	8/2/24	8/15/24	0%	214	235	No	15.00																					
219	Install new Electrical Main Switch Gear/City Inspection/Energize	45.00	5/13/24	7/12/24	0%	20	220, 227	No	4.00																					
220	Rehabilitate (E) Elevator	50.00	7/19/24	9/26/24	0%	19, 213, 219	221	No	0.00																					
221	Schedule/Inspect Elevator Installation	15.00	9/27/24	10/17/24	0%	220, 231	243	No	0.00																					
222	Install (N) Doors and Frames	10.00	7/2/24	7/15/24	0%	209, 210	235	No	38.00																					
223	Install Laminates, Trim 102 and 103	6.00	8/2/24	8/9/24	0%	214	227, 229	No	0.00																					
224	Install (N) Bath & Janitor Partitions, Fixtures	4.00	8/16/24	8/21/24	0%	217	235	No	11.00																					
225	Install Wood Paneling @ 105, 111	5.00	8/2/24	8/8/24	0%	214	226, 227	No	0.00																					
226	Finishes @ Paneling Trim	5.00	8/9/24	8/15/24	0%	225	227, 230	No	0.00																					
227	Complete Trim Out of MEPS	10.00	8/16/24	8/29/24	0%	9, 223, 225, 2	228, 235	No	0.00																					
228	MEPS Commisioning	5.00	8/30/24	9/5/24	0%	227	242	No	5.00																					
229	Install Wood Base 1st Flr	5.00	8/12/24	8/16/24	0%	223	235	No	14.00																					
230	Repair Flexwood & Trim	5.00	8/16/24	8/22/24	0%	226	234	No	0.00																					
231	Floor Finishes	10.00	8/2/24	8/15/24	0%	214	1, 232, 233, 2	No	0.00																					
232	Install Wood Base at 2nd Flr	5.00	8/16/24	8/22/24	0%	231	235	No	10.00																					
233	Install Doors and Hardware All Floors	15.00	8/16/24	9/5/24	0%	195, 231	235	No	0.00																					
234	Finishes @ Flexwood Trim	5.00	8/23/24	8/29/24	0%	230	235	No	5.00																					
235	Paint Final Interior Items & Complete Touch Up	5.00	9/6/24	9/12/24	0%	4, 227, 229, 2	242	No	0.00																					
236	Punchlish/Final Inspection/Substantial Completion	165.00	5/14/24	12/30/24	34%																									
237	Removal of Entry Tunnel and Exterior Frescoe/Mural Protection	3.00	9/11/24	9/13/24	0%	172	238, 239, 248	No	0.00																					
238	Touch Up @ Exterior Frescoe/Mural Protection	5.00	9/16/24	9/20/24	0%	237	240	No	7.00																					
239	Refurbish Entrance Arcade Lights (Total of 3)	3.00	9/16/24	9/18/24	0%	237	240	No	9.00																					
240	Exterior Punchlist	10.00	10/2/24	10/15/24	0%	3, 174, 175, 2	248	No	53.00																					
241	Site Punchlist	15.00	9/11/24	10/1/24	0%	172	248	No	63.00																					
242	Interior Punchlist	15.00	9/13/24	10/3/24	0%	228, 235	248	No	61.00																					
243	State Elevator Inspection IF Required	5.00	10/18/24	10/24/24	0%	221, 231	244, 246, 248	No	0.00																					
244	Planning, Fire & Building Inspection Sign Off	8.00	10/25/24	11/5/24	0%	216, 243	246, 248	No	38.00																					
245	Weather Delays	10.00	5/14/24	5/27/24	0%	164	248	No	154.00																					
246	Delay #1 - Mobilization Delays (8 days)	8.00	11/6/24	11/15/24	100%	243, 244	247, 248	No	0.00																					
247	Delay #2 - Builder's Risk Insurance Delay (30 days)	30.00	11/18/24	12/27/24	100%	246	248	No	0.00																					
248	Substantial Completion (December 30, 2024)	1.00	12/30/24	12/30/24	0%	241, 242, 243		Yes	-0.00																					
										June	July	August	September	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December		