

**Recommended Business Terms**  
**Lease and Option to Sell**

485 Clyde Avenue (APN 160-57-006) and 495 Clyde Avenue (APN 160-57-007)  
Mountain View, CA  
Approximately 3.72 Acres

**Intent:** The City of Mountain View (City) to lease approximately 3.72 acres of property to facilitate the near-term development of a public park with a pickleball complex, with an option for Google to sell the property to the City within the lease term.

<b>Term</b>	<b>Provision</b>
<b>Parties</b>	Lessor/Seller: Google Lessee/Buyer: City of Mountain View (City)
<b>Lease Term</b>	7 years after Lease Commencement, with no lease term extensions.
<b>Lease Commencement</b>	The 1 <sup>st</sup> day of the month after Delivery Condition and Site Preparation is completed by Google.
<b>Annual Rent</b>	\$1 plus property taxes and Google's third-party property management costs (currently estimated at approximately \$10,000 per year). Google shall apply for property tax reduction after the buildings are demolished.
<b>Delivery Condition and Site Preparation</b>	Property will be delivered to the City as vacant land after City's acceptance that the existing buildings and foundations have been completely demolished by Google. All land exterior to the buildings will remain as is, including the parking lots, parking lot lighting, and trees. Google shall apply for a demolition permit from the City no later than 60 days after the lease is executed and shall demolish the buildings within 45 days of receiving the demolition permit and any other required City approvals, weather permitting.
<b>Environmental Conditions</b>	Prior to Lease Commencement, Google shall provide a current Phase I Environmental Site Assessment (ASTM standard) for the Property. If the Phase I identifies potential environmental conditions warranting further investigation, Google shall reasonably cooperate with any follow-up assessment. If environmental conditions are identified that could materially affect the City's intended use or result in significant cost or liability, the City shall have the right, prior to or at Lease Commencement, to delay Lease Commencement or terminate the lease. If environmental conditions are identified that would require Google to undertake significant remediation, then Google may terminate the Lease.
<b>City Maintenance Responsibilities</b>	City to perform all repairs, maintenance and replacement work (including any capital repairs or replacements) at the site including all landscaping, pest control, parking lot sweeping, parking lot lighting, exterior backflow testing. City may make improvements to the site

Term	Provision
	related to the intended use of a public park with a pickleball facility, at its sole cost, and shall be responsible for the costs to operate and maintain the City improvements.
<b>Google Option to Sell Property to City</b>	Google shall have the right, at its sole election during the 7-year lease term, to exercise an option to sell the Property to the City in exchange for park land/open space credits equivalent to 3.72 acres of land. These credits may be used to meet park land/open space requirements for developments on Google-owned property or on third-party owned property with Google allowed to sell unused credits to other residential developers in the City in fulfillment of City parkland or other City open space requirements. The credits must be used within thirty (30) years, following which any unused credits would expire.
<b>Sublease</b>	City intends to develop the park in phases, starting with the pickleball complex. City may sublease portions of the property not being used for the pickleball complex for certain temporary uses (e.g., construction staging or similar temporary uses) until such time that the full park is developed. Any sublease would be subject to Google's approval, which would apply to the proposed use and term of the sublease. Google's approval would not be unreasonably withheld, conditioned or delayed. City would solely retain any proceeds from the sublease.
<b>Insurance/Hold Harmless</b>	The City maintains a municipal self-insurance program. During the lease term, the City shall be responsible for any liability arising from the City's use and occupancy of the Property and shall indemnify and hold harmless Google from claims arising from the City's use of the Property. Google would be named as an additional insured under the City's self-insurance coverage with respect to the City's use of the property, and the parties anticipate that Google would not be required to obtain separate insurance coverage for the City's use of the Property during the term of the lease.
<b>Early Lease Termination</b>	<p>No early termination of the lease by Google or City for the 7-year term except under the following conditions:</p> <ul style="list-style-type: none"> <li>● City is unable to proceed with the City's intended use of the property due to Airport Land Use Commission action or inaction.</li> <li>● City or Google determines the environmental or site condition materially affects the feasibility of the project or cleanup costs render the project infeasible, as reasonably determined by the City or Google.</li> <li>● City acquires the land from Google.</li> </ul> <p>Lease will contain typical default/remedies provisions, including Google's right to terminate for an uncured City default.</p>