L-351 /DSS Parking Lot/5610

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### LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made and entered into this 13th day of \_, 2021 (the "Effective Date"), by and between Pontiac Parking Solutions LLC, 2780 N. Miami Ave., Ste. 101, Fresno, CA 93727, ("LESSOR"), and the COUNTY OF FRESNO, a political subdivision of the State of California, 333 W. Pontiac Way, Clovis, CA 93612 ("LESSEE"). LESSOR and LESSEE may be referred to in this Lease individually as a "Party" or collectively at times as the "Parties".

- PREMISES LESSOR hereby leases to LESSEE the real property at the location commonly known as 2500 E. Dakota, Fresno, CA 93727, which includes approximately 600 parking stalls ("Parking Lot"), and which comprises a portion of Fresno County Assessor's Parcel Number 493-070-34s, as depicted on Attachment "A", which is attached to and by this reference incorporated herein (the "Premises").
- 2. TERM – The term of this Lease shall be ten (10) years (the "Term" or "term"), commencing on the Effective Date of this Lease, and terminating on April 12, 2031.
- 3. RENT/OPERATION COSTS – LESSEE shall pay to LESSOR, on a monthly basis, both Base Rent and Additional Rent (as both terms are defined herein). Base Rent and Additional Rent shall hereinafter be collectively referred to as the "Rent." If the Effective Date is not on the first day of a month, LESSEE shall pay Rent as prorated for such partial month.
- 4. Base Rent – LESSEE shall pay rent on a monthly basis for the Premises ("Base Rent") as shown in the payment schedule below.

Rent Period	Parking	
Year One	\$	1.00
Year Two	\$	1.00
Year Three	\$	1.00
Year Four	\$	1.00
Year Five	\$	1.00
Year Six	\$	1.00
Year Seven	\$	1.00
Year Eight	\$	1.00
Year Nine	\$	1.00
Year Ten	\$	1.00

5. ADDITIONAL RENT – In addition to the Base Rent, LESSEE shall pay on a monthly basis as "Additional Rent", the annual operations costs for the Premises to LESSOR, consisting of 100% of LESSOR'S actual out of pocket costs for real estate taxes, insurance, and all maintenance-related expenses incurred by LESSOR allocable to the Premises (collectively, "Operation Costs"), as listed in the Operating Budget attached as Attachment "B" and incorporated by this reference. Anticipated total Operation Costs for the 2021 calendar year based on current Operation Costs are \$105,454.12, as set forth in Attachment "B." Based on the foregoing estimate, LESSEE shall pay Additional Rent to LESSEE for each month or partial month at the rate of \$8,787.84 per month, unless LESSOR provides LESSEE with an revised budget or a statement (as described herein), showing that LESSOR's actual Operation Costs have increased, at which time LESSEE shall pay Additional Rent in accordance with LESSOR's revised budget estimate or statement.

Within 90 days after the end of each calendar year this Lease is in force, LESSOR shall furnish to LESSEE a statement covering the calendar year just expired, showing by cost category the actual Operation Costs incurred for that year, and the monthly payments made by LESSEE during that year for the Operation Costs. If LESSEE's share of the Operation Costs exceeds LESSEE's prior payments, LESSEE shall pay to LESSOR, as Additional Rent, the deficiency, within 45 days after receipt of such annual statement. If LESSEE's payments for the calendar year exceed LESSEE's actual share of the Operation Costs, and provided LESSEE is not in arrears as to the payment of any Rent, LESSEE may offset the excess against any payments of Operation Costs next due LESSOR.

### 6. <u>LESSEE RESPONSIBILITIES</u> –

LESSEE shall be responsible to provide Security Patrols, and if the LESSEE so desires, the installation of any Video Monitoring devices at the Premises.

### 7. <u>UTILITIES</u> –

LESSEE shall pay market rate to the LESSOR for metered electricity, which amounts

shall be included as a component of Operation Costs payable monthly to LESSOR as Additional Rent.

8. MAINTENANCE AND REPAIRS – LESSOR shall be responsible for all maintenance, drainage systems, electrical systems, and exterior lights and fixture ballasts, painting, landscape, pest and bird control, parking and other maintenance at the Premises, as set forth in Attachment "C", which is attached and incorporated herein by reference. LESSOR is responsible for the condition of the Premises, and agrees that the Premises will always be maintained in a condition acceptable for the LESSEE'S intended use of the Premises. All items of maintenance and repair set forth in Attachment "C" shall be included as a component of Operation Costs payable monthly to LESSOR as Additional Rent.

In the event any systems malfunction that immediately impact the use of the Premises by LESSEE, LESSOR shall respond within twenty-four (24) hours after contact by LESSEE to diligently pursue repairs and replace equipment to restore the systems to full working order. Structural issues shall be addressed within the same day such are reported. LESSOR covenants that the Premises shall be maintained in substantially the same condition as existing on the Effective Date.

LESSEE shall be responsible for damages and repairs caused by LESSEE or LESSEE's employees, clients, contractors, or other invitees.

- USE LESSEE shall use the Premises as parking space for its Department of Social Services or for any other County department. LESSEE shall strictly comply with all applicable laws, ordinances, and regulations in connection with such use.
- 10. <u>ALTERATIONS</u> LESSEE shall make no alterations, installation, changes, or additions in or to the Premises (collectively, "Alterations") without written consent from LESSOR.
- 11. <u>INDEPENDENT CONTRACTOR</u> In performance of the work, duties and obligations assumed by LESSOR under this Lease, if any, it is mutually understood and agreed that LESSOR, including any and all of the LESSOR'S officers, agents, and employees will at all times be acting and performing as an independent contractor, and shall act in an independent

capacity and not as an officer, agent, servant, employee, joint venture, partner, or associate of the LESSEE. Furthermore, LESSEE shall have no right to control or supervise or direct the manner or method by which LESSOR shall perform its work and function; provided, LESSOR shall satisfy and comply with its obligations as set forth herein.

LESSOR and LESSEE shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over matters the subject thereof.

Because of its status as an independent contractor, LESSOR shall have absolutely no right to employment rights and benefits available to LESSEE'S employees. LESSOR shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, LESSOR shall be solely responsible and save LESSEE harmless from all matters relating to payment of LESSOR'S employees, including compliance with Social Security withholding and all other law and regulations governing such matters. It is acknowledged that during the term of this Lease, LESSOR may be providing services to others unrelated to the LESSEE or to this Lease.

- or on behalf of LESSEE, LESSOR shall comply with, and shall ensure compliance by all contractors and subcontractors with, all applicable laws and regulations, including the payment of prevailing wages pursuant to Section 1770 et. seq. of the Labor Code. Notwithstanding the foregoing, neither this Lease nor either party contemplates LESSOR undertaking any improvements to the Premises during the term of this Lease.
- 13. NON-FUNDING TERMINATION This Lease is contingent on the allocation of funds by a governmental agency. Should funds not be allocated, this Lease may be terminated by the Board of Supervisors at any time by giving at least thirty (30) days prior written notice to LESSOR.
- 14. <u>BREACH OF OBLIGATION TO MAINTAIN</u> In the event LESSOR breaches its obligation to maintain the Premises as herein provided, LESSEE shall give written notice to LESSOR within fifteen (15) days of the discovery of such breach. LESSOR shall then have

thirty (30) days from the date of such notice to cure its breach; however, if such default continues beyond thirty (30) days after written notice thereof from LESSEE to LESSOR then LESSOR will not be in default hereunder if within such thirty (30) day period, LESSOR commences the curing of such default and diligently and in good faith prosecutes the same to completion. If the period for cure expires and if, in LESSEE'S sole and reasonable determination, LESSOR has failed to cure, then LESSEE may, at its election:

- (A) terminate this LEASE by providing thirty (30) days prior written notice. In such case, LESSEE shall have the right to demand LESSOR refund any monies which, in the reasonable judgment of LESSEE, were paid to LESSOR pursuant to the LEASE but which were not earned by LESSOR by consequence of its breach. Upon receipt of such demand, LESSOR shall promptly refund all such monies; or
- (B) cure LESSOR'S breach and deduct the cost of such cure, together with reasonable administrative costs, from LESSEE'S future rent obligation. LESSEE'S decision to cure LESSOR'S breach shall not constitute a waiver of any rights or remedies that LESSEE may have arising from this LEASE or by operation of law, except that LESSEE shall not have the right to terminate described above with respect to the circumstances related to such cured breach.
- 15. <u>CONDEMNATION OR PROHIBITED USE</u> If the Premises, or any portion thereof, is appropriated, condemned, or taken by any governmental authority or public agency other than LESSEE by use or exercise of eminent domain proceedings or other proceedings, or by inverse condemnation, or is sold under threat of use or exercise of eminent domain by any governmental authority or public agency other than LESSEE, or if by reason of law, ordinance, regulation, or court judgment, LESSEE's use or occupancy of the Premises, or any portion thereof, shall be materially and adversely affected for the period set forth in clause (i) below, but excluding therefrom any day that is not a LESSEE business day

(hereinafter collectively "Condemnation or Prohibited Use"), then LESSEE shall have the right to do either of the following:

- (i) If the Condemnation or Prohibited Use has a material adverse effect on LESSEE's use and occupancy of the Premises and is reasonably anticipated to impact such use in excess of ninety (90) days, then LESSEE may terminate this LEASE by giving written notice thereof to LESSOR. Such notice shall specify a date of termination of this LEASE not less than one hundred eighty (180) calendar days, and not more than two-hundred ten (210) calendar days, from the date of such notice, or from the date that LESSEE's use of the Premises will be materially adversely affected pursuant to the notice LESSEE receives from LESSOR of such appropriation, condemnation, taking, or sale that shall prohibit LESSEE's use or occupancy of the Premises, or the affected part thereof, whichever is earlier. The County Administrative Officer or the Director of Internal Services/Chief Information Officer, or a designee of one of them, shall have the authority to provide such notice on behalf of LESSEE.
- (ii) LESSEE may renegotiate with LESSOR with respect to the terms of any amounts to be owed by LESSEE hereunder, including any portion or installment of the Rent, when such are due and payable, and/or any other amounts otherwise due and payable hereunder, for the remainder of Premises not affected by such Condemnation or Prohibited Use during the balance of the term of this Lease. Any such renegotiated terms of the Rent, and/or any other amounts otherwise to be due and payable herein shall be sought in good faith and without unreasonable delay by the Parties, and made only by written amendment, pursuant to Section 22, herein.
- 16. <u>DESTRUCTION OR DAMAGE FROM CASUALTY</u> If the Premises are damaged or destroyed as a result of fire, earthquake, act of God, or any other identifiable event of a sudden, unexpected, or unusual nature ("Casualty"), then LESSOR shall either promptly and diligently repair the damage at its own cost, or terminate this Lease as

hereinafter provided. If LESSOR obtains any proceeds from the Property Insurance Policy (as defined in Section 18 herein) that are not otherwise payable to any mortgagee or beneficiary, and this Lease is not terminated as a result of such Casualty pursuant to the terms hereof, then LESSOR shall promptly apply all of such insurance proceeds toward the repair and restoration of the Premises pursuant to LESSOR's obligations under this Section 16.

- (A) LESSOR'S Election to Repair: If LESSOR elects to repair the Casualty damage to the Premises, then it shall within fifteen (15) days after the date of Casualty or as soon as possible thereafter provide written notice ("Notice of Repair") to LESSEE indicating the anticipated time required to repair.

  LESSOR shall bear the cost of all repairs to the Premises, including the cost to repair any alterations or fixtures installed or attached thereto by LESSEE. Such repairs shall restore the Premises to substantially the same condition as existing on the Effective Date; such repairs shall also be made in compliance with all applicable state and local building codes. LESSOR shall not be liable to LESSEE for compensation for any loss of business, or any inconvenience or annoyance arising from repair of the Premises as a result of the Casualty except for rent reduction as hereinafter provided. LESSEE shall be responsible at its sole cost and expense for the replacement of its personal property.
- (B) LESSOR'S Election to Terminate Due to Casualty: LESSOR may only elect to terminate this LEASE due to Casualty if: the Premises have been destroyed or substantially destroyed by said Casualty; and the estimated time to repair the Premises exceeds sixty (60) days from the date of the Casualty. LESSOR shall provide LESSEE with written notice of its election to terminate within forty-five (45) days after the date of Casualty, specifying a termination date not less than thirty (30) days from the date of said notice.
- (C) Rent Reduction Due to Casualty: In the event of Casualty, LESSEE'S obligation to pay Rent shall be reduced beginning on the date of the

Casualty. Such reduction shall be proportional to the damage caused to the Premises by the Casualty as reasonably determined by LESSEE. If LESSOR elects to repair the Premises pursuant to the terms of this LEASE, to the extent the premises remain unusable then the rent reduction shall continue until the date of substantial completion of repair.

- (D) LESSEE'S Election to Terminate Due to Casualty: If LESSEE does not receive a Notice of Repair from LESSOR within fifteen (15) days, or as soon as reasonably possible after a Casualty, or if the anticipated period of repair contained in the Notice of Repair exceeds ninety (90) days, then LESSEE may elect to terminate this LEASE by providing thirty (30) days prior written notice to LESSOR. In such case, LESSEE shall have the right to demand that LESSOR refund any monies which, in the reasonable judgment of LESSEE, were paid to LESSOR pursuant to the LEASE but which were not earned by LESSOR by consequence of the Casualty. Upon receipt of such demand, LESSOR shall promptly refund all such monies.
- 17. <u>HOLD HARMLESS</u> LESSOR will indemnify, defend, and hold LESSEE harmless from and against any and all liabilities, claims, demands, actions, proceedings, costs (including attorney's fees and costs), expenses or damages of any kind or nature (collectively, "Claims") in any manner directly or indirectly caused, occasioned or contributed to by reason of the negligence, whether active or passive, of LESSOR or anyone acting under its direction or control or on its behalf in connection with or incidental to the performance of LESSOR'S obligations pursuant to this Lease.

LESSEE will indemnify, defend, and hold LESSOR harmless from and against any Claims in any manner directly or indirectly caused, occasioned or contributed to by reason of the negligence, whether active or passive, of LESSEE or anyone acting under its direction or control or on its behalf in connection with or incidental to the performance of this Lease or any Claims otherwise arising in connection with LESSEE'S use and occupancy of the Premises.

The parties acknowledge that as between LESSOR and LESSEE, each is

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responsible for any Claims arising from the acts or omissions of its own employees and invitees, and notwithstanding anything to the contrary in this Section 17, each Party hereby waives any claim for or right to consequential or punitive damages.

#### 18. INSURANCE -

- LESSOR shall maintain in full force and effect, the following insurance Α. policies throughout the term of the Lease:
  - 1. Commercial General Liability Commercial General Liability Insurance covering the common areas located on the Premises with limits of not less than Two Million Dollars (\$2,000,000) per occurrence and an annual aggregate of Four Million Dollars (\$4,000,000). This policy shall be issued on a per occurrence basis.
  - 2. <u>Property Insurance</u> A "Property Insurance Policy" which is defined herein to mean a policy of special form, so called "all-risk" of physical loss property insurance insuring against fire, theft, vandalism, malicious mischief, sprinkler leakage and such additional perils as are now or hereafter may be included in broad form coverage (at LESSOR or LESSEE's option or if otherwise required by LESSOR's mortgagee, if any, also to include coverage against earthquake and flood) from time to time in general use in the State of California covering the full replacement value of all alterations, additions, partitions, improvements, machinery, equipment, and fixtures made or placed by LESSEE in the Premises, covering the improvements on the Premises, and covering any other perils which LESSEE deems reasonably necessary and so requests to be covered by written notice to LESSOR. The Property Insurance Policy shall name LESSOR and the holder of any mortgage or deed of trust encumbering the Premises (if any), as its interest may appear, as a loss payee under such policy. The limits for such insurance shall be for not less than the full replacement value of the parking lot as improved and existing as of the

date of Casualty (the "Minimum Insured Amount"). On the Effective Date, from time to time as LESSEE makes improvements to the Parking Lot, upon LESSOR's request, and at such other times during the Term as LESSEE elects in its discretion, LESSEE shall deliver to LESSOR written notice of the Minimum Insured Amount and LESSOR shall communicate such Minimum Insured Amount to its insurer. Neither LESSOR nor LESSEE shall do or permit anything to be done which invalidates any such insurance policies.

- 3. Rental Loss Insurance A policy of rental interruption or rental loss insurance against loss, total or partial, of the use and occupancy of the Premises, in an amount sufficient to pay the Base Rent and Additional Rent required to be paid by LESSEE hereunder for a twenty four (24) month period, as a result of any of the hazards covered by the Property Insurance Policy required hereunder.
- 4. <u>Worker's Compensation</u> Worker's Compensation insurance, if required by the California Labor Code.

LESSOR shall obtain endorsements to the Commercial General Liability insurance naming the County of Fresno ("County"), its officers, agents, and employees, individually and collectively, as additional insured, but only insofar as the operations under this Lease are concerned. This insurance shall not be cancelled or changed without a minimum or thirty (30) days advance written notice given to County.

Within (30) days after the Effective Date, LESSOR shall provide certificates of insurance and endorsement as stated above for all of the foregoing policies, as required herein, to the County of Fresno, Attn: ISD Lease Services (L-351), 333 W. Pontiac Way, Clovis, CA 93612, stating that such insurance coverages have been obtained and are in full force; that such Commercial General Liability insurance names the LESSEE, its officers, agents, and employees, individually and collectively, as additional insured as required herein, that for such worker's compensation insurance the CONTRACTOR has waived its right to

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recover from the COUNTY, its officers, agents, and employees any amounts paid under the insurance policy and that waiver does not invalidate the insurance policy; and that such insurance shall not be cancelled or changed without a minimum of thirty (30) days advance, written notice given to LESSEE.

In the event LESSOR fails to keep in effect at all times insurance coverage as herein provided, then LESSEE may, after thirty (30) days written notice to LESSOR, obtain such insurance on LESSOR'S behalf and offset Base Rent by the amount of such insurance premiums incurred by LESSEE after providing written notice of such amounts and proof of insurance to LESSOR.

The costs incurred by LESSOR in obtaining and maintaining the insurance policies required of LESSOR hereunder (including any deductibles payable in the event of a loss covered by such policies) shall be referred to herein collectively as "LESSOR'S Insurance Costs" and shall be reimbursable to LESSOR as Additional Rent in accordance with Section 5 hereinabove.

- B. LESSEE shall maintain during the term of this Lease the following policies of insurance, which coverages may be provided in whole or in part through one or more programs of self-insurance (provided that any such self-insurance program shall not diminish or reduce LESSEE'S liability hereunder):
  - i. Commercial General Liability insurance with limits of not less than Two Million Dollars (\$2,000,000.00) per occurrence and an annual aggregate of not less than Four Million Dollars (\$4,000,000.00). This policy shall be issued on an occurrence basis, shall name LESSOR as additional insured, and shall be primary and noncontributing as to occurrences and claims in connection with events occurring within the Parking Lot (as opposed to in the common area of the Premises for which LESSOR'S Commercial General Liability policy shall be primary).
  - ii. All-Risk property insurance. A Special form casualty insurance

coverage which shall include fire and such other perils as are customarily included in such insurance maintained by prudent tenants leasing similar space in the same general area of the Premises, in an amount adequate to cover the replacement cost of (i) LESSEE'S merchandise, trade fixtures, furnishings, equipment and other personal property of LESSEE located on or within the Premises, and (ii) at LESSEE's option, the leasehold improvements, alterations and additions to the Premises for which LESSOR shall be named as a loss payee under such insurance, provided however, the proceeds of such insurance shall be delivered to and used by LESSOR to repair or replace the affected leasehold improvements, alterations and additions, and if not so used, shall be paid to LESSEE.

- C. LESSEE shall provide copies of the insurance policies, appropriately authenticated by the insurer, or original insurance certificates reasonably acceptable to LESSOR, evidencing the insurance coverages called for above. Such copies of policies or certificates shall be furnished to LESSOR upon execution of this Lease. The policies or certificates shall contain a provision that the insurer will not cancel or refuse to renew the policies, or change in any material way the nature or extent of the coverage provided by such policies without first giving LESSOR thirty (30) days prior written notice. Thirty (30) days prior to expiration of any policies of insurance carried by LESSEE, LESSEE shall provide proof of continuing coverage.
- D. <u>Waiver of Subrogation</u>. Neither LESSOR nor LESSEE shall be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage to any parking lot, structure or other tangible property, or any resulting loss of income and benefits, even though such loss or damage might have been occasioned by the negligence of such party, its agents

or employees, if any such loss or damage is covered by insurance benefiting the party suffering such loss or damage or was required to be covered by insurance pursuant to this Lease. LESSOR and LESSEE shall require their respective insurance companies to include a standard waiver of subrogation provisions in their respective policies.

All policies hereunder shall be with admitted insurers licensed to do business in the State of California. Insurance purchased shall be purchased from companies possessing a current A.M Best Company rating of A FSC VII or better.

- termination of this Lease, LESSEE will surrender the Premises to LESSOR broom clean and otherwise in such condition as existing on the Effective Date, less reasonable wear and tear, but including all improvements made by LESSEE. If LESSEE holds over after the expiration of the Term or earlier termination thereof, with or without the express or implied consent of LESSOR, such tenancy shall be tenancy at sufferance only, and shall not constitute a renewal hereof or an extension for any further term, and in such case LESSEE shall pay one hundred three percent (103%) of the Base Rent in effect just prior to expiration or termination, until either party gives the other thirty (30) days written notice of termination, reciting therein the effective date of cancellation. LESSOR hereby expressly reserves the right to require LESSEE to surrender possession of the Premises to LESSOR as provided in this Lease upon the expiration or other termination of this Lease. The provisions of this Section 19 shall not be deemed to limit or constitute a waiver of any other rights or remedies of LESSOR provided herein or at law.
- 20. <u>FIXTURES</u> LESSOR agrees that any equipment, fixtures or apparatus installed in or on the Premises by LESSEE shall continue to be the property of LESSEE and may be removed by LESSEE at any time. LESSEE shall pay for the repair of any damage caused by the removal of fixtures. Any fixtures not removed after LESSEE surrenders possession shall be deemed abandoned by LESSEE, and become the property of LESSOR.
  - 21. RIGHT OF ENTRY LESSOR, or its representative(s), upon twenty-four (24)

hour notice, or immediately in the event of an emergency, shall have the right to enter the Premises at any time during business hours, or at such other time as LESSEE deems appropriate, to make any alterations, repairs or improvements to the Premises. The normal business of LESSEE or its invitees shall not be unnecessarily inconvenienced. In the event of an emergency, LESSOR may enter the Premises at any time without giving prior notice to LESSEE.

- 22. <u>AMENDMENT</u> This Lease may be amended in writing by the mutual consent of the parties without in any way affecting the remainder of this Lease.
- 23. NON-ASSIGNMENT Neither Party shall assign, transfer or sub-let this Lease, or the rights or duties under this Lease, without the prior written consent of the other Party, which consent shall not be unreasonably withheld or denied, except that LESSOR may sell or refinance the Premises or any part thereof, in which case LESSOR shall promptly notify LESSEE in writing of such sale or refinancing. Further, in the event of any such assignment, sublease or transfer of LESSEE's rights or obligations hereunder, the originally named LESSEE hereunder (i.e., the County of Fresno, a political subdivision of the State of California) shall remain fully and primarily liable for all duties and obligations of LESSEE under this Lease.
- 24. <u>GOVERNING LAW</u> Venue for any action arising out of or relating to this Lease shall be in Fresno County, California. This Lease shall be governed by the laws of the State of California.
- 25. <u>AUDITS AND INSPECTIONS</u> The LESSOR shall at any time during business hours, and as often as LESSEE may deem necessary, make available to the LESSEE for examination all of its records and data with respect to the matters covered by this Agreement. The LESSOR shall, upon request by LESSEE, permit LESSEE to audit and inspect all of such records and data necessary to ensure LESSOR compliance with the terms of this Lease.

If this Lease exceeds ten thousand dollars (\$10,000.00), LESSOR shall be subject to the examination and audit of the California State Auditor for a period of three (3) years after final payment under contract (Government Code Section 8546.7).

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26. <u>NOTICES</u> – The persons and their addresses having authority to give and receive notices under this Lease include the following:

LESSEE:

LESSOR:

County of Fresno Jean M. Rousseau County Administrative Office (CAO) 2281 Tulare Street, Suite 304 Hall of Records Fresno, CA 93721 (559) 600-1710 Pontiac Parking Solutions LLC Attn: Clayton Medina 2780 N. Miamieron, Ste. 101

Fresno, CA 93727 (559) 346-1400

with copies to:

County of Fresno Robert W. Bash (L-328) Director of Internal Services 333 W. Pontiac Way Clovis, CA 93612 (559) 600-6200

All notices between the LESSEE and the LESSOR provided for or permitted under this Lease must be in writing and delivered either by personal service, by first-class United States mail, by an overnight commercial courier service, or by telephonic facsimile transmission. A notice delivered by personal service is effective upon service to the recipient. A notice delivered by first-class United States mail is effective three LESSEE business days after deposit in the United States mail, postage prepaid, addressed to the recipient. A notice delivered by an overnight commercial courier service is effective one LESSEE business day after deposit with the overnight commercial courier service, delivery fees prepaid, with delivery instructions given for next day delivery, addressed to the recipient. A notice delivered by telephonic facsimile is effective when transmission to the recipient is completed (but, if such transmission is completed outside of LESSEE business hours, then such delivery shall be deemed to be effective at the next beginning of a LESSEE business day), provided that the sender maintains a machine record of the completed transmission. For all claims arising out of or related to this Lease, nothing in this section establishes, waives, or modifies any claims presentation requirements or procedures provided by law, including but not limited to the Government Claims Act (Division 3.6 of Title 1 of the Government Code, beginning with section 810).

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27. <u>DISCLOSURE OF SELF DEALING TRANSACTIONS</u> – This provision is only applicable if the LESSOR is operating as a corporation (a for-profit or non-profit corporation) or if during the term of this Lease, the LESSOR changes its status to operate as a corporation.

Members of LESSOR'S Board of Directors shall disclose any self-dealing transactions that they are a party to while LESSOR is providing goods or performing services under this Lease. A self-dealing transaction shall mean a transaction to which the LESSOR is a party and in which one or more of its directors has a material financial interest. Members of the Board of Directors shall disclose any self-dealing transactions that they are a party to by completing and signing a *Self-Dealing Transaction Disclosure Form* Attachment "D", attached hereto and by this reference incorporated herein, and submitting it to the County of Fresno prior to commencing with the self-dealing transaction or immediately thereafter.

28. <u>SUCCESSORS</u> – This Lease shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto, always providing that nothing in this Section 28 shall impair any of the provisions herein above set forth prohibiting assignment or other transfer of this Lease by LESSEE without the prior written consent of LESSOR.

### 29. <u>LESSEE'S DEFAULT AND LESSOR'S REMEDIES</u> –

A. LESSEE'S Default. LESSEE shall be in default under this Lease if LESSEE fails to perform any of its obligations hereunder, and (i) if the failure is in the payment of Base Rent, or any other failure which can be cured by the payment of money, the failure continues uncured for a period of five (5) days after written notice thereof from LESSOR (provided, however, LESSOR shall have no obligation to provide such written notice more than two (2) times in any twelve (12) consecutive month period), or (ii) if the failure is in any of the other provisions of this Lease and such failure continues uncured for a period of thirty (30) days after written notice thereof from LESSOR, unless such cure is not capable of completion within thirty (30) days, in which case LESSEE shall

be afforded such additional time as may be reasonably necessary to complete the cure, provided LESSEE commences the cure within thirty (30) days of LESSOR'S notice and diligently pursues such cure to completion, or, in the event of a threatened injury to life or property due to such failure, continues for such lesser period as LESSOR may specify in such written notice.

- B. LESSOR'S Remedies. In the event of a default by LESSEE, LESSOR shall have the right to terminate this Lease by giving written notice of termination to LESSEE or, if LESSEE'S address is unknown, by posting such notice on the Premises.
- C. No Event of Default. Notwithstanding anything herein to the contrary, LESSEE shall NOT be in default under this LEASE solely because of the failure to pay any amounts to be owed by LESSEE hereunder including any portion or installment of the Base Rent, when they are to be due and payable herein, and/or any other amounts otherwise due and payable herein—to the extent such amounts are subject to abatement as set forth in Section 33, herein.
- D. No Acceleration of Future Rent or Other Payments/Amounts. Notwithstanding anything to the contrary contained herein this Lease or any right or remedy of which LESSOR may otherwise avail itself pursuant to applicable law, any right of LESSOR to recover any rents (including Base Rent and Additional Rent) and/or any other amounts to be paid by LESSEE as provided in this Lease shall be without acceleration of any future Base Rent and/or any future Additional Rent, and/or any other amounts to be paid by LESSEE herein, before they are due and payable hereunder. LESSOR hereby expressly waives its right to accelerate rent in the event of a termination of this Lease pursuant to Civil Code section 1951.2.
- 30. <u>WAIVER</u> No covenant or condition of this Lease shall be deemed waived, except by the written consent of LESSOR or LESSEE, as appropriate, and any forbearance or indulgence by the party entitled to performance shall not constitute a waiver of the

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covenant or condition to be performed. Until complete performance of such covenant or condition, the party entitled to performance shall have the right to invoke any remedy available to it under this Lease or by law, despite such forbearance or indulgence. The subsequent acceptance of Rent hereunder by LESSOR shall not be deemed to be a waiver of any preceding default by LESSEE of any term, covenant or condition of this Lease, other than the failure of LESSEE to pay the particular Rent so accepted, regardless of LESSOR'S knowledge of such preceding default at the time of acceptance of such Rent.

- 31. LATE CHARGES – LESSEE hereby acknowledges that late payment by LESSEE to LESSOR of Rent or other sums due hereunder shall cause LESSOR to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges. Accordingly, if any installment of Rent or any other sums due from LESSEE are not received by LESSOR or LESSOR'S assignee within forty-five (45) days after the date due, then LESSEE shall pay to LESSOR a late charge equal to three percent (3%) of such overdue amount; provided that any payment postmarked by the 5th of the month shall be presumed to be mailed in a timely manner. The parties hereby agree that such late charge represents a fair and reasonable estimate of the cost that LESSOR will incur by reason of the late payment by LESSEE. Acceptance of such late charges by LESSOR shall in no event constitute a waiver of LESSEE'S default with respect to such overdue amounts, nor prevent LESSOR from exercising any of the other rights and remedies granted hereunder. In addition, LESSEE shall pay to LESSOR interest at the Interest Rate, as defined in Section 32, herein, on any delinquent payments, commencing ninety (90) days after the date payment was due and continuing until paid.
- 32. <u>INTEREST</u> Any amount owing from one party to the other under this Lease which is not paid within ninety (90) days of the date when due shall thereafter bear interest at the Interest Rate. As used herein, the term "Interest Rate" means a per annum rate of interest equal to the lesser of (i) the then most recent annual prime or reference rate of interest announced by Bank of America N.A. (or in the event Bank of America N.A. ceases to publish

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a prime or reference rate, the prime rate of a comparable national banking institution reasonably agreed upon by the parties), or (ii) the maximum rate permitted by applicable law.

anything to the contrary in this Lease, (i) LESSEE's obligations to pay the Base Rent, and/or any other amounts otherwise due and payable hereunder to LESSOR shall be abated during any period, and to the extent, that the Premises, or any portion thereof (in the case of an affected portion of the Premises, then, such abatement shall also be in proportion thereof), cannot be used and occupied by LESSEE pursuant to this Lease as a result of any title defect (excluding any permitted encumbrances at execution date), or of any Condemnation or Prohibited Use of the Premises, or any portion thereof, and (ii) any abatement of any Base Rent, and/or other amounts otherwise due and payable, herein pursuant to this Section shall not be deemed to be a default under this Lease on the part of LESSEE.

Abatement of any Base Rent, and/or of any other amounts otherwise due and payable hereunder shall only suspend the period during which LESSEE is otherwise required to pay Base Rent, and/or any other amounts otherwise due and payable, hereunder to LESSOR, and shall not relieve LESSEE from subsequently paying the remainder of all such Base Rent, and/or any other amounts otherwise due and payable herein, pursuant to this Lease once the condition giving rise to the abatement has been cured, corrected, eliminated, or satisfactorily resolved. Such abatement shall continue for the period commencing with the date of such title defect referred to in this Section 33, or of any Condemnation or Prohibited Use of the Premises, or any portion thereof, and ending with the cure, correction, elimination or satisfactory resolution of the title defect whereby LESSEE may use and occupy the Premises, or the adversely affected portion thereof, pursuant to this LEASE. Cure, correction, elimination or satisfactory resolution may, upon prior mutual written approval of LESSOR and LESSEE (which the parties will negotiate in good faith and without unreasonable delay), occur in commercially reasonable stages, as determined by the nature of the problem being remedied and the impact that such staged remedial action and the coordination and timing thereof would have on LESSEE. LESSEE's Director of Internal Services/Chief Information

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Officer, or his/her designee, shall be authorized to execute such written approval for LESSEE.

The monthly Base Rent, and any other amounts otherwise due and payable hereunder by LESSEE to LESSOR with respect to the Premises, or any portion thereof, shall be abated to the extent that the amount of the monthly fair rental value of the portion of the Premises in respect of which there is no substantial interference with LESSEE's use and occupancy of the Premises is less than the amount of monthly Base Rent and any other amounts otherwise due and payable hereunder, in which case the monthly Base Rent and any other amounts otherwise due and payable hereunder shall be abated only by an amount equal to the difference thereof.

During the occurrence of any Casualty which is covered by rental interruption insurance or rental loss insurance (See Section 18A(3) herein) the proceeds of any rental interruption insurance or rental loss insurance that LESSOR may receive as a result of such Casualty shall be applied by LESSOR, to the credit of LESSEE, for any monthly Base Rent, and any other amounts otherwise due and payable hereunder; in such instance of such amounts so received, LESSOR shall so inform LESSEE of any such amounts so received.

Nothing contained in this Section 33 shall obligate LESSEE for payments of Base Rent, and/or any other amounts otherwise due and payable hereunder if this LEASE is terminated pursuant to Sections 14, 15 or 16 herein.

34. LESSOR EXCULPATION – It is expressly understood and agreed that notwithstanding anything in this Lease to the contrary, and notwithstanding any applicable law to the contrary, the liability of LESSOR and the LESSOR'S members, owners, agents, employees, and partners (including any successor landlord) (collectively, the "LESSOR Parties") and any recourse by LESSEE against LESSOR or the LESSOR Parties shall be limited solely and exclusively to an amount which is equal to the ownership interest of LESSOR in the Parking Lot in which the Premises is located (excluding any proceeds thereof), and neither LESSOR, nor any of LESSOR's members shall have any personal liability therefor, and LESSEE hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under LESSEE.

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35. RESERVED.

- 36. COUNTERPARTS – This Lease may be executed in one or more counterparts (which may be facsimile or .pdf e-mail counterparts followed by originals), each of which will be deemed an original and all, taken together, will constitute one and the same instrument.
- 37. FORCE MAJEURE – In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, adverse weather (including rain), inability to procure labor or materials. failure of power, restrictive governmental laws or regulations, riots, insurrection, war, fire or other casualty or other reason of a similar nature beyond the reasonable control of the party delayed in performing work or doing the act required under the terms of this Lease, then performance of such act shall be excused for the period of the delay and the period from the performance of any such act shall be extended for a period equivalent to the period of such delay (any such delay is herein referred to as an "Force Majeure Delay"). In no event shall LESSEE'S inability to satisfy a monetary obligation hereunder constitute or be subject to Force Majeure Delay.
- 38. ESTOPPEL CERTIFICATE – LESSEE shall, at any time upon not less than thirty (30) days prior request by LESSOR, execute, acknowledge and deliver to LESSOR a written estoppel certificate, in a form satisfactory to LESSOR, certifying that this Lease is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect as modified and stating the modifications) and, if applicable, the dates to which the Rent and any other charges have been paid in advance. Any such statement delivered pursuant to this Section 38 may be relied upon by third persons, including a prospective purchaser or encumbrancer of the Premises.

LESSEE'S failure to execute and deliver an estoppel certificate within thirty (30) days after LESSEE'S receipt of LESSOR'S written request therefore shall be conclusive upon LESSEE that this Lease is in full force and effect, without modification except as may be represented by LESSOR, that there are no uncured defaults in LESSOR'S performance, that not more than one month's rental has been paid in advance, and that all other statements

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required to be made in the estoppel certificate are conclusively made.

- 39. SUBORDINATION AND ATTORNMENT - At LESSOR'S option, this Lease shall be subordinated to any mortgage or deed of trust which is now or shall hereafter be placed upon the Premises, and LESSEE agrees to execute and deliver any instrument which may be necessary to further effect the subordination of the Lease to any such mortgage or deed of trust; provided, however, that such instrument of subordination shall provide, or the mortgagee or beneficiary of such mortgage or deed of trust otherwise shall agree in writing in recordable form delivered to LESSEE, that the mortgagee or beneficiary, including their successors and assigns, recognize LEESSE's leasehold interest under this Lease and that so long as LESSEE is not in default under this Lease, LESSEE shall continue in its quiet enjoyment of the Lease, and foreclosure of any such mortgage or deed of trust or sale pursuant to exercise of any power of sale thereunder, or deed given in lieu thereof, shall not affect this Lease but such foreclosure or sale, or deed given in lieu thereof, shall be made subject to this Lease, which shall continue in full force and effect, binding on LESSEE, as lessee, and the transferee, as lessor. LESSEE shall attorn to the transferee as if said transferee was LESSOR under this Lease.
- 40. <u>AUTHORITY</u> – Each individual executing this Lease on behalf of LESSOR represents and warrants that the individual(s) executing this Lease on behalf of LESSOR are duly authorized to execute and deliver this Lease on behalf of Cook Land Company, Inc., a California corporation, and that this Lease is binding upon Pontiac Parking Solutions LLC, in accordance with its terms.
- 41. ELECTRONIC SIGNATURES. The parties agree that this Lease may be executed by electronic signature as provided in this section. An "electronic signature" means any symbol or process intended by an individual signing this Lease to represent their signature, including but not limited to (1) a digital signature; (2) a faxed version of an original handwritten signature; or (3) an electronically scanned and transmitted (for example by PDF document) of a handwritten signature. Each electronic signature affixed or attached to this Lease (1) is deemed equivalent to a valid original handwritten signature of the person signing

L-351 /DSS Parking Lot/5610

this Lease for all purposes, including but not limited to evidentiary proof in any administrative or judicial proceeding, and (2) has the same force and effect as the valid original handwritten signature of that person. The provisions of this section satisfy the requirements of Civil Code section 1633.5, subdivision (b), in the Uniform Electronic Transaction Act (Civil Code, Division 3, Part 2, Title 2.5, beginning with section 1633.1). Each party using a digital signature represents that it has undertaken and satisfied the requirements of Government Code section 16.5, subdivision (a), paragraphs (1) through (5), and agrees that each other party may rely upon that representation. This Lease is not conditioned upon the parties conducting the transactions under it by electronic means and either party may sign this Lease with an original handwritten signature.

- 42. <u>ENTIRE AGREEMENT</u> This Lease constitutes the entire Lease between the LESSOR and LESSEE with respect to the subject matter hereof, and supersedes all prior leases, negotiations, proposals, commitments, writings, advertisements, publications, and understandings of any nature whatsoever unless expressly referenced in this Lease.
- 43. <u>SEVERABILITY</u> Each provision of this Lease is severable from any and all other provisions of this Lease. Should any provision(s) of this Lease be for any reason unenforceable, the balance shall nonetheless be of full force and effect.

[SIGNATURES ON FOLLOWING PAGE(S)]

	L-351 /DSS Parking Lot/5610	
1	IN WITNESS WHEREOF, the parties ha	ave executed this Lease as of the day and year first
2	hereinabove written.	
3	LESSOR: Pontiac Parking Solutions LLC	LESSEE: COUNTY OF FRESNO,
4		
5	Clayton Medina, CFO	By: Steve Brandau, Chairman Board of
6	Sia, iai, iai, si s	Supervisors of the County of Fresno
7		ATTEST:
8		BERNICE E. SEIDEL, CLERK BOARD OF SUPERVISORS
9		By: Shai Cuft
10		Deputy
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## ATTACHMENT "A"

Premises Map



# Attachment "B"

### Maintenance **Operating Budget**

Services	Monthly	Annually
Landscape	\$ 3,029.36	\$ 36, 352.36
Daily Trash Service	\$ 1,078.36	\$ 12,940.30
Sweeping	\$ 1,235.62	\$ 14,827.43
Repairs & Maintenance	\$ 424.04	\$ 5,088.50
Water	\$ 310.44	\$ 3,725.28
Electricity	\$ 1,572.61	\$ 18,871.32
Real Estate Tax	\$ 333.33	\$ 4,000.00
Insurance	\$ 41.67	\$ 500.00
Administration	\$ 762.42	\$ 9,148.99
Asphalt Maintenance	-	-
Fencing, Gates, Operators	-	-
Total	\$ 8,787.84	\$ 105,454.12

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4	ATTACHMENT "C"
5	Premises Services <u>Landscape</u>
6	Maintenance of all Landscaped areas on the Premises     All Tree Maintenance
7	3. Plant replacement
8	Daily Trash Service
9	Daily removal of trash/litter
10	Parking Lot  1. Contract Vacuuming
11	a. 1 x a month sweeping of all parking lot stalls
12	2. Resurfacing or repaving
13	Fencing, Gates and Operators  1. Servicing and repair of all Fencing, Gates and Operators
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	<ul><li>Vendors</li><li>1. Lessee shall have the right to approve all vendors.</li></ul>
15	On-Site Management
16	<ol> <li>Property Management available upon request</li> <li>1 x week - Property Management assessment of parking lot visits with lead personne</li> </ol>
17 18	The week - Property Management assessment of parking lot visits with lead personner.  3. Property Management or their representative will visit the parking lot on a daily basis Monday through Friday.
19	<u>Utilities</u>
20	Utility - Electric & Water - Lessee pays to LESSOR
21	<u>Insurance</u>
22	<ol> <li>Property Insurance based on then current parking lot value</li> <li>General Liability</li> </ol>
23	3. Other coverages, including earthquake insurance
24	Property Taxes
25	Property taxes and assessments
26	Operating Expenses  1. Operating expenses shall be considered Additional Rent under the Lease.
27	2. Additional rent shall be paid by Lessee on or about the 1st of the month along with
28	monthly Base Rent. Each payment shall be equal to 1/12 <sup>th</sup> of the annual budget.
	3. Lessor shall deliver to Lessee an annual good faith Operating Expense budget at least

120 days prior to the start of the next catendar year.

- 4. Within 90 days after the year is completed, Lessor shall submit to Lessee a reconciliation of the actual Operating Expenses.
- 5. Any overpayment of Operating Expenses shall, at Lessor's option, either be refunded to Lessee within thirty (30) days after Lessor's delivery of the statement setting forth such amount OR credited against Lessee's installment(s) of the rent next becoming due under this Lease. Any underpayment shall be paid by Lessee to Lessor within 45 days.

### **Modification**

This attachment may be modified upon the mutual agreement of both parties.

#### **Management Fee**

Lessee shall pay a 9.5% Administration Fee to Lessor on all expenses.

### **Repairs**

Lessor shall make any necessary repairs and replacements during the course of the life of the Lease of every kind and nature, and which shall be considered an operating expense.

\*To the extent Lessor and Lessee agree upon modifications to the services to be provided by Lessor pursuant hereto, the budget shall be modified to reflect such modifications and Lessee's estimated monthly payment shall be adjusted accordingly.

Fresno, California

### **ATTACHMENT "D"**

#### SELF-DEALING TRANSACTION DISCLOSURE FORM

In order to conduct business with the County of Fresno (hereinafter referred to as "County"), members of a contractor's board of directors (hereinafter referred to as "County Contractor"), must disclose any self-dealing transactions that they are a party to while providing goods, performing services, or both for the County. A self-dealing transaction is defined below:

"A self-dealing transaction means a transaction to which the corporation is a party and in which one or more of its directors has a material financial interest"

The definition above will be utilized for purposes of completing this disclosure form.

### **INSTRUCTIONS**

- (1) Enter board member's name, job title (if applicable), and date this disclosure is being made.
- (2) Enter the board member's company/agency name and address.
- (3) Describe in detail the nature of the self-dealing transaction that is being disclosed to the County. At a minimum, include a description of the following:
  - a. The name of the agency/company with which the corporation has the transaction; and
  - b. The nature of the material financial interest in the Corporation's transaction that the board member has.
- (4) Describe in detail why the self-dealing transaction is appropriate based on applicable provisions of the Corporations Code.
- (5) Form must be signed by the board member that is involved in the self-dealing transaction described in Sections (3) and (4).

Mail the completed form to: County of Fresno

Attn: Lease Services (L-351) Internal Services Department 333 W. Pontiac Way

Clovis, CA 93612

Fresno, California

(1) Company Board Member Inform	nation:	
Name:	Date:	
Job Title:		
(2) Company/Agency Name and Ad	dress:	
(2) 2: 1 (2) 1 :1 :1		
(3) Disclosure (Please describe the i	nature of the self-dealing transaction you	are a party to):
4) Explain why this self-dealing trar	nsaction is consistent with the requirement	nts of Corporations C
(a):		
(5) Authorized Signature		
Signature:	Date:	