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LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter "LEASE") is made and entered into this 17th day of October, 2017, by and between the COUNTY OF FRESNO, a political subdivision of the State of California, 2220 Tulare Street, Suite 1600, Fresno, California, 93721-2120, (hereinafter "LESSOR"), and the FRESNO COUNTY TRANSPORTATION AUTHORITY, a public agency formed pursuant to the Fresno County Transportation Improvement Act, 2220 Tulare Street, Suite 2101, Fresno, CA 93721 (hereinafter "LESSEE"), and

WITNESSETH:

WHEREAS, LESSOR owns the building commonly known as the County of Fresno Plaza Building, located at 2220 Tulare Street, Fresno, CA 9372, which includes office space known as Room 2101 (hereinafter "Building"); and

WHEREAS, LESSOR finds, based on LESSEE'S representations, that LESSEE'S use of office space in the Building is in the public interest and that the LESSEE'S use of office space in the Building will not substantially conflict or interfere with the use of the Building by the LESSOR.

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions hereinafter contained, such parties, and each of them, do agree as follows:

1. LEASED PREMISES - LESSOR shall lease to LESSEE Room 2101, which office space is approximately one thousand eight hundred and forty (1,840) square feet, together with exclusive use of two (2) parking stalls located in the adjacent parking garage (collectively, the "Premises").

2. INITIAL TERM/RENEWAL— The initial term of this LEASE shall be for the five (5) year period of November 1, 2017, through October 31, 2022 ("Initial Term"). Thereafter, this LEASE shall be renewable for five (5) additional periods of one year each (each a "Renewal Period"), such renewals to take place automatically unless one of the parties provides the other with written notice to the contrary at least ninety (90) days prior to the expiration of the Initial Term or then current Renewal Period. In no event shall the term of this LEASE extend beyond October 31, 2027. In the case of the LESSOR, the County

1 Administrative Officer, or his/her designee, shall have the authority to give notice of non-
2 renewal of this LEASE.

3 3. RENT/RENT INCREASE NOTICE – Upon commencement of the Initial Term,
4 the monthly rent shall be \$2800.00 per month, which amount shall include parking fees for the
5 two stalls, security fees and janitorial services (the “Rent”). LESSOR may thereafter adjust the
6 Rent annually to a monthly amount determined in accordance with a rate study conducted by
7 the LESSOR’s Auditor-Controller/Treasurer-Tax Collector. LESSOR shall provide written
8 notice to LESSEE prior to May 1 of each year, of any increase in the Rent applying to the
9 rental period commencing on the following November 1 of that year.

10 4. UTILITIES - Utility services shall be included in the Rent and paid by LESSOR.
11 LESSEE shall reimburse LESSOR upon receipt of invoice in accordance with Section 5 hereof
12 for the actual cost of the telephone installation and monthly telephone usage.

13 5. INVOICES – LESSOR shall provide a monthly invoice for the Rent to LESSEE
14 and LESSEE shall submit payment for same to the County of Fresno, General Services –
15 Facility Services (FL-049), ATTN: Business Office, 333 W. Pontiac Way, Clovis, CA 93612, or
16 by using County of Fresno PeopleSoft journal vouchers and in the latter case the voucher
17 entries shall be identified as: Office Space (Org-8935, Account-3404), Parking (Org- 8970,
18 Account-3401) and Security Fees (Org-8970, Account-5040). Each monthly invoice shall be
19 provided to LESSEE a reasonable period of time in advance of any payment required to be
20 made by LESSEE pursuant to the terms of this LEASE.

21 6. USE – LESSEE shall use the Premises as office space. LESSOR warrants that
22 the Premises are in compliance with all applicable laws, ordinances and regulations for said
23 use.

24 7. MAINTENANCE - LESSOR shall be responsible for exterior and interior
25 maintenance, repair of air conditioning, heating units, plumbing systems, electrical systems,
26 roof, landscape, parking, common area maintenance, janitorial service and security services.
27 This will include exterior and interior painting as needed due to normal wear and tear.
28 LESSOR is also responsible for the structural condition of the building and agrees that the

1 building will always be maintained in a condition acceptable for the LESSEE'S intended use of
2 the Premises.

3 8. ENFORCEMENT OF LEASE AGREEMENT - If default shall be made in any of
4 the covenants or agreements contained in this LEASE by the LESSEE, and where such
5 default continues for thirty (30) days after written notice thereof (hereinafter "30-day Default")
6 by LESSOR to LESSEE, LESSOR may, at its option, at any time after 30-day Default and
7 without any demand on or notice to LESSEE or to any other person, of any kind whatsoever,
8 re-enter and take possession of Premises and remove all persons or property therefrom, and
9 LESSEE waives any legal remedy to defeat LESSOR'S rights and possessions hereunder.
10 However, nothing contained herein shall prevent LESSOR from seeking any other legal or
11 equitable remedies in a court of law which arise from such breach or default.

12 9. NOTICES - All notices to be given under this LEASE by either Party to the other
13 Party shall be in writing, and given by any one of the following methods:

14 (i) Personal delivery;

15 (ii) Sent by certified United States mail, first class postage prepaid,
16 with return receipt requested, to the applicable addresses as set forth below, in which case such
17 notice shall be deemed given three (3) business days if LESSOR is the recipient, or three (3)
18 LESSEE business days if LESSEE is the recipient, after such deposit and postmark with the
19 United States Postal Service;

20 (iii) Sent by a reputable overnight commercial courier, in which case
21 such notice shall be deemed given one (1) business day if LESSOR is the recipient, or one (1)
22 LESSEE business day if LESSEE is the recipient, after such deposit with that courier to the
23 applicable addresses as set forth below; or

24 (iv) Sent by facsimile to the applicable telephone number set forth
25 below, provided that the Party sending such notice retains a legible written copy of documents
26 transmitted and a legible, accurate, written confirmation of the time and date that such facsimile
27 was transmitted (it being agreed that the burden of proving timely receipt will be on the Party
28 sending such notice, and that if such sending Party's confirming document contains an

1 inaccurate time or date, it shall be deemed to have been received by the other Party at 9:00
2 a.m. on the next succeeding business day if LESSOR is the recipient, or on the next succeeding
3 LESSEE business day if LESSEE is the recipient, after transmission), and provided further that
4 if such transmission is otherwise completed in compliance with this Section after 5:00 p.m. on
5 any day, it shall not be deemed given until the next succeeding business day of the recipient of
6 such notice. The addresses and telephone numbers of the Parties for purposes of giving
7 receiving notices under this LEASE are as follows:

8
9 LESSOR:
County of Fresno
Robert W. Bash
10 Director of Internal Services/
Chief Information Officer
11 333 W. Pontiac Way
Clovis, CA 93612
12 Facsimile: (559) 600-6200

LESSEE:
Transportation Authority
ATTN: Executive Director
2220 Tulare Street, Suite 2101
Fresno, CA 93721
Facsimile: (559) 600-1499

13 Provided however, such notices may be given to such person or at such other place as
14 either of the Parties may from time to time designate by giving written notice to the other Party,
15 and provided further however, in any event notices of changes of address, facsimile numbers,
16 or termination of this LEASE shall not be effective until actual delivery of such notice. Notices
17 given hereunder shall not be amendments or modifications to this LEASE.

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19 10. HOLD HARMLESS - LESSEE agrees to indemnify, save, hold harmless, and at
20 LESSOR'S request, defend the LESSOR, its officers, agents, and employees from any and all
21 costs and expenses, damages, liabilities, claims, and losses occurring or resulting to LESSOR
22 in connection with the performance, or failure to perform, by LESSEE, its officers, agents, or
23 employees under this LEASE, and from any and all costs and expenses, damages, liabilities,
24 claims, and losses occurring or resulting to any person, firm, or corporation who may be
25 injured or damaged by the performance, or failure to perform by LESSEE, its officers, agents,
26 or employees under the LEASE.

27 The parties acknowledge that as between LESSOR and LESSEE, each is responsible
28 for the negligence of its own employees and invitees.

11. INSURANCE – Without limiting the indemnification of each Party as stated in

1 Section 10 herein, it is understood and agreed that LESSOR and LESSEE shall each
2 maintain, at their sole expense, insurance policies or self-insurance programs including, but
3 not limited to, an insurance pooling arrangement and /or Joint Powers Agreement to fund their
4 respective liabilities throughout the term of this LEASE. Coverage shall be provided for
5 comprehensive general liability, automobile liability, professional liability, and workers'
6 compensation exposure. Evidence of insurance, Certificates of Insurance or other similar
7 documentation shall not be required of either Party under this LEASE.

8 12. INDEPENDENT CONTRACTOR - In performance of the work, duties and
9 obligations assumed by LESSEE under this LEASE, it is mutually understood and agreed that
10 LESSEE, including any and all of the LESSEE'S officers, agents, and employees will at all
11 times be acting and performing as an independent contractor, and shall act in an independent
12 capacity and not as an officer, agent, servant, employee, joint venturer, partner, or associate
13 of the LESSOR. Furthermore, LESSOR shall have no right to control or supervise or direct the
14 manner or method by which LESSEE shall perform its work and function. However, LESSOR
15 shall retain the right to administer this LEASE so as to verify that LESSEE is performing its
16 obligations in accordance with the terms and conditions of the LEASE.

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

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

28 13. POSSESSORY INTEREST TAX - LESSEE agrees to pay any possessory

1 interest tax which may be levied upon the Premises. In this respect, LESSEE understands
2 that LESSEE'S use of property owned by a tax exempt public agency may be subject to
3 property taxation and LESSEE (the person in whom the possessory interest is vested) is
4 subject to the payment of property taxes levied on such interest.

5 14. RELOCATION ASSISTANCE WAIVER - LESSEE waives all rights to which
6 LESSEE may be entitled, including eligibility for relocation assistance, under California
7 Government Code Section 7260, et seq., with regard to the LEASE.

8 15. SURRENDER OF POSSESSION - Upon the expiration or termination of this
9 LEASE, LESSEE will surrender Premises to LESSOR in such condition as existing at the
10 commencement of this LEASE less reasonable wear and tear, and less the effects of any
11 breach of LESSOR'S covenant to maintain. LESSEE will not be responsible for any damage
12 which LESSEE was not obligated hereunder to repair.

13 16. FIXTURES - LESSOR agrees that any equipment, fixtures or apparatus
14 installed in or on the Premises by LESSEE shall continue to be the property of LESSEE and
15 may be removed by LESSEE at any time. LESSEE shall repair any damage caused by the
16 removal of fixtures. Any fixtures not removed when LESSEE surrenders possession shall
17 become the property of the LESSOR.

18 17. RIGHT OF ENTRY - LESSOR, or its representative(s), shall have the right to
19 enter the Premises at any time during business hours to inspect the Premises to verify
20 compliance with the terms of this LEASE. The normal business of LESSEE or its invitees shall
21 not be unnecessarily inconvenienced.

22 18. AMENDMENT - This LEASE may be amended in writing by the mutual consent
23 of the parties without in any way affecting the remainder.

24 19. NON-ASSIGNMENT - LESSEE shall not assign, transfer or sub-contract this
25 LEASE nor their rights or duties under this LEASE without the prior written consent of the
26 LESSOR, which consent shall not be unreasonably withheld.

27 20. GOVERNING LAW - Venue for any action arising out of or relating to this
28 LESSEE shall be in Fresno County, California. This LEASE shall be governed by the laws of

1 the State of California.

2 21. ENTIRE LEASE - This LEASE constitutes the entire LEASE between the
3 LESSOR and LESSEE with respect to the subject matter hereof and supersedes all prior
4 leases, negotiations, proposals, commitments, writings, advertisements, publications, and
5 understandings of any nature whatsoever unless expressly referenced in this LEASE.

6 This LEASE shall be binding on and inure to the benefit of LESSOR'S heirs,
7 successors and assigns.

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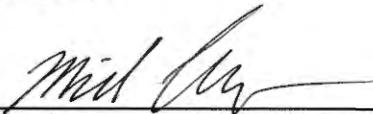
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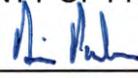
1 EXECUTED as of the date first herein written.

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LESSEE:
FRESNO COUNTY TRANSPORTATION
AUTHORITY

By 
Mike Leonardo, Executive Director

LESSOR:
COUNTY OF FRESNO

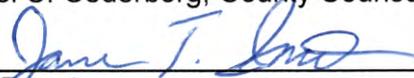
By 
Brian Pacheco, Chairman
Board of Supervisors

Date: 10-17-17

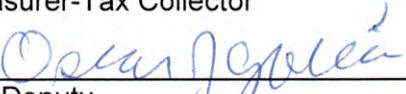
ATTEST: Bernice E. Seidel, Clerk
Board of Supervisors

By: 
Deputy

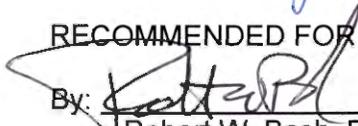
APPROVED AS TO LEGAL FORM:
Daniel C. Cederborg, County Counsel

By: 
Deputy

APPROVED AS TO ACCOUNTING FORM:
Oscar J. Garcia, CPA, Auditor-Controller/
Treasurer-Tax Collector

By: 
Deputy

RECOMMENDED FOR APPROVAL:

By: 
Robert W. Bash, Director of Internal
Services/Chief Information Officer

	<u>Office Space(\$2,482.00/mo)</u>	<u>Parking Fees(\$78.00/mo)</u>	<u>Security Fees(\$240.00/mo)</u>
Fund:	1045	1035	1035
Subclass	10000	10000	10000
Org No.	8935	8970	8970
Acct. No.	3404	3401	5040

FL-049 GSAPFacilityServ/Org-TransAuthority