

LEASE AGREEMENT
JOHN MUIR CHARTER SCHOOL

THIS LEASE AGREEMENT ("Lease") is made and entered into this ____ day of _____, 2016, by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation ("City"), and JOHN MUIR CHARTER SCHOOL, a California corporation ("Lessee").

RECITALS

A. City owns those certain Properties located at 7801 Gramercy Place, Suite B, Riverside, California 92503, also known as Eric M. Solander Center, and 2060 University Avenue, Suites 201 and 202, Riverside, CA 92507, also known as Cesar Chavez Community Center, ("Properties"). The City utilizes these Properties for office space from which various nonprofit corporations or associations may operate programs which benefit the citizens of the City of Riverside.

B. Lessee desires to use a portion of the Properties consisting of approximately 1,852 square feet of classroom and office space, for the purpose of providing educational classes, Monday through Friday, from approximately 8:00 a.m. to 3:00 p.m.

C. Lessee will lease 852 square feet of the Eric M. Solander Center and 1000 square feet of the Cesar Chavez Community Center.

D. City is agreeable to said use subject to the terms and conditions set forth below.

NOW, THEREFORE, the parties hereto mutually agree as follows:

1. **GRANT OF LEASE:** City hereby grants to Lessee the use of the Properties as are generally depicted on Exhibit "A", which is attached hereto and made a part hereof by this reference.

2. **TERM:** The term of this Lease shall be for one (1) year, commencing July 1, 2016 ("Effective Date"), and shall terminate on June 30, 2017, unless this Lease is earlier terminated pursuant to the termination provisions contained herein.

3. **USE OF PROPERTIES:** The Properties shall be used solely for the purpose of providing educational classes and office use related to education programs. Lessee's program is to benefit the students and residents of Riverside and for no other purpose. Such use shall not

interfere with the primary function of the City's use of the Properties. Lessee shall be subject to the following terms and conditions:

(a) The Properties shall be kept in a safe operating condition at all times, and the Lessee hereby assumes all liability arising from any injury or damage to any person or entity caused by the exercise of the rights herein granted.

(b) Access to and use of the Properties shall be limited to Lessee, its employees, invitees, agents and contractors.

(c) Lessee shall keep the Properties locked at all times.

(d) Lessee shall maintain the Properties in a neat, clean and safe condition at all times.

4. **CONSIDERATION:** As consideration for rent of the Properties, Lessee shall pay to City a price of \$1.39 per square foot, for a total estimated annual cost of Thirty Thousand Eight Hundred Ninety-Six Dollars Forty Cents (\$30,896.40). The City will send invoices to Lessee for payment of rent at a maximum rate of one (1) invoice per month for each of the Properties.

5. **NON-DISCRIMINATION:** Except as provided in Section 12940 of the California Government Code, during Lessee's performance of this Lease, Lessee shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical handicap, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex, genetic information, gender, gender identity, gender expression or sexual orientation in use of the Properties during the term of this Lease. Further, Lessee agrees to conform to the requirements of the Americans with Disabilities Act in the performance of this Lease.

6. **SUPERVISION:** Lessee shall be responsible for supervision and monitoring of all activities on the Properties, including control of access to the Properties at all times, and monitoring and abatement of any nuisance that is caused, or may be caused, by Lessee or Lessee's use. Lessee shall ensure all restrooms are securely locked after Lessee's use.

7. **IMPROVEMENTS:**

(a) Any tenant improvements shall be subject to City standards.

(b) Any alterations, improvements or installation of fixtures by Lessee must have the City's prior written consent. Lessee must submit plans to the City before any such actions, and must comply with all City permits and requirements. The City shall not unreasonably withhold

its consent. Requests shall be sent Patricia Callaghan, Community Services Superintendent, 6927 Magnolia Avenue, 2nd Floor, Riverside, 92506.

(c) All alterations, improvements, and fixtures shall become City property and may not be removed with the exception of the projector and the starboard.

(d) Lessee shall be solely responsible for the repair and maintenance of any electrical and communications improvements installed by or on behalf of Lessee during the term of this Lease previously installed for the Properties and operations at the commencement of the term of this Lease. Lessee shall surrender the Properties by the end of the last day of the term or any earlier termination date, clean and free of debris and in good operating order, condition and state of repair, ordinary wear and tear expected. Ordinary wear and tear shall not include any damage or deterioration that would have been prevented by good maintenance practice or by Lessee performing all of its obligations under this Lease. The obligation of Lessee shall include the repair of any damage occasioned by the installation, maintenance removal of improvements to the Properties by Lessee.

(e) Improvements to be completed by City and/or Lessee prior to the Commencement Date are as set out and incorporated herein by reference. Lessee understands that the facility is leased in its "as is" condition. However, City is to make repairs and/or replacements to HVAC, plumbing and electrical systems as necessary in order for said systems to be in good repair and operable condition at the Commencement Date.

8. **KEYS:** Lessee shall be issued one (1) key to each of the Properties. Any additional keys will cost Thirty Dollars (\$30.00). Lessee will be responsible for all costs incurred to enter and re-key the Properties in the event the keys are lost or stolen. All keys must be surrendered to the City upon termination of this Lease.

9. **RIGHT OF ACCESS:** City shall permit access by Lessee and the employees and invitees of Lessee to and from the Properties for all purposes contemplated by this Lease; provided, however, no right of access to the Properties shall be provided at such times as the Properties are not open to the general public. City's Park, Recreation, and Community Services Director ("Director") may change the hours the Properties are normally open to the public at any time upon forty-eight (48) hours' prior written notice to the Lessee. Currently the Properties hours of operation are 8:00 a.m. to 5:00 p.m., Monday through Friday. The Properties are closed on

Saturday, Sunday and holidays. City understands that Lessee's hours of operation will be the same hours.

In the event Lessee desires access to the Community Center other than the times the Community Center is normally open to the general public, such access may be permitted subject to two (2) weeks advance written notice to City. Lessee shall pay to City an after-hour use fee. The fee will be based upon the costs associated with City's Park, Recreation, and Community Services staff time and/or established by resolution of the City Council of City. Such fee shall be considered as additional payment due City hereunder. City shall send an invoice to Lessee setting forth the total amount owed for such after-hours use. Lessee shall pay such invoice within thirty (30) days.

10. **FLAMMABLES, WASTE AND NUISANCES:** Lessee agrees that it will not place or store, or allow any placement or storage of any hazardous waste, hazardous material, or flammable materials within the boundaries of the Properties, and that it will not commit any waste upon or damage to the Properties, nor suffer any to be done. Lessee also specifically agrees that it will not allow others to take such actions within the boundaries of the Properties. Lessee further agrees that it will keep the Properties clean, free from rubbish and debris, and in a condition satisfactory to City in accordance with Section 7.

11. **HAZARDOUS SUBSTANCES INDEMNITY:** Lessee expressly agrees to and shall indemnify, defend, release and hold the City, its officers, officials, directors, agents, servants, and employees harmless from and against any liability, loss, fine, penalty, fee, charge, lien, judgment, damage, entry, claim, cause of action, suit, proceeding (whether legal or administrative), remediation, response, removal, or clean-up, and all costs and expenses associated therewith, and all other costs and expenses (including, but not limited to, attorney's fees, expert fees, and court costs) in any way related to the disposal, treatment, transportation, manufacture, or use of any Hazardous Substances on, in, under, or about the Properties by Lessee, its officers, directors, agents, servants, or employees. This indemnity, defense and hold harmless obligation shall survive the expiration or termination of this Lease.

12. **HAZARDOUS SUBSTANCES DEFINED:** Hazardous Substances shall mean any (a) substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to CERCLA, 42 U.S.C. § 9601, et seq.; The Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq.; the Resource Conservation and Recovery

Act, 42 U.S.C. § 6901, et seq. ("RCRA"); The Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; The Clean Water Act, 33 U.S.C. § 1251, et seq.; The Hazardous Waste Control Act, California Health and Safety Code ("H. & S.C.") § 25100, et seq.; the Hazardous Substance Account Act, H. & S.C. § 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, H. & S.C. § 25249.5, et seq.; Underground Storage of Hazardous Substances H.& S.C. § 25280, et seq.; the Carpenter-Presley-Tanner Hazardous Substance Account Act (H & S.C. § 25300 et seq.); The Hazardous Waste Management Act, H. & S.C. § 25170.1, et seq.; Hazardous Materials Response Plans and Inventory H.& S.C. § 25001 et seq.; or the Porter-Cologne Water Quality Control Act, Water Code § 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect, (b) substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes, (c) petroleum, crude oil or any substance which contains gasoline, diesel fuel or other petroleum hydrocarbons other than petroleum and petroleum products contained within regularly operated motor vehicles, and (d) polychlorinated biphenyls (PCB), radon gas, urea-formaldehyde, asbestos and lead.

13. **UTILITIES/CUSTODIAL/MAINTENANCE:** City shall pay for all utilities, custodial and maintenance. Lessee shall pay for all telephone service and monthly charter cable service that it may have installed. Lessee acknowledges and agrees that nothing in this Lease shall be construed to obligate City to provide or to maintain any air conditioning to the Properties, and that City has not agreed to and is not required to install air conditioners for the Properties. Lessee shall be responsible for the maintenance of the Properties and monthly servicing and repairs of all equipment, including the existing HVAC system. Other than the HVAC system, Lessee may, at its option, remove a piece of City's equipment and/or fixtures by providing City with prior written notice of such and returning such equipment and/or fixtures to City.

14. **TAXES:** Without admitting any such liability, Lessee recognizes and understands that this Lease may create a possessory interest subject to Properties taxation pursuant to California Revenue and Taxation Code Section 107 and that Lessee may be subject to the payment of Properties taxes levied on such interest if such a determination is made by the Riverside County Tax Assessor or other government entity with the authority to make such determinations. All taxes

and assessments which become due and payable with respect to the Properties, and any improvements thereon, shall be the sole responsibility of Lessee, and any such payments shall not reduce any payment due City hereunder.

If Lessee shall, in good faith, desire to contest the validity, the imposition, or the amount of any tax or assessment or any other governmental charge herein agreed to be paid by Lessee, Lessee shall be permitted to do so; provided, however, the Lessee shall not permit or allow any lien to be placed or assessed upon the Properties or any improvements thereon.

15. **CITY'S RIGHT TO INSPECT:** City shall have the right to inspect the Properties and any improvements made thereto at any time to ensure compliance with the terms of this Lease. Any repairs found necessary as a result of inspections are the responsibility of Lessee and shall be made promptly by Lessee, but in no event shall such repairs be initiated by Lessee later than ten (10) calendar days after receipt of written notification of the need for such repairs, and such repairs shall be completed within a reasonable time after receipt of such notification. Lessee shall be solely responsible for the cost of any repairs deemed necessary by the City.

16. **FREE FROM LIENS OR CLAIMS:** Lessee shall keep the Properties free from any mechanics' or materialmen's liens or other liens of any kind or nature for any work done, labor performed, or material furnished thereon at the insistence of or on account of Lessee, and Lessee further agrees to indemnify and save harmless City from and against any and all claims, liens, demands, costs and expenses of whatsoever nature for any such work done, labor performed, or materials furnished. The City at any time may post and keep posted on the Properties appropriate notices to protect the City against the claims of any such persons, firms or corporations.

17. **INSURANCE:** Prior to City's execution of this Lease, Lessee shall obtain, and shall thereafter maintain during the term of this Lease at Lessee's sole expense, such commercial general liability insurance as required to insure Lessee against damages for personal injury, including accidental death, as well as from claims for property damage which may arise from or which may concern operations by anyone directly or indirectly employed by, connected with, or acting for or on behalf of Lessee.

(a) All liability insurance shall be issued by insurance companies authorized to transact liability insurance business in the State of California, with a liability rating of A or higher, and a financial rating of at least VII.

(b) Lessee's commercial general liability policy shall cover both bodily injury (including death) and property damage (including but not limited to the Properties'-operations liability, products-completed operations liability, independent contractors liability, personal injury liability, and contractual liability), in an amount not less than \$1,000,000 per occurrence, \$2,000,000 aggregate.

(c) These minimum amounts of coverage shall not constitute any limitation or cap on Lessee's indemnification obligations under Section 20 hereof.

(d) Insurance policies or original certificates and additional insured endorsements evidencing the coverage required by this Lease, for commercial general liability, shall be filed with City and shall include City, their officers, agents and employees as additional insureds. Said policies shall be in the usual form of commercial general liability insurance, but shall include the following:

"It is agreed that the City of Riverside, and its officers, employees and agents, are added as additional insureds under this policy."

(e) The policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to City by certified or registered mail.

(f) City, its agents and employees make no representation that the limits of the insurance specified to be carried by Lessee pursuant to this Lease are adequate to protect Lessee. If Lessee believes that any required insurance coverage is inadequate, Lessee will obtain such additional insurance coverage as Lessee deems adequate, at Lessee's sole expense.

18. **NONINTERFERENCE WITH USE:** Lessee's use of the Properties and the exercise of the rights herein granted shall not in any manner whatsoever interfere with the City's operations. City shall at all times have access to the Properties. The rights herein granted are not exclusive rights and in no way limit the City's use of the Properties for purposes not inconsistent with the uses granted herein.

19. **INDEMNIFICATION:** Except as to the sole negligence or willful misconduct of City, Lessee shall protect, defend, indemnify, and hold City and its officers, agents, employees and volunteers completely harmless from and against any and all liabilities, losses, suits, claims, judgments, fines or demands arising by reason of injury to or death of any person or damage to any property, including all reasonable costs for investigation and defense thereof (including but not limited to attorneys' fees, court costs, and expert fees), of any nature whatsoever arising out of

or incident to this Lease and/or the use or occupancy of the Properties or the acts or omissions of Lessee's officers, agents, employees, contractors, subcontractors, Lessees, invitees or guests, regardless of where the injury, death, or damage may occur, unless such injury, death or damage is caused by the negligence or willful misconduct of City and/or its officers, employees or agents. This indemnification provision shall apply to any acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of Lessee or any of Lessee's officers, agents, employees, contractors, subcontractors, Lessees, invitees or guests. City shall give Lessee reasonable notice of any such claims or actions. Lessee shall use counsel reasonably acceptable to City in carrying out its obligations hereunder.

The parties expressly agree that any payment, attorney fee, cost or expense City may incur or makes to or on behalf of an injured employee under City's self-administered workers' compensation program is included as a loss, expense or cost for the purpose of this section, and that this section shall survive termination of this Lease.

20. **ASSIGNMENTS:** This Lease is personal to Lessee, and Lessee shall not assign or transfer this Lease or any privilege thereunder, in whole or in part, and any attempt so to do shall be void and shall confer no right on any third party.

21. **NON-POSSESSORY INTEREST:** No permanent or possessory interest shall accrue to Lessee in the Leased Properties by reason of this Lease or by exercise of the permission given and Lessee agrees to claim no such interest.

22. **GOVERNING LAW AND JURISDICTION:** Lessee agrees that in the exercise of its rights under this Lease, Lessee shall comply with all applicable federal, state, county and local laws, and regulations in connection with its use of the Leased Properties. The existence, validity, construction, operation and effect of this Lease and all of its terms and provisions shall be determined in accordance with the laws of the State of California. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Lease shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

23. **TERMINATION:** In addition to the other methods of terminating this Lease, as provided herein, this Lease may be terminated for any reason by City or Lessee, at any time upon ninety (90) days' notice in writing.

Upon termination of this Lease in any manner provided in this Lease, the Properties shall remain in their improved condition, including but not limited to all improvements, landscaping (personal property not applicable) existing on the Properties at the time of termination, unless the City submits a written request to Lessee that some or all of the improvements be removed, in which case Lessee is given thirty (30) days to complete said removal of the improvements as identified by City. Should the City accept the Properties with all improvements thereon, and then such improvements shall become the property of the City.

If the Properties are abandoned by the Lessee for a period of two (2) months, all rights of the Lessee shall automatically terminate hereunder. Further, if the Lessee fails to conform to the terms and conditions of this Lease, all of the Lessee's rights hereunder shall terminate.

No termination hereunder shall release the Lessee from any liability or obligation, which may have attached or accrued prior to or which may accrue as of the time of termination of this Lease.

24. **DAMAGE/DESTRUCTION:** If Lessee shall be responsible for any damages or destruction to the Properties resulting from acts or omissions of Lessee's officers, agents, employees, invitees or guests, and shall repair or compensate City for such damages or destruction and shall return the Properties to City upon termination of this Lease, in the same condition as when received or following construction of any and all improvements, excepting reasonable wear and tear and damages by civil disorders, the elements, act of God or any circumstances over which Lessee has no control.

25. **DEFAULTS/REMEDIES:** Notwithstanding Section 24 Termination above, if Lessee defaults on any payments due or any condition under this Lease and if Lessee remains in default for three (3) days after service of notice of such default, City, acting by and through its City manager, may treat such default as a total breach of this Lease and thereupon declare this Lease terminated. In case of any other default upon the part of Lessee, City may give written notice of the same of Lessee and if the same shall not be corrected within ten (10) days after the giving of such notice, or such longer period provided in said notice, City, acting through its City manager, may treat such default as a total breach of this Lease and thereupon declare this Lease terminated.

If after service of a notice of default, Lessee fails to cure such default within the time provided in said notice, City may at any time thereafter recover possession of the Properties by

any lawful means and remove Lessee or other occupants and any possessions thereof. If this Lease shall have been so terminated by City, City shall have the right to any other remedy or remedies provided by law.

City's failure to enforce any right or provisions of this Lease shall not be construed as a waiver of the right to do so without written notice by City of the intent to waive such right. City's waiver of any default by Lessee shall not constitute a waiver of any future default or defaults in the absence of written notice of City's intent to waive such default.

26. **HOLDING OVER/ABANDONMENT:** If Lessee fails to vacate the Properties upon termination of this Lease, Lessee agrees to pay City a fee of One Hundred Dollars (\$100.00) per day for each day that Lessee occupies the Properties beyond termination of this Lease.

Unless special arrangements have been made by the parties, any personal property left on the Properties for two (2) months shall be deemed abandoned and the property of the City. Lessee shall reimburse City upon receipt from City of an invoice evidencing the cost of said removal, less any offsets, if any. Lessee agrees that City may dispose of the personal property without notice to the Lessee and without sale at a public auction. Lessee expressly waives the requirements of California Civil Code Section 1980, et seq., relating to the disposition of personal property remaining on the Properties at the termination of a tenancy, and to the extent applicable, the provisions of California Code of Civil Procedure Section 1174.

27. **ENTIRE AGREEMENT:** This Lease embodies the entire agreement between the parties hereto in relation to the subject matter hereof, and no other agreement or understanding, verbal or otherwise, relative to this subject matter exists between the parties at the time of execution of this Lease. This Lease may only be modified or amended by the mutual consent of the parties in writing.

28. **NOTICES:** Service of any notices, bills, invoices or other documents required or permitted under this Lease shall be sufficient if sent by one party to the other by United States mail, postage prepaid and addressed as follows:

City

City of Riverside
Parks, Recreation and Community Services
Services Department
6927 Magnolia Ave.
Riverside, CA 92506

Lessee

John Muir Charter School
R.J. Guess, Executive Director
9845 Horn Rd., Ste. 150
Sacramento, CA 95827

29. **SEVERABILITY:** Each provision, term, condition, covenant, and/or restriction, in whole and in part, in this Lease shall be considered severable. In the event any provision, term, condition, covenant, and/or restriction, in whole and/or in part, in this Lease is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Lease and shall not affect any other provision, term, condition, covenant, and/or restriction, of this Lease and the remainder of the Lease shall continue in full force and effect.

30. **PARAGRAPH TITLES:** The paragraph titles of this Lease are (i) inserted only for the convenience of the parties, (ii) are not intended to describe, define, limit, or otherwise affect the provisions in the portions of the Lease to which they pertain, and (iii) in no way describe, define, limit, or otherwise affect the scope or intent of this Lease or in any way affect the agreement of the parties set out in this Lease.

31. **RESERVATIONS:** This Lease is subject to all reservations, restrictions, rights and rights-of-way of record.

32. **AUTHORITY:** The individuals executing this Lease and the instruments referenced herein each represent and warrant that they have the legal power, right and actual authority to bind their respective parties to the terms and conditions hereof and thereof.


(Signatures on Following Page)

IN WITNESS WHEREOF the parties hereto have caused this Lease to be duly executed on the date and year first written above.

CITY OF RIVERSIDE, a California
charter city and municipal corporation

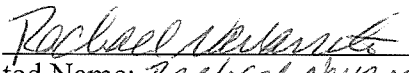
JOHN MUIR CHARTER SCHOOL,
a California corporation

By: _____
City Manager

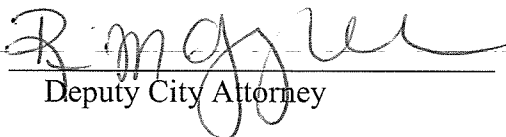
By: 
Printed Name: R-S. Guss
Its: CEO

ATTEST:

By: _____
City Clerk

By: 
Printed Name: Rachael Navarrete
Its: CFD

APPROVED AS TO FORM:

By: 
Deputy City Attorney

CA: 16-0788 RMG 06/01/16
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EXHIBIT “A”

Exhibit "A"

Cesar Chavez Community Center
FIRST FLOOR PLAN

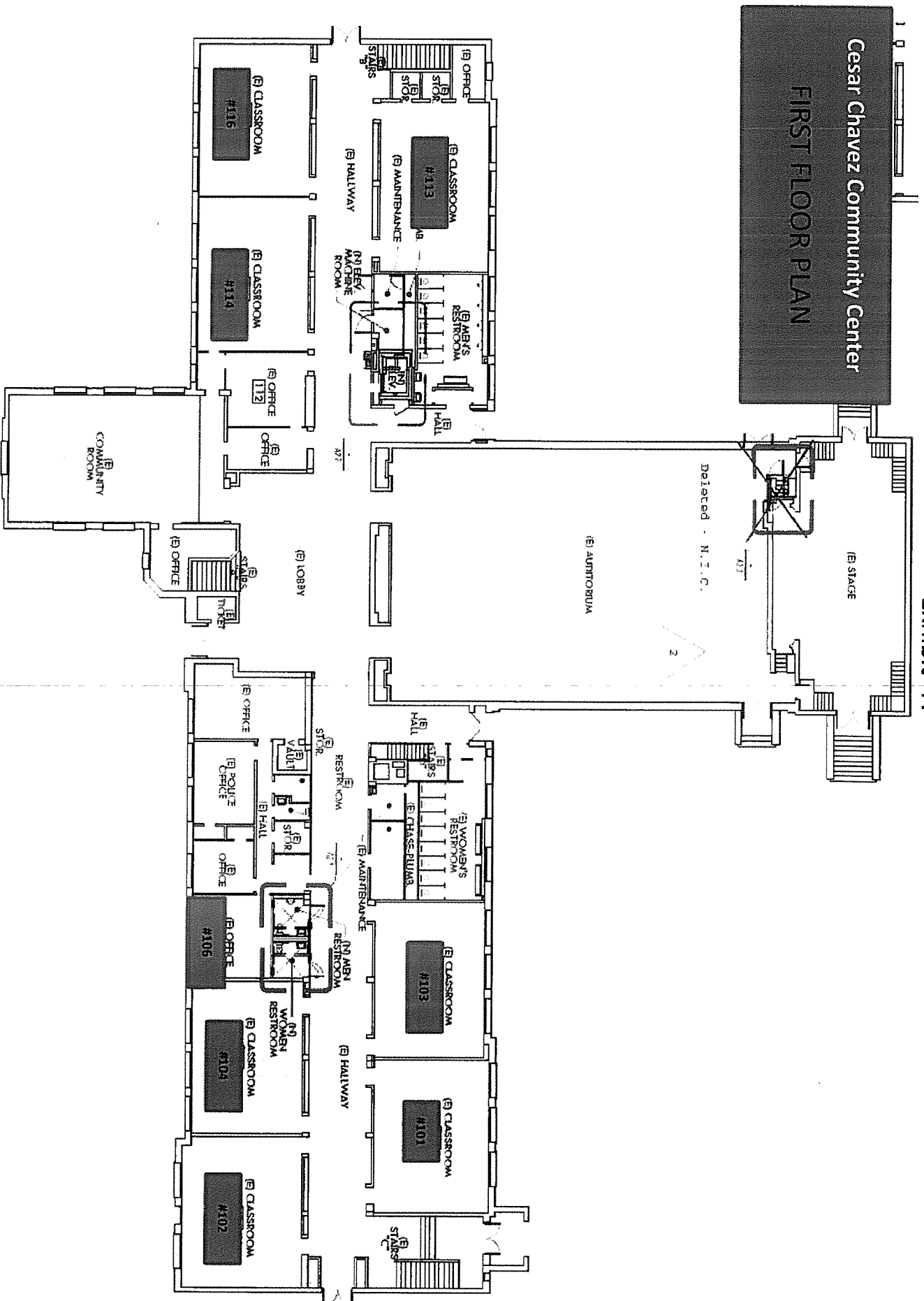
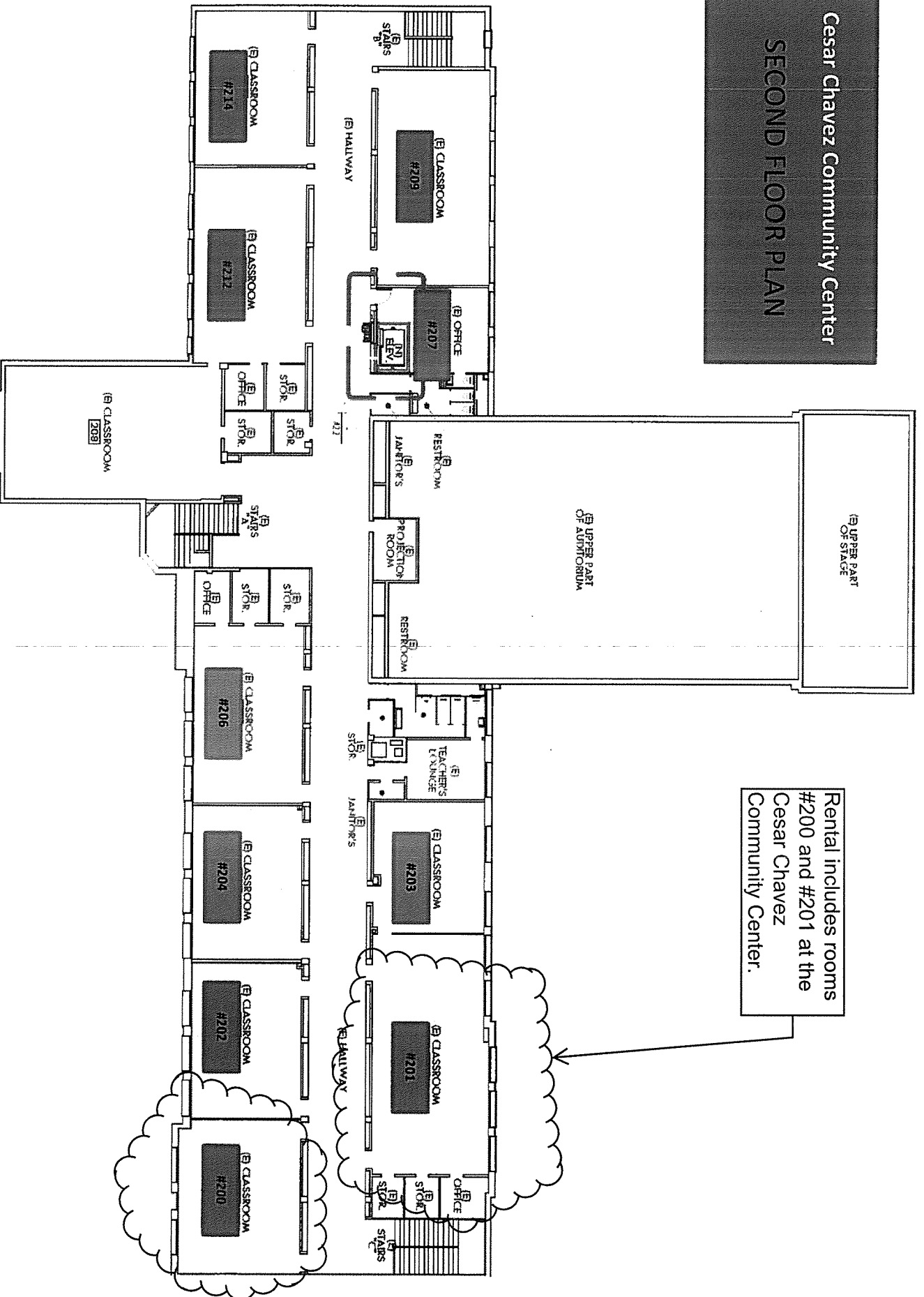


Exhibit "A"

Cesar Chavez Community Center
SECOND FLOOR PLAN



LEGEND

○	DOOR NUMBER SEE SHEET A5.0
◇	WINDOW DESIGNATION SEE SHEET A5.0

