

542 MAIN STREET, PLACERVILLE, CALIFORNIA

LEASE AGREEMENT #254-L1811

THIS LEASE is made and entered into this 1st day of September 2017, by and between the **COUNTY OF EL DORADO** (hereafter "Lessor"), a political subdivision of the State of California, and **El Dorado County Chamber of Commerce**, a California Nonprofit Corporation, lawfully doing business in the State of California (herein "Lessee").

RECITALS

WHEREAS, the real property referred to as 542 Main Street, Placerville, California (APN 003-141-07), approximately three thousand, eight hundred forty square feet of improved office space ("Property") and is owned by Lessor; and

WHEREAS, Lessee desires to lease the Property from Lessor for the purpose of Promoting Civic and Commercial Progress benefiting the residents of El Dorado County; and

NOW, THEREFORE, the parties agree to the terms and conditions set forth below.

AGREEMENT TERMS

1. Lease. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the Property. Lessee acknowledges that the Leased Property is the property of Lessor and that Lessee has only the right of possession and use thereof upon the terms, covenants and conditions set forth in this Lease.

2. Term of Agreement. The initial term of this Lease shall be for five (5) years and shall commence upon the full execution of this agreement by both parties and shall cover the period of on or about September 1, 2017 through August 31, 2022. The term of this Lease may be extended by mutual agreement of Lessor and Lessee, subject to the other provisions of this agreement and the approval or disapproval of the County Board of Supervisors as it deems necessary.

3. Extension Provisions. This Lease may be extended for two (2) additional period(s) of five (5) years per extension, provided that Lessee indicates its intent to seek an extension in writing to Lessor at least sixty (60) days prior to the expiration of the Lease.

4. Lessee Payments.

A. Rent. Lessee agrees to pay Lessor as rent the sum of One Dollar (\$1.00) per year for the Leased Property during the initial term of this Lease, commencing on or about September 1, 2017. The lease payment

for the extension periods shall remain the same at One Dollar (\$1.00) per year at the commencement of the first extension (and any other extensions). Lease payments are payable and due in full at the beginning of each year.

B. Operating Expenses. Lessee is solely responsible for payment of all utilities (such as refuse collection, water, sewer, gas and/or electricity, telephone); any local, state and federal taxes associated with or attributable to the Property; and maintenance costs (interior and exterior) of the Property.

C. Capital Expenses. Lessee is solely responsible for all capital repairs and improvements (i.e. roof, heating, ventilation, and air conditioning, structural, etc.). All capital repairs and improvements require prior review and written approval by Lessor and any capital improvements requiring permits will be obtained and paid for by the Lessee. A copy of the permit will be provided to the Lessor before and a “Finaled” permit after the work has been completed.

D. Repairs and Maintenance. Lessee is solely responsible for all repairs and maintenance including but not limited to all plumbing, electrical, HVAC mechanical, roofing, flooring, structural, etc. All repairs must be to Lessor standards including permits where required and all work must first be reviewed and approved by the Lessor prior to the work commencing. Lessee will provide copies of all permits before and all “Finaled” permits after work is completed. Lessor will also approve all contractors used by the Lessee. In addition to inspections required by the City, the Lessor will also inspect repairs and maintenance as it deems necessary. During the term of the lease and any extensions, Lessee shall be responsible for all cost arising from changes necessary to bring the Premises up to ADA accessibility standards. Lessee shall defend and indemnify Lessor for any claims, liability, cost, or damages associated with Lessee’s failure to comply with any ADA requirements. Pursuant to California Civil Code Section 1938, the Property being leased has not undergone inspection by a Certified Access Specialist (CASp) and has not been determined to meet all applicable construction-related accessibility standards pursuant to California Civil Code Section 55.51 et seq.

E. Property Inspections. The Lessor will inspect the premises as needed but at a minimum two (2) times per year. The Lessor will provide 24 hours advance notice where possible prior to entering.

5. Use of Leased Property.

A. Permitted Use. The Property is leased to Lessee for the sole purpose of conducting business and activities related to support Civic and Commercial Progress benefitting the residents of El Dorado County and as permitted by law. Lessee’s failure to comply with these and other conditions of the use of the Property shall constitute a material breach of this Lease.

B. Compliance with Laws. Lessee will comply with all statutes, ordinances, and requirements of local, state, and federal laws now in force or which may later be in force regarding use of the Property, including, without limitation, those relating to the Americans Disability Act (ADA) and any amendments thereto or regulations promulgated thereunder, ordinances, orders, rules resolutions, and other governmental requirements relating to the use, condition or occupancy of the Premises (Applicable Requirements”) at the time of Lease commencement. Lessee shall be responsible for compliance relating to interior and exterior access or utilization of any and all alternations, partitions or temporary wall placement, or trade fixture installation that Lessee undertakes on the premises.

6. Prohibited Use. Pursuant to California Government Code §54964 and §54964.5, Lessee shall not use or permit another to use the Property in support of any political activity including but not limited to support or opposition of a candidate for public office or any ballot measure and any violation will result in immediate

termination of this Lease Agreement. Lessee shall not commit or permit the commission of any acts on the Property nor permit the use of the Property in any way that will:

- A. Violate or conflict with any law, statute, ordinance, governmental rule or regulation whether or not currently in force or hereinafter enacted, governing the leased land;
- B. Constitute commission of a waste on the leased land;
- C. Adversely affect the current or projected future uses of the adjacent property not under Lease to Lessee;
- D. Violate other provisions of the Lease such as, but not limited to, Paragraph 6 of this agreement.

7. Termination. This Lease may be terminated under the following circumstances, upon written notice being provided to Lessee by Lessor at least thirty (30) days before the termination takes effect.

- A. By mutual written agreement of both parties or their successors and assigns.
- B. If Lessee defaults in the performance of or breaches any provision, covenant or condition of this Lease, and such default or breach is not cured within thirty (30) days after written notice thereof given by Lessor to Lessee.
- C. If Lessee abandons the Leased Property prior to the expiration of the term of this Lease.
- D. If Lessor determines that the Property is needed for County business, Lessor reserves the right to terminate the Lease on grounds of necessary public use as determined solely by the governing board of County. Lessor and Lessee agree that Lessee will not be owed any damages or compensation at time of termination because of the existing public ownership of the property.
- E. If Lessee determines capital repairs are deemed to be cost prohibitive.

Upon the expiration or sooner termination of the Lease, all improvements upon building shall remain thereon and thereupon shall become the property of Lessor unless removed by Lessee where feasible, within three (3) months of the expiration or sooner termination of the Lease at Lessee's sole expense.

8. Taxes and Assessments. Lessee shall be responsible for payment before delinquency of all taxes, assessments, license fees, and other charges, including, but not limited to, possessory interest taxes that are levied and/or assessed against Lessee's personal property or improvements installed or located in or on the Property or on Lessee's interest in the Property and that become payable during the term of this Lease. Pursuant to the provisions of Revenue and Taxation Code Section 107.6, Lessee acknowledges that Lessee's interest in the Property which is created by this Lease may be assessed a possessory interest tax.

9. Assignment or Subleasing Property. Lessee shall not sublease, encumber, assign, or otherwise transfer its rights or interests under this Lease, without the express written consent of Lessor which will not be unreasonably withheld. Any rents charged on a sublease are the County's.

10. Insurance Requirements. During the term of this Lease Agreement, and without limiting the Lessee's indemnification of the County, Lessee shall provide and maintain, at its own expense, during the term of this Lease Agreement, or as may be further required herein, the following insurance coverages and provisions:

A. Commercial General Liability Insurance for bodily injury (including death) and property damage which provides limits of not less than \$1,000,000 each occurrence and written on an occurrence basis. If the insurance has a General Aggregate it must be no less than \$2,000,000. Each type of insurance shall include coverage for Premises/Operations, Contractual Liability, Broad Form Property Damage, and Personal Injury; as a result of services rendered or activities allowed under this Rental Agreement.

B. Business Automobile Liability Insurance for bodily injury and property damage liability with combined single limits of not less than \$1,000,000 with respect to any vehicles owned, non-owned, hired, leased, borrowed or assigned to Lessee arising out of their use from business operations conducted from leased location.

C. All Risk Insurance shall be maintained by Lessee with limits of not less than \$2,000,000 on all real property being rented; including improvements and betterments owned by Lessee and shall name County as loss payee. Fire Insurance shall be maintained by Lessee on all personal property contained within or on the rented premises. The policy shall be written on a standard "all risk" contract. Said policy of insurance shall provide for full replacement cost and grant County the right to direct adjustment with the insurer in the event of a loss. The policy shall include a waiver of subrogation clause. A client property endorsement shall be added to the policy stating that the insurance company is responsible for losses involving the property of County or others for whom County has assumed responsibility.

D. Workers' Compensation Insurance is required if Lessee's operations require the use of Lessee's employees to conduct operations arising out of the use of the leased location. Lessee shall maintain, at Lessee's own expense during the term hereof, insurance with respect its business, and all activities, on or about in connection with its business full Workers Compensation and Employers Liability Insurance covering all employees of the undersigned as required by law in the State of California.

E. Prior to commencement of this agreement, the Lessee shall provide Certificates of insurance certifying that all coverage as required herein has been obtained and remains in force for the period required by this agreement. Any required endorsement shall either be attached to the Certificate or certified as issued on the Certificate.

F. All policies of insurance shall provide for the following:

(i) Name El Dorado County, members of the Board of Supervisors of El Dorado County, its officers, agents and employees, as additional insureds except with respect to Workers' Compensation coverage.

(ii) Be primary with respect to all obligations assumed by Lessee pursuant to this Agreement or any other services provided. Any insurance carried by El Dorado County shall not contribute to, or be excess of insurance maintained by Lessee, nor in any way provide benefit to Lessee, its affiliates, officers, directors, employees, subsidiaries, parent company, if any, or agents.

(iii) Notice of Cancellation or Change of Coverage Endorsement: Insurance provided by this policy shall not be canceled or changed so as to no longer meet the specified County insurance requirements without thirty (30) days prior written notice of such cancellation or change being delivered to the County of El Dorado.

(iv) Severability of Interest Endorsement: Insurance provided by this policy shall apply separately to each insured who is seeking coverage or against whom a claim is made or a suit brought, except with respect to the policy's limits of liability.

(v) Provide a waiver of subrogation in favor of County, members of the Board of Supervisors of El Dorado County, its officers, agents and employees, individually and collectively.

G. The insurance shall be issued by an insurance company acceptable to the Risk Management Division, or be provided through partial or total self-insurance likewise acceptable to Lessor's Risk Management Division.

H. Lessee agrees that the insurance required herein shall be in effect at all times during the term of this Lease. In the event said insurance coverage expires at any time or times during the term of this Lease, Lessee shall immediately provide a new certificate of insurance as evidence of the required insurance coverage. In the event Lessee fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Lease upon the occurrence of such event. New certificates of insurance are subject to the approval of County's Risk Management Division.

I. The certificate of insurance must include the following provisions stating that the insurer will not cancel the insured's coverage without 30-day prior written notice to County.

J. Lessee's insurance coverage shall be primary as respects Lessor, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Lessor, its officers, officials, employees or volunteers shall be excess of Lessee's insurance and shall not contribute with it.

K. Any deductibles or self-insured retention must be declared to and approved by Lessor. At the option of Lessor, either: insurer shall reduce or eliminate such deductibles or self-insured retention as respects Lessor, its officers, officials, employees and volunteers; or Lessee shall procure a bond guaranteeing payment of losses and related investigations; claim administration and defense expenses.

L. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to Lessor, its officers, officials, employees or volunteers.

M. The insurance companies shall have no recourse against Lessor, its officers, officials and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.

N. Lessee's obligations shall not be limited by the foregoing insurance requirements and shall survive the expiration of this Agreement.

O. In the event Lessee cannot provide an occurrence policy, Lessee shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of this Agreement.

P. The Certificate of insurance shall meet additional standards as may be determined by Lessor's Risk Management Division as essential for protection of Lessor.

11. Indemnification. Lessee shall indemnify, defend, and hold harmless Lessor, its officers, agents, and employees, from and against any claims, actions, suits, costs, expenses (including reasonable attorney's fees) and other costs of defense incurred or liabilities, whether for damage to or loss of property, or injury to or death of person (collectively "Claims"), which in any way arise from or are connected with the acts or omissions of Lessee or its officers, agents, employees, contractors, subcontractors, or business invitees, in connection with or related to the rights and obligations created by this Lease, regardless of the existence or degree of fault or passive or active negligence on the part of Lessor, its officers, agents, and employees, except to the extent caused by the willful or criminal misconduct by Lessor.

Lessee to be responsible for cleanup of any discharge or release of hazardous materials resulting from Lessee's use of Property. Lessee shall indemnify, defend and hold harmless Lessor, its employees or agents, from and against any and all losses, liability, claims, lawsuits, damages, destruction of property, or injuries incurred in connection with or as the result of the presence, use, or disposal of any Hazardous Materials in or about the Property resulting from or caused by Lessee's use of Property.

12. As-Is Condition. Lessee agrees that it is leasing the Property on an "as-is" basis, with all defects, without any representation or warranty by Lessor or its officers, agents, or employees as to the condition of the Property or its fitness for Lessee's use, and subject to all applicable federal, state, or local laws, ordinances and regulations governing and regulating use of the Property, and easements, covenants or restriction of record. Lessee acknowledges that Lessor has not made any representations or warranties that the Property complies with all applicable laws, including, but not limited to, the ADA, Title 24, or any laws relating to hazardous substances or materials, and that Lessee assumes any and all responsibility for causing the Property to comply with applicable laws throughout the term of this Lease. Lessee acknowledges that it has satisfied itself that the Property is suitable for its intended use. Lessor shall have no obligation to do any work in and to the Property in order to prepare the Property for occupancy or use by Lessee. Lessee assumes all responsibility for the preservation of the Premises and compliance with all applicable local, state and federal laws including but not limited to ADA and any other ordinances, orders, rules, resolutions, and other governmental requirements relating to the preservation of the building. Lessee assumes all risks of damage to property or injury to persons in or about the premises from an cause except for County's sole and active negligence or willful misconduct.

13. Destruction of Property. Should said Property, or the building of which they are a part, be damaged or destroyed by any cause, thereby rendering the Property unfit to occupy, Lessor in its sole discretion may choose, in lieu of Lessee making any repairs required, terminate this Lease by giving Lessee ten (10) days written notice of such termination.

14. Condemnation of Property. Should all or any part of the Property be taken by any public or quasi-public agency or entity under the power of eminent domain during the term of the Lease:

A. Either Lessor or Lessee may terminate this Lease by giving the other thirty (30) days' written notice of termination; provided, however, that Lessee cannot terminate this Lease unless the portion of the Property taken by eminent domain is so extensive as to render the remainder of the Property useless for the purposes intended by this Lease.

B. Any and all damages and compensation awarded or paid because of the taking, except for amounts paid Lessee for moving expenses or for damage to any personal property or trade fixtures owned by Lessee, shall belong to Lessor, and Lessee shall have no claim against Lessor or the entity exercising eminent domain power for the value of the unexpired term of this Lease.

C. Should any portion of the building containing the Property, other than the Property be taken by eminent domain, Lessor or Lessee may, at its option, terminate this Lease

15. Acts Constituting Breaches by Lessee. Lessee shall be guilty of a material default and breach of this Lease should:

A. Any rent be unpaid when due and remain unpaid for thirty (30) days after written notice to pay such rent or to surrender possession of the Property has been given to Lessee by Lessor;

B. Lessee default in the performance of or breach any provision, covenant, or condition of this Lease other than one for the payment of rent and such default or breach is not cured within thirty (30) days after written notice thereof is given by Lessor to Lessee; or

C. Lessee breaches this Lease and abandons the Property for 15 consecutive calendar days prior to the expiration of the term of this Lease.

16. Lessor's Liability. In the event of a transfer of Lessor's title or interest to the property during the term of this Lease, Lessee agrees that the grantee of such a transfer will be substituted as Lessor under this Agreement, provided that all deposits are transferred to the grantee. Lessor shall be released from all future liability under this agreement.

17. Notices. Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Lease or by law to be served on or given to either party hereto by the other party shall be in writing and shall be deemed duly served and given when personally delivered to the party, Lessor or Lessee, to whom it is directed or any managing employee of such party or, in lieu of such personal service, when deposited in the United States mail, first-class postage prepaid, addressed to:

County of El Dorado
Chief Administrative Office
Facilities Division
3000 Fairlane Court
Placerville, CA 95667
Attn: Russell Fackrell, Facilities Manager
Telephone: (530) 621-7596

All notices will be sent to the Lessor below:
El Dorado County Chamber of Commerce
542 Main Street
Placerville, CA 95667
Attention: Laurel Brent-Bumb, CEO
Telephone: 530 621-5885

Either party, Lessor or Lessee, may change its address for purposes of this paragraph by giving written notice of the change to the other party in the manner provided in this paragraph.

18. Binding on Heirs and Successors. This Lease shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties hereto.

19. Nondiscrimination. To the extent that all or a portion of the Property and/or improvements were all or partially funded by financial assistance from local, state, or federal funds, Lessee hereby covenants and agrees that: (1) no person on the grounds of sex, race, color, religion, handicap, or national origin will be excluded from participation in, be denied the benefits to, or be otherwise subjected to discrimination in the use of the Property, (2) that in the construction of any improvements on, over, or under such land the furnishing of services thereon, no person on the grounds of sex, race, color, religion, handicap or national origin will be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination, and that (3) Lessee must use the Property in compliance with state and federal laws.

20. California Forum and Law. Any dispute resolution action arising out of this Lease, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California.

21. Attorney's Fees. Should any litigation be commenced between Lessor and Lessee concerning the leased property, this Lease, or the rights and duties of either Lessor or Lessee in relation thereto, the party, Lessor or Lessee, prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for its attorney's fees in the litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.

22. Entire Agreement. This Lease contains the entire agreement of the parties with respect to the matters covered by this lease, and no other agreement, statement or promises made by any party to any employee, officer or agent of any party, which is not contained in this Lease, will be binding or valid. No waiver, alteration, modification, termination or cancellation of this Lease is valid unless made in writing and signed by the authorized parties hereof.

23. Severability. If any provision, clause or part of the agreement, or the application thereof under certain circumstances, is held invalid, the remainder of this agreement or the application of such provisions, clauses, or parts under other circumstances shall not be affected thereby.

24. Waiver. The waiver of any breach of any of the provisions of this Lease by Lessor shall not constitute a continuing waiver or a waiver of any subsequent breach by Lessee either of the same or of another provision of this Lease.

25. No Third Party Beneficiary. Nothing in this Lease is intended, nor will be deemed to confer rights or remedies upon any person or legal entity not a party to this Lease.

26. Lease Administration. The County officer or employee with responsibility for administering this Lease is Russell Fackrell, Facilities Manager, Chief Administrative Office, or successor.

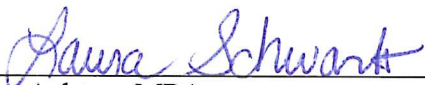
LEASE ADMINISTRATOR:

Dated: 12/4/17

Signed: 
Russell Fackrell
Facilities Manager

DEPARTMENT HEAD CONCURRENCE:

Dated: 12/4/17


Signed: 
for Don Ashton, MPA
Chief Administrative Officer

IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement 254-L1811 on the dates indicated below.

LESSOR: COUNTY OF EL DORADO

Dated: 12-12-17 Signed: 
~~Shiva Frentzen, Chair~~ Laura Schwartz
~~Board of Supervisors~~ Purchasing Agent

ATTEST:
James S. Mitrising, Clerk of the Board of Supervisors

By:  Dated: _____
Deputy Clerk

LESSEE: EL DORADO COUNTY CHAMBER OF COMMERCE

Dated: 11-30-17 Signed: 
Laurel Brent-Bumb, CEO

Dated: 11-30-17 Signed: 
Richard Esposito, Secretary