ORIGINAL

COUNTY OF EL DORADO L E A S E # 182-L1011 15

THIS LEASE ("Lease") is made by and between the COUNTY OF EL DORADO, a political

subdivision of the State of California, hereinafter called "Lessor", and UNITED OUTREACH OF

EL DORADO COUNTY, a registered 501(c)(3) non-profit corporation, hereinafter referred to as

"Lessee".

WHEREAS, Lessor owns certain real property, commonly known as APN 327-130-18-100, and

more particularly described below;

WHEREAS, Lessee desires to establish a residential shelter to serve the homeless population in

El Dorado County; and

WHEREAS, Lessor desires to lease its property to Lessee for the purpose of operating a

homeless shelter on the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the foregoing, the parties do hereby agree as follows:

1. PREMISES

Lessor hereby leases to Lessee and Lessee hereby leases from Lessor, for and in

consideration of the rents, covenants and agreement hereinafter set forth, the "Premises"

described as follows:

APN 327-130-18

6940 Perks Court

Placerville, CA 95667

The Premises consist of an existing residence with an approximate area of 1,266 square

feet, a detached garage, an outbuilding, and residential parking area as shown in Exhibit

"A" hereto, which is hereby incorporated as a part of this Lease.

2. TERM

The term of this Lease shall be five (5) years commencing on November 1, 2009 and

ending on October 31, 2014, subject however, to earlier termination as hereinafter more

particularly provided herein.

1

3. PAYMENT

Lessee agrees to pay to Lessor **ONE DOLLAR** (\$ 1.00) per annum during the term of this Lease, payable upon commencement of the term of this Lease and each and every year thereafter. Payment to be delivered to Lessor's office by mail or personal delivery. Rent shall be paid to the order of the Department of Transportation, 2850 Fairlane Court, Placerville, CA 95667, Attn: Accounting

4. OPTION FOR ADDITIONAL TERMS

Lessee shall have the option to renew this Lease for up to three (3) additional five (5) year terms after the initial Lease expiration date of October 31, 2014 Such renewals shall be on the same terms and conditions as contained herein. Should Lessee elect to exercise said option to renew the Lease, Lessee shall notify Lessor in writing at least sixty (60) days prior to the expiration of the first five (5) year term and each additional five (5) year term thereafter.

5. DESIGNATION OF AND USE OF LEASED PROPERTY

- A. Permitted Use. Exhibit "A" is incorporated into this Lease by reference and designates the real property to be leased to Lessee under this Lease. The Premises are leased to the Lessee for the sole purpose of residential use as a homeless shelter consistent with current zoning ordinances and consisting of no more than six (6) occupants living at the premises at any given time during the term of this Lease. Lessee's failure to comply with these and other conditions of use of the Premises shall constitute a material breach of this Lease. United Outreach staff shall be permitted to perform administrative duties on the Premises, but shall not reside at the premises overnight.
- B. <u>Compliance with Laws</u>. The Premises are currently zoned RE-5 "Estate Residential." Lessee will comply with all statutes, ordinances, and requirements of all municipal, state, and federal authorities now in force, or which may later be in force, regarding the use of the Premises. Lessee will not use the Premises for any unlawful purpose including, but not limited to, using, storing, or selling prohibited drugs. In addition, Lessee shall not conduct activities on the Premises for more than the number of occupants permitted to reside on the Premises pursuant to the terms of the Lease and current zoning ordinances.

- C. <u>Storage</u>. Lessee may store the existing modular building on the Premises. Said modular building shall not be used by Lessee at any time during the term of this Lease for any purpose, including the housing of persons or storage of property.
- D. <u>Construction Project</u>. Lessor intends to commence construction of the project commonly referred to as the Missouri Flat Interchange, Phase 1B (the "Project"), in or about late 2009. Lessee hereby acknowledges awareness of the Project and accepts the Premises subject to Lessor's right to construct the Project. To that end, Lessee shall not use the Premises in a manner that interferes with the Project, nor shall Lessee prohibit access to the Premises, exclusive of the dwelling unit, necessary for the project. Furthermore, Lessee's use of the Premises shall be subject to the following during the construction of the Project:
 - i. Access to and from Premises will be on the existing paved road only or an alternative roadway as provided by Lessor during the construction of the Project.
 - ii. Lessee shall be responsible for assuring that its guests, visitors, and invitees not enter the designated construction area. Lessor shall provide a fence to designate the area of the premises to be used by the Lessee during the construction of the project.
 - iii. If Lessor determine that that the Project will require nighttime construction within 1,000 feet of the Premises and that the Project's specified mitigation measures will be insufficient to reduce construction noise to less than the limits specified in the EIR for the Project, upon Lessee's request, Lessor will consider providing hotel vouchers for Lessee's occupants for nights when construction must occur.
- E. <u>Future Use</u>. Should Lessee obtain necessary approvals to construct additional improvements to and/or expand its permissible uses of the Premises, the parties shall negotiate in good faith concerning any necessary amendments to this Lease.

6. PROHIBITED USE

Lessee shall not commit or permit the commission of any acts on the Premises nor permit the use of the Premises in any way that will:

- A. Cause an increase in the Lessor's existing fire or hazard insurance rates or the cancellation of any fire, casualty, liability or other insurance policy insuring the Premises or the contents of any structures thereon;
- Violate or conflict with any law, statute, ordinance, governmental rule or regulation whether now in force or hereinafter enacted, governing the Premises;
- C. Constitute commission of a waste on the Premises.

7. INSURANCE

Lessee's personal property, fixtures, equipment, inventory, and vehicles are not insured by Lessor against loss or damage due to fire, theft, vandalism, rain, water, criminal or negligent acts of others, or any other cause. Lessee is to carry Lessee's own property insurance to protect Lessee from any such loss. In addition, Lessee shall provide proof of a policy of insurance satisfactory to the Lessor and documentation evidencing that Lessee maintains insurance that meets the following requirements:

- A. Commercial General Liability Insurance of not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage.
- B. If applicable, Workers' Compensation and Employers' Liability Insurance covering all employees of Lessee as required by law in the State of California.
- C. Lessee shall furnish a certificate of insurance satisfactory to Lessor as evidence that the insurance required above is being maintained.
- D. The insurance shall be issued by an insurance company acceptable to the Lessor or be provided through partial or total self-insurance likewise acceptable to Lessor.
- E. Lessee agrees that the insurance required above 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 agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the Lease, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of the Lessor and Lessee agrees that the Lease shall not commence prior to the giving of such

approval. In the event the Lessee fails to keep in effect at all times insurance coverage as herein provided, Lessor may, in addition to any other remedies it may have, terminate this Lease upon the occurrence of such event.

- F. The certificate of insurance must include a provision stating that:
 - The insurer will not cancel the insured's coverage without 30 days prior written notice to the Lessor, and;
 - The County of El Dorado, its officers, officials, employees and volunteers are included as additional insured, but only insofar as the operations under this Lease are concerned. This provision shall apply to all liability policies except workers' compensation.
- G. Lessee's insurance shall be primary insurance as respects the Lessor, its officers, officials, employees and volunteers. Any insurance of self-insurance maintained by the Lessor, its officers, officials, employees or volunteers shall be in excess of the Lessee's insurance and shall not contribute with it.
- H. Any deductibles or self-insured retention must be declared to and approved by the Lessor. At the option of the Lessor, either the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Lessor, its officers, officials and employees; or Lessee shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- I. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the Lessor, its officers, officials, employees or volunteers.
- J. The insurance companies shall have no recourse against the County of El Dorado, its officers, officials or employees for payment of any premiums or assessments under any policy issued by any insurance company.
- K. Lessee's obligations shall not be limited by the foregoing requirements and shall survive the expiration of this Agreement.
- L. In the event Lessee cannot provide an occurrence policy, Lessee shall provide insurance covering claims made as a result of performance of this Lease for not less than three (3) years following expiration or earlier termination of this Lease.
- M. The Certificate of Insurance shall meet additional standards as may be determined by the Lessor, either independently or in consultation with the Lessor's Risk Manager, as essential for protection of the Lessor.

8. INDEMNIFICATION

Each party to this Lease shall indemnify, defend, and hold harmless (as an "indemnifying party") the other party (the "indemnified party"), its officers, agents and employees, from and against any loss, damage, claims, actions, suits, costs, expenses (including reasonable attorney's fees) and other cost of defense incurred or liabilities, whether for damage to or loss of property, injury to or death of person, or economic loss which in any way arise from or are connected with the acts or omissions of the indemnifying party or its officers, agents, employees, contractors, subcontractors, or business invitees, or the indemnifying party's use of the Premises, except to the extent such damage, loss, injury, or death was caused by the sole or active negligence or willful misconduct of the indemnified party, or as expressly provided by statute.

The duties of the parties to indemnify and save each other harmless include the duties to defend as set forth in California Civil Code Section 2778. The provisions of this section shall survive the expiration or termination of the Lease for any event.

9. ALTERATIONS

Lessee shall not make or permit any other person to make any repairs or alterations to the Premises without the written consent of Lessor first obtained. Should Lessor consent to the making of any repairs or alterations to the Premises by the Lessee, subsequent to execution of this Lease, said repairs or alterations shall be made at the sole cost and expense of Lessee by a contractor or other person selected by Lessee and approved in writing by Lessor before work commences. Any such repairs or alterations shall be done in accordance with applicable building codes and Public Contracting requirements. Any and all repairs or alterations shall, on expiration or sooner termination of this Lease, become the property of Lessor and remain on the Premises. Lessee shall indemnify and hold Lessor harmless relating to any mechanic's liens resulting from any repairs or alterations performed by Lessee or its contractors on the Premises. In the event of the need for any "emergency repairs" to the Premises, Lessor will provide Lessee with a phone number to be utilized during non-business hours to obtain authorization for said repairs. Lessee may be responsible and liable for payment of any emergency repairs made without prior authorization by Lessor.

10. MAINTENANCE AND REPAIRS

Lessee has inspected the Premises, furnishings, and equipment, and has found them to be satisfactory. All plumbing, septic, heating, cooling, and electrical systems are operative and deemed satisfactory.

Lessee shall, at all times during the term of this Lease and any renewal or extension thereof, maintain, at Lessee's sole cost and expense, the Premises, in a good, clean, and safe condition, and shall on expiration or sooner termination of this Lease surrender the Premises to Lessor in as good condition and repair as they are in on the date of this Lease, reasonable wear and tear and damage by the elements excepted. Lessee shall pay Lessor for costs to repair, replace, or rebuild any portion of the Premises damaged by Lessee or Lessee's guests or invitees.

11. ADA MODIFICATIONS

This is a single family residence and it is not required that the Lessor make any modifications for ADA compliance. This will be the responsibility of the Lessee to make any modifications that are necessary to accommodate the occupants that are residing at the Premises, subject however, to Paragraph 9 herein.

12. SERVICES FURNISHED BY LESSOR

Lessor shall, at Lessor's own cost and expense, maintain the exterior walls, exterior windows, existing exterior lighting, sidewalks, retaining walls, ramps, plumbing, electrical, heating and air conditioning, air conditioning and heating equipment and ductwork, and roof and structural supports of the building of which the Premises are a part, in good order and repair, excepting any repairs caused by the negligent or willful act of Lessee or Lessee's agents or servants. Lessee shall provide to Lessor written notice of any defective condition of the Premises, including, but not limited to, any water leaks, equipment failures, or other conditions which could threaten the habitability of the Premises or the health and safety of the occupants of the Premises.

13. ENTRY BY LESSOR

California law allows Lessor or its employees and agents to enter the dwelling unit on the Premises for certain purposes during normal business hours. Lessor will provide written notice to Lessee prior to the entry of the dwelling unit on the Premises whenever required by state law (Civil Code § 1954). Lessee's non-compliance with Lessor's lawful

request for entry shall be a material breach of this Lease that may be cause for immediate termination as provided herein and by law.

Lessor currently has a key to the Premises. Lessee may not change the lock or add a lock without Lessor's prior written consent and without furnishing to Lessor a key to the changed or added lock.

14. TAXES AND ASSESSMENTS

Lessee shall pay before delinquency all taxes, assessments, license fees, and other charges, specifically including, but not limited to, possessory interest taxes that are levied or are levied and assessed against Lessee's personal property installed or located in or on the Premises or on Lessee's interest in the Premises or Property and that become payable during the Term of this Agreement. Pursuant to the provisions of Revenue and Taxation Code Section 107.6, Lessee acknowledges that Lessee's interest in Premises which is created by the Agreement may be assessed a possessory interest tax.

15. UTILITIES

- A. All utilities suitable for the intended use of the Premises shall be provided and paid for by Lessee.
- B. Garbage removal shall be provided and paid for by Lessee.
- C. Snow Removal to be provided by Lessee. (If applicable)

16. AIR CONDITIONING AND HEATING

Lessor has provided, and shall maintain, or cause to be maintained, in the building of which the Premises are a part, an air conditioning and heating system.

17. DESTRUCTION OF PREMISES

Should said Premises, or the building of which they are a part, be damaged or destroyed by any cause not the fault of Lessee, Lessor shall at Lessor's sole cost and expense promptly repair the same however, that should the cost of repairing the damage or destruction exceed twenty-five (25%) percent of the full replacement cost of the Premises, Lessor may choose, in lieu of Lessor making the repairs required by this paragraph to terminate this Lease by giving Lessee ten (10) days written notice of such termination.

18. CONDEMNATION OF PREMISES

Should all or any part of the Premises 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 Premises taken by eminent domain is so extensive as to render the remainder of the Premises 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.

19. ASSIGNMENT OR SUBLEASING

Lessee shall not sub-lease, encumber, assign, or otherwise transfer its rights or interests under this Lease, without the express written consent of the Lessor first had and received, provided said consent by Lessor shall not be unreasonably withheld.

20. 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 Premises 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 Premises prior to the expiration of the term of this Lease.

21. CANCELLATION

Either party may terminate this Lease for any reason upon ninety (90) calendar days written notice.

22. PERSONAL PROPERTY REMAINING ON THE PREMISES

After Lessee vacates the Premises, following either expiration of the term or termination of the tenancy, Lessor must give the notices required by law concerning disposition of any personal property of Lessee that remains on the Premises. Lessee is responsible for all reasonable costs of storing such personal property. The property will be released to Lessee or its rightful owner only after Lessee or the rightful owner pays to Lessor the reasonable costs of storage within the time required by law.

23. 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, but shall not be released from the obligation to indemnify Lessee under paragraph 8 above for acts or omissions occurring prior to the transfer unless so released by Lessee in writing.

24. 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 hereto 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:

Lessee: United Outreach of El Dorado County

P.O. Box 1675

Diamond Springs, CA 95619

Attention: Art Edwards

Telephone: (530) 622-1103

Lessor: County Of El Dorado

Department of Transportation

2850 Fairlane Court

Placerville, California 95667

Attention: Debra Lane

Telephone: (530) 621-5933

All correspondence to be copied to:

Department of Human Services

3057 Briw Road

Placerville, CA 95667

Attention:

Daniel Nielson, Director

Telephone:

(530) 642-7300

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.

25. 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, Lessor and Lessee, hereto.

26. TIME OF ESSENCE

Time is expressly declared to be of the essence for this Lease.

27. WAIVER

Waiver by either party of a breach of any condition or covenant of this Lease will not constitute a continuing waiver of any subsequent breach. Moreover, Lessor's receipt of rent with knowledge of Lessee's violation of any condition or covenant of this Lease does not waive Lessor's right to enforce any condition or covenant of this Lease.

28. SOLE AND ONLY AGREEMENT

This instrument constitutes the sole and only agreement between Lessor and Lessee respecting the Premises and correctly sets forth the obligations of Lessor and Lessee to each other as of its date. Any agreements or representations respecting the Premises or their leasing by Lessor to Lessee not expressly set forth in this instrument are null and void.

11

29. 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.

30. CALIFORNIA FORUM AND LAW

Any dispute resolution action arising out of this Agreement, 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.

31. ATTORNEY'S FEES

Should any litigation be commenced between Lessor and Lessee concerning the Premises, 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.

32. LEASE ADMINISTRATION

The County officer or employee with responsibility for administering this Lease is James W. Ware, P.E. Director of Transportation, or successor.

33. DISCLOSURES

Megan's Law. Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides.

/ / / **IN WITNESS WHEREOF**, the parties hereto have executed this Agreement the day and year first below written.

LESSEE: UNITED OUTREACH OF EL DORADO COUNTY

Dated: 049 2009

Signed: / Ishu / Column

Arthur Allen Edwards, President

LESSOR: COUNTY OF EL DORADO

Dated: 10/20/09

Signed:

, Chairman

Board of Supervisors

ATTEST:

Suzanne Allen de Sanchez, Clerk of the

Board of Supervisors

Datad.

