



RUSCH HOME & RUSCH COMMUNITY CENTER ROOM LEASE AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 2022, by and between the **SUNRISE RECREATION AND PARK DISTRICT**, a Park District formed and existing under authority of the California Public Resources Code (Section 5780, et seq.), hereinafter "**LESSOR**," and **ON THE GO ACADEMY**, hereinafter referred to as "**LESSEE**."

1. **PREMISES:**

LESSOR grants to LESSEE, and LESSEE accepts, as of January 1, 2023, an exclusive tenancy in Rusch Home and Gardens, Rusch Community Center Room #4 and, when available, Conference Room, and Auditorium at Rusch Park Community Center, 7801 Auburn Blvd., Citrus Heights, CA 95610, as shown on **Exhibit "A"** attached hereto and incorporated herein, and which is hereinafter referred to as the "Leased Premises" or "Premises". The LESSOR will have access to outdoor space (basketball court, diamond #3, pickleball courts, playground sites and open grass areas within the park) at no additional charge for non-exclusive use when available.

2. **USE AND OPERATION:**

The leased premises are leased for the purpose of non-profit 501(c) (3) youth sports and educational enrichment programs for homeschooled students and for any other lawful use. LESSEE shall not use or permit the leased premises or any part thereof to be used for any other purpose or purposes. LESSEE shall be responsible that such use conforms to authorized uses as permitted by the Sacramento County Zoning Code for the leased premises.

- A. LESSEE shall furnish at its own expense any additional equipment and/or refrigerator, electrical appliances, light fixtures inside leased premises, tables, chairs, cleaning equipment, and any other services necessary for proper performance of the LESSEE'S obligations.
- B. LESSEE assumes all risk in the operation of this educational enrichment program for homeschooled students. LESSEE shall be solely responsible and answerable in damages for all accidents or injuries to person or property and hereby covenants and agrees to indemnify and hold harmless the LESSOR, and all officers and employees of the LESSOR from any claims, suits, losses, damage or injury to person or property of whatsoever kind and nature, carelessness, negligence of improper conduct of the LESSEE or any servant, agent or employee, which responsibility shall not be limited to the insurance coverage provided for.
- C. LESSEE must secure and maintain at its own expense all necessary licenses and permits necessary to conduct business under the terms of this license. In the event the LESSEE is unable to obtain any license or if a permit is revoked, the lease agreement with the LESSOR shall terminate as if the term of the contract had expired. The LESSEE shall obtain all necessary licenses and permits required by law before beginning operation of the Leased Premises.
- D. LESSEE shall operate the facility in a manner consistent with health, cleanliness and safety standards established by the California State Department of Public Health and local county public health agencies.

3. **TERMS:**

The term of this Lease will be for **8 months** commencing on **January 1, 2023** and expiring on **December 30, 2024**. The monthly schedule is as follows; **(January – April) and (September – December)**. In the event the LESSOR desires to continue with the contractual agreement, it shall notify the LESSEE in writing, and this Agreement shall be extended for a period negotiated by both parties.

4. **SECURITY DEPOSIT:**

No security deposit required at this time because the LESSEE has a \$1,200 deposit still on file with LESSOR. The security deposit is for the faithful performance by LESSEE and/or for repair of damages to the leased premises caused by LESSEE, and the cleaning of the Leased Premises upon termination, if any, as provided by Civil Code Section 1950.7. LESSOR is authorized to use the security deposit, or any portion of it, to cure any default of LESSEE in the payment of total monthly rent, to repair any damages to the leased premises caused by LESSEE, or to clean the leased premises upon termination of the tenancy. LESSEE shall immediately on demand pay the LESSOR a sum equal to the portion of the security deposit from time to time, to maintain the security deposit in the amount required to be deposited with LESSOR during the Lease term. LESSOR shall return the security deposit to LESSEE at the expiration of LESSEE'S tenancy, subject to the provisions of Civil Code Section 1950.7. LESSOR'S obligations with respect to the security deposit are those of a debtor and not a trustee. LESSOR may commingle such security deposit with LESSOR'S general and other funds. LESSOR shall not be required to pay LESSEE any interest on such security deposit. The provisions of this Paragraph No. 4 shall not be deemed as, nor construed to be, liquidated damages.

5. **RENT:**

Each month of the Lease term LESSEE shall pay to LESSOR the total monthly rent set forth below, subject to adjustment as provided herein:

- A. **Rusch Home & Gardens, Monthly Rent** - Commencing on **January 1, 2023**, LESSEE shall pay LESSOR a Lease Rent in the amount of \$2,400 per month, with limited janitorial services. LESSEE will be responsible for SMUD and PG&E utilities, services, and janitorial services.
- B. **Rusch Community Center Room #4, Monthly Rent** - Commencing on **January 1, 2023**, LESSEE shall pay LESSOR a Lease Rent in the amount of \$600 per month, including utilities, and limited janitorial services.
- C. **Rusch Community Center Auditorium** – Commencing on **January 1, 2023**, LESSEE may use the Auditorium during inclement weather conditions when available.

6. **PAYMENT:**

Total monthly rent for the Lease is due and payable in advance on the first calendar day of each month. Any such payment received more than five (5) calendar days past the date such payment is due shall be subject to a ten percent (10%) late charge. In the event occupancy shall begin or end with less than a full calendar month, the total monthly rent for the Lease shall be pro-rated and paid only for the actual number of days the Leased Premises is occupied during such month. All payments shall be made to LESSOR at 7801 Auburn Blvd., Citrus Heights, CA 95610.

7. **REPAIRS AND MAINTENANCE OBLIGATIONS:**

- A. The following shall be the responsibility of the LESSOR at its sole cost and expense:
 - Repair and maintenance and/or replacement of exterior walls, structural components and roofs, common sidewalks, driveways, curbs, parking areas used in common by LESSEE and LESSOR or tenants of other portions of the Premises (collectively "Common Areas"). All services to the facility will be in good working order, fire sprinklers and electrical, not including any specialized equipment.

- LESSOR shall not be obligated to make any repairs necessary by the negligence of LESSEE or its agents, servants, employees, licenses, or invitees.
- Provide LESSEE with a clean, safe facility to begin each week.
- Conduct routine maintenance and supplemental cleanings as necessary throughout the week.
- Provide a few sets of keys to the LESSEE. In the event the keys are lost, and Leased Premises must be re-keyed, it will be at the expense of the LESSEE.
- Enter the Lease Premises occupied by LESSEE at any time for the purpose of inspecting the operation of the Lease Premises, or the condition of the facility. If LESSEE is found to be in violation of any federal, state or county statute, ordinance, law or regulation, this Agreement may be terminated at the option of the LESSOR.
- Provide a few sets of keys to the LESSEE. In the event the keys are lost, and Leased Premises must be re-keyed, it will be at the expense of the LESSEE.

B. The following shall be the responsibility of the LESSEE, at its sole cost and expense:

- Repair and maintenance of all interior walls, interior doors and windows and related hardware, interior light fixtures and plumbing from the point of entry to the Premises.
- Any repairs necessitated by the negligence of the LESSEE, its agents, employees, and invitees.
- Shall keep the kitchen area and refrigerator clean, safe, orderly, and free of imperfections and obstructions, and shall notify the LESSOR of any safety hazards.
- Clean and maintain kitchen, restrooms, bedrooms, and all open interior spaces as necessary.
- Keep storage areas clean and orderly.
- Keep space clean and orderly.
- Agrees that at the time of expiration or termination, the Leased Premises and the structures and improvements thereon will be in good, neat, and sanitary physical condition, ordinary wear and tear accepted. All injury or damage caused by the removal of LESSEE'S equipment or personal property, at the expiration or early termination of this Agreement, shall be repaired at LESSEE'S expense.
- Please refer to Section 21 (C) for maintenance of all common areas and facilities outside the Leased Premises.

8. **FIRE OR CASUALTY LOSS:**

If the leased premises is destroyed by fire or another casualty, this Lease shall terminate. If ten percent (10%) or less of the area of the leased premises is rendered unusable for the purposed intended, because of fire or other casualty, LESSOR agrees to restore the Leased Premises to substantially the same condition as it was in immediately before the destruction. If the restoration can be made under the existing laws and can be completed within ninety (90) working days after the date of destruction; in which event this Lease shall not terminate. Within fifteen (15) working days after the date of destruction, LESSOR shall notify LESSEE if the restoration can be accomplished within the ninety (90) working day period, and if it cannot be done in such period then LESSEE shall have the right to terminate this Lease within ten (10) days after receiving notification. If LESSEE fails to so terminate this Lease, then LESSOR, at its option, may either terminate this Lease or restore the leased premises within a reasonable time by giving LESSEE notice thereof with ten (10) days after LESSEE'S notice period has expired. In case of destruction, there shall be an abatement or reduction of the total monthly rent between the date of destruction and the date of completion or restoration, based on the extent to which the destruction interferes with LESSEE'S use of the Leased Premises.

9. **TELEPHONE AND INTERNET ACCESS:**

LESSEE shall obtain and pay for all telephone and any internet upgrades that are needed for educational enrichment programs.

10. **INSURANCE:**

Without limiting LESSEE'S indemnification, LESSEE shall always maintain in force during the term of this Agreement and any extensions or modifications thereto, insurance as specified in **Exhibit "B."** It is the responsibility of LESSEE to notify its insurance advisor or insurance carrier(s) regarding coverage, limits, forms, and other insurance requirements specified in **Exhibit "B."** It is understood and agreed that LESSOR shall not pay any sum to the LESSEE under this Agreement unless and until LESSOR is satisfied that all insurance required by this Agreement is in force at the time services hereunder are rendered. Failure to maintain insurance as required in this Agreement may be grounds for material breach contract.

11. **INCREASED RISK PROHIBITED:**

LESSEE shall not do anything on the Leased Premises, nor bring or keep anything thereon, which will in any way increase the risk of the fire or the rate of insurance, or which shall conflict with the regulations of any fire district having jurisdiction.

12. **DEFAULT:**

Default by LESSEE: In addition to any other default provision contained in this Lease, the occurrence of any of the following shall constitute a default by LESSEE:

- A. Failure to pay total monthly rent when due if the failure continues for fifteen (15) days after notice has been given to LESSEE by LESSOR.
- B. Abandonment and vacation of the leased premises. Unless notice is provided to LESSOR in writing to the contrary, failure to occupy and operate the Leased Premises for thirty (30) consecutive days shall be deemed an abandonment and vacation.
- C. Failure to perform any other provision of this Lease if the failure to perform is not cured within thirty (30) days after notice has been given to LESSEE. If the default cannot reasonably be cured within the thirty (30) days, LESSEE shall not be in default of this Lease if LESSEE commences to cure the default. Notices shall specify the alleged default and the applicable Lease provisions and shall demand that LESSEE perform the provisions of this Lease or pay the rent that is in arrears, may be within the applicable period or quit the Leased Premises. No such notice shall be deemed a forfeiture or a termination of this Lease unless LESSOR so elects in the notice. If LESSOR elects to terminate this Lease by reason of LESSEE'S default, then upon such termination LESSOR or its authorized agents, may enter upon and take possession of the Leased Premises. In such event, LESSOR, and LESSEE each waive all claims for damages against the other party, inclusive of the other's officers, or employees. Default by LESSOR: In the event LESSOR fails to perform any of its duties or obligations under the Lease provisions, LESSEE has the right, but not the obligation, to perform said duty or obligation and deduct LESSEE'S cost for the performance thereof from the Rent.

13. **COMPLIANCE WITH LAW:**

LESSEE shall use the Leased Premises in accordance with the rules and regulations of the Community Center and Rusch Home and Gardens, all applicable health, safety, fire and building laws, Government regulations, codes, ordinances, and other applicable laws. Should any alterations to the interior or exterior of the Leased Premises be required to comply with any applicable laws, regulations, codes, or ordinances, by reason of LESSEE'S occupancy of the leased premises, said alteration shall be done at the sole cost and responsibility of LESSEE.

14. **SECURITY:**

LESSEE shall, at its sole cost and expense, provide for reasonable precautions to protect security and safety of the Premises, contents contained therein, and all those who enter the Premises. In the event of an injury to a person on said Premises or in the event of an emergency, LESSEE shall make reasonable efforts to ensure that the injured person or emergency receives prompt and qualified attention. LESSOR is not obligated under this Lease to provide any security for the Premises, contents contained therein, or persons who enter the Premises. No person may live on the Premises (i.e., use Center or Premises as a home or living quarters).

15. **NO ALTERATIONS:**

LESSEE shall not make any alteration or addition to the interior or exterior of the Leased Premises, including electrical wiring, plumbing, or gas lines, without the prior written approval of LESSOR. LESSEE shall submit all specifications and plans for alterations to LESSOR for approval, which approval may be subject to such reasonable procedures as LESSOR may prescribe and to such terms and conditions deemed necessary to ensure safety, maintain quality, and protect the Community Center site and improvements thereon as LESSOR'S property. Such specifications and plans shall comply with the improvement standards of the Community Center. Upon approval, LESSEE shall have the right to remodel or make alterations to the interior of the Leased Premises as may be necessary or convenient to its use thereof. LESSEE shall pay all costs of such construction and shall keep the Leased Premises, and the building in which the Leased Premises is located, free and clear of all mechanics liens resulting from construction done by or for LESSEE. When installed, all such alterations or improvements shall at once become the property of LESSOR.

16. **ASSIGNMENT AND SUBLETTING:**

LESSEE shall have no right, authority, or power to sell or assign LESSEE the rights herein granted to any other person, nor shall LESSEE have any right, authority, or power to allow or permit any other person or party to have any interest in this Lease Agreement, without the written consent of the LESSOR. It is the purpose and intent of this Lease Agreement to grant said LESSEE privileges solely to said LESSEE and neither directly nor indirectly to any other person or party.

The assignment, subletting or encumbrance of said LESSEE rights without the prior written consent of the LESSOR shall be void and, at the option of the LESSOR, shall terminate this agreement. No assignment shall relieve LESSEE of its obligations under the terms of this agreement. The written consent of the LESSOR to one assignment, occupation or use by another person shall not be deemed to be consent to any subsequent assignment, subletting, occupation or use by another person.

17. **TAXES:**

LESSEE shall, at its sole cost and expense, pay all taxes for which it is responsible, or which may be assessed against it.

18. **HOLDOVER:**

Should LESSEE occupy the leased premises after the date of the expiration of the Lease with the consent of LESSOR, expressed or implied, such possession shall be construed to be a tenancy from month-to-month only, subject to all of the terms and conditions of this Lease, except those pertaining to the term and option to extend the term, and LESSEE agrees to pay a total monthly rent in the amount of 110% of the rent payable in the final month of the Lease Term. Such tenancy shall be terminable on thirty (30) day notice given at any time by either party.

19. **NOTICE:**

Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party pursuant to this Lease shall be in writing and either served personally or sent by prepaid, first class or certified mail. Such matters shall be addressed to the other party at the following address:

To LESSEE at:
On The Go Academy
7712 Malia Court
Citrus Heights, California 95621

To LESSOR at:
Sunrise Recreation & Park District
7801 Auburn Boulevard
Citrus Heights, California 95610

or to such other address as a party may designate to the other by notice. Any communication mailed pursuant to this paragraph shall be deemed delivered to the other party 72 hours after the time of the mailing.

20. ADMINISTRATION AND DELEGATION:

Unless otherwise set forth herein, the administration of this Lease is hereby delegated to the Administrator of the Sunrise Recreation and Park District (herein "Lessor's Administrator") and his designated representatives, and whenever it is provided herein for LESSOR to give any notice, authorization, permission, approval, rejection, or demand, the Lessor's Administrator is designated as the person to take any such action on behalf of LESSOR.

21. COMMON AREAS:

- A. **Definition of "Common Areas"** - As used herein, the term "Common Areas" means all areas and facilities outside the Leased Premises and within the exterior boundaries of the Community Center and Rusch Home and Gardens that are provided and designated by LESSOR from time to time from the general use and convenience of LESSEE and of other tenants of the Community Center, and their respective authorized representatives and invitees. Common Areas include with some limitations, pedestrian walkways, patios, sidewalks, landscaped areas, service corridors, restrooms, loading areas, and sport fields, as depicted in **Exhibit "A"**.
- B. **Right To Use** - LESSOR gives LESSEE and its authorized representatives and invitees the non-exclusive right to use the Common Areas at the Community Center and Rusch Home and Gardens with others who are entitled to use the Common Areas, subject to LESSOR'S right hereunder.
- C. **Maintenance** - LESSOR shall always maintain the Common Areas at the Community Center and Rusch Home and Gardens in good condition. LESSOR shall have the right to:
- Establish and enforce reasonable rules and regulations applicable to all tenants concerning the maintenance, management, use, and operation of the Common Areas.
 - Close any of the Common Areas temporarily for maintenance or other purposes, or permanently if LESSOR deems such closure is necessary for the public health or safety.
 - Make changes to the Common Areas including without limitation, changes in the location of driveways, entrances, exits, or to such other address as a party may designate to the other by vehicular parking spaces, parking areas, or the direction of the flow of traffic.

22. ENTRY BY LESSOR:

- A. LESSOR and its authorized representative shall have the right to enter the premises at all reasonable times for any of the following purposes.
- To pick-up equipment and supplies from storage rooms.
 - To conduct staff meetings and interviews in the conference room.
 - To determine whether the premises are in good condition, and if LESSEE is complying with its obligations under this Lease.
 - To do any necessary maintenance or to make any restoration to, or remodeling of, the Leased Premises, or the building in which the Premises are located, that LESSOR has the right or obligation to perform.
 - When LESSEE had abandoned or surrendered the premises.
 - In case of an emergency.

- B. LESSOR shall not be liable in any manner for any inconvenience, disturbance, loss of business, or other damage arising out of LESSOR'S entry on the leased premises as provided in this Paragraph No. 22, except damage resulting from acts of LESSOR or its authorized representatives. LESSOR shall not abuse such right of access or use it to harass LESSEE.
- C. LESSOR shall give LESSEE reasonable notice of LESSOR'S intent to enter the Leased Premises during normal business hours, except:
- In case of emergency.
 - If it deemed impracticable to do so.

23. SIGNS AND ADVERTISING:

LESSEE shall not have any right to place any permanent signs on the Leased Premises, the building in which the leased premises are located, or any other area of the Community Center or Rusch Home and gardens without first obtaining the written consent of LESSOR. LESSEE shall not display signs or advertising on, in, or outside of the Leased Premises without prior consent of the LESSOR.

24. STATEMENT REGARDING A CERTIFIED ACCESS SPECIALIST:

Pursuant to California Civil Code 1938, the LESSOR states that the Premises:

 X Have not undergone an inspection by a Certified Access Specialist (CASp).

 Have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises met all applicable construction-related accessibility standards and a disability access inspection certificate has been issued pursuant to California Civil Code 55.51 et seq.

 Have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises did not meet all applicable construction-related accessibility standards pursuant to California Civil Code 55.51 et Seq.

A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the LESSOR may not prohibit the LESSEE from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the LESSEE, if requested by the LESSEE. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

25. SURRENDER ON EXPIRATION OR TERMINATION:

- A. On expiration or termination of the lease term of the Lease, LESSEE shall surrender the pertinent Leased Premises, and all of LESSEE'S improvements and alterations located thereon, in good condition, except for ordinary wear and tear. LESSEE shall also remove all its private property by said termination date. Any of LESSEE'S private property not removed from the Leased Premises by said termination date shall become LESSOR'S property, or Lessor may elect (1) to store such property for LESSEE'S benefit, or (2) dispose of such property in any manner it sees fit. LESSEE waives all damage to LESSEE caused from LESSOR'S retention or disposal of such private property. If LESSOR stores the

property for LESSEE'S benefit, LESSEE shall be liable for all costs of moving and storing such property.

- B. If LESSEE fails to surrender the leased premises to LESSOR upon expiration or termination of the lease term, LESSEE shall hold LESSOR harmless from all damages of any nature resulting from LESSEE'S failure to surrender the premises, including, without limitation, claims made by a succeeding tenant resulting from LESSEE'S failure to surrender the premises.

26. FORCE MAJEURE:

This agreement shall be considered terminated if any act of the federal, state, or county government, act of war, or act of God prevents the parties from fulfilling their obligations under this agreement. No damages shall be allowed to either party because of such termination.

27. NO WAIVER:

No delay or omission in the exercise of any right or remedy of LESSOR on any default by LESSEE shall impair such right or remedy or be construed as a waiver. The receipt and acceptance by LESSOR of delinquent rent shall not constitute a waiver of any other default; it shall constitute only a waiver of timely payment for the rent payment involved. No act or conduct of LESSOR, including, without limitation, the acceptance of the surrender of the Leased Premises by LESSEE before the expiration of the term. Only upon notice from LESSOR to LESSEE shall acceptance of the surrender of the leased premises and a termination of this Lease be accomplished, unless otherwise provided herein.

LESSOR'S consent to or approval of any act by LESSEE requiring LESSOR'S consent or approval shall not be deemed to waive or render unnecessary LESSOR'S consent to or approval of any subsequent act by LESSEE. Any waiver by LESSOR of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Lease.

28. TIME OF ESSENCE:

Time is of the essence of each provision of this Lease.

29. SUCCESSOR:

This Lease shall be binding and inure to the benefit of the parties and their successors, except as otherwise provided herein.

30. CHOICE OF LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of California.

31. CONSTRUCTION:

Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the parties and are not a part of the Agreement. It is agreed and acknowledged by the parties hereto that the provisions of this Agreement have been arrived at through negotiation, and that each of the parties has had full and fair opportunity to revise the provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

32. EXHIBIT:

Attached exhibit hereto and referred to herein is incorporated herein by reference as if specifically set forth herein. **Exhibit "A" (Premises), (Parking & Common Areas)** shall be a part of this Lease.

33. ATTORNEY'S FEES AND COSTS:

Any party may bring a suit or proceeding to enforce or require performance of the terms of this Agreement, and each party in the suit or proceeding shall be responsible for its own attorney's fees and costs.

34. EARLY TERMINATION CLAUSE:

LESSEE shall have the option to terminate this lease, by giving written notice of that intention and identifying the early termination date to LESSOR at least 90 days prior.

LESSOR shall have the option to terminate this lease, by giving written notice of that intention and identifying the early termination date to LESSEE at least 90 days prior.

IN WITNESS WHEREOF the respective parties hereto have executed this Lease as of the date first above written.

SUNRISE RECREATION AND PARK DISTRICT

7801 Auburn Boulevard
Citrus Heights, California 95610

ON THE GO ACADEMY

7712 Malia Court
Citrus Heights, California 95621

By _____
David Mitchell, District Administrator
"LESSOR"

By _____
Gary Oversen, Owner
"LESSEE"

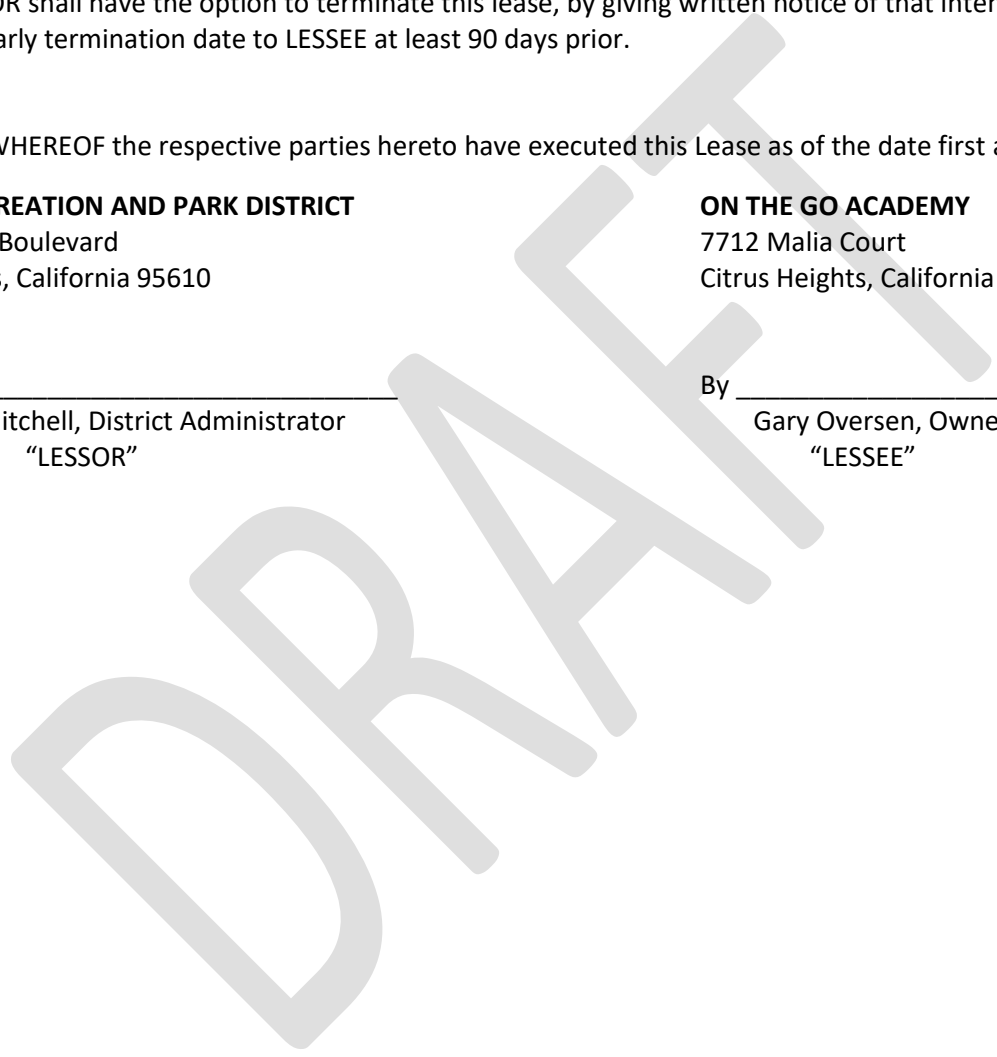


EXHIBIT "A"



EXHIBIT "B" to Agreement
between the **SUNRISE RECREATION AND PARK DISTRICT**,
hereinafter referred to as "**LESSOR**," and **ON THE GO ACADEMY**, hereinafter referred to as
"**LESSEE**."

INSURANCE REQUIREMENTS FOR LESSEE

Without limiting LESSEE'S indemnification, LESSEE shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the LESSEE, its agents, representatives, or employees. LESSOR shall retain the right at any time to review the coverage, form, and amount of the insurance required hereby. If in the opinion of the LESSOR, insurance provisions in these requirements do not provide adequate protection for the LESSOR and for members of the public, LESSOR may require LESSEE to obtain insurance sufficient in coverage, form, and amount to provide adequate protection. LESSOR'S requirements shall be reasonable but shall be imposed to assure protection from and against the kind and extent of risks that exist at the time a change in insurance is required.

1. VERIFICATION OF COVERAGE

LESSEE shall furnish the LESSOR with certificates evidencing coverage required below. **Copies of required endorsements must be attached to provide certificates.** The LESSOR may approve self-insurance programs in lieu of required policies of insurance if, in the opinion of the LESSOR, the interests of the LESSOR and the public is adequately protected. All certificates, evidence of self-insurance, and additional insured endorsements are to be received and approved by the LESSOR before performance commences.

2. MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

- A. **GENERAL LIABILITY:** Insurance Services Office's Commercial General Liability occurrence coverage form CG 0001. Including, but no limited to Premises/Operations, Products/Completed Operations, Contractual, and Personal & Advertising Injury, without additional exclusions or limitations, unless approved by the LESSOR.
- B. **WORKER'S COMPENSATION:** Statutory requirements of the State of California and Employer's Liability Insurance.
- C. **UMBRELLA** or Excess Liability policies are acceptable where the need for higher liability limits is noted in the Minimum Limits of Insurance and shall provide liability coverage's that at least follow form over the underlying insurance requirements where necessary for Commercial General Liability, Commercial Automobile Liability, and any other liability coverage (other than Professional Liability) designated under the Minimum Scope of Insurance.

3. MINIMUM LIMITS OF INSURANCE

LESSEE shall maintain limits no less than:

- A. General Liability shall be on Occurrence basis (as opposed to Claims Made basis). Minimum limits and structure shall be:

Building Trades General Aggregate: \$2,000,000

Products Comp/Op Aggregate:	\$2,000,000
Personal & Adv. Injury:	\$1,000,000
Each Occurrence:	\$1,000,000
Fire Damage:	\$ 100,000

B. **WORKERS COMPENSATION:** Statutory.

C. **EMPLOYER'S LIABILITY:** \$1,000,000 per accident for bodily injury or disease.

D. **PROFESSIONAL LIABILITY OR ERRORS AND OMISSIONS LIABILITY:** \$1,000,000 per claim and aggregate.

4. DEDUCTIBLES AND SELF-INSURED RETENTION

Any deductibles or self-insured retention that applies to any insurance required by this Agreement must be declared and approved by the LESSOR.

5. CLAIMS MADE PROFESSIONAL LIABILITY INSURANCE

If professional liability coverage is written on a Claims Made from:

- 1) The "Retro Date" must be shown and must be on or before the date of the Agreement or the beginning of Agreement performance by LESSEE.
- 2) Insurance must be maintained, and evidence of insurance must be provided for at least one (1) year after completion of the Agreement.
- 3) If coverage is canceled or non-renewed, and not replaced with another claims made policy form with a "Retro Date" prior to the contract effective date, the LESSEE must purchase "extended reporting" coverage for a minimum of one (1) year completion of the Agreement.

6. OTHER INSURANCE PROVISIONS

The insurance policies required in this Agreement are to contain, or be endorsed to contain, as applicable, the following provisions:

A. ALL POLICIES:

- 1) **ACCEPTABILITY OF INSURANCE:** Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-All. The LESSOR may waive or alter this requirement or accept self-insurance in lieu of any required policy of insurance if, in the opinion of the LESSOR, the interests of the LESSOR and the public are adequately protected.
- 2) **MAINTENANCE OF INSURANCE COVERAGE:** The LESSOR shall always maintain all insurance coverages and limits in place and provide the LESSOR with evidence of each policy's renewal ten (10) days in advance of this anniversary date.

LESSEE is required by this Agreement to immediately notify LESSOR if they receive a communication from their insurance carrier or agent that any required insurance is to be canceled, non-renewed, reduced in scope or limits or otherwise materially changed insurance has been replaced or its cancellation notice withdrawn without any interruption in coverage, scope, or limits. Failure to maintain required insurance in force shall be considered a material breach of the Agreement.

7. COMMERCIAL GENERAL LIABILITY AND/OR COMMERCIAL AUTOMOBILE LIABILITY

- A. **ADDITIONAL INSURED STATUS:** The LESSOR, its officers, directors, officials, employees, and volunteers are to be endorsed as additional insureds as respects: liability arising out of the ongoing activities of the LESSEE via CG 2010 4/13; premises owned, occupied, or used by the LESSEE; or automobiles owned, leased, hired, or borrowed by the LESSEE. The coverage shall contain no endorsed limitations on the scope of protection afforded to the LESSOR, its officers, directors, officials, employees, or volunteers. Additional insured coverage for both ongoing and completed operations will be extended to LESSOR by the independent subcontractor performing onsite labor.
- B. **CIVIL CODE PROVISION:** Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.
- C. **PRIMARY INSURANCE:** For any claims related to this Agreement, the LESSEE'S insurance coverage shall be endorsed to be primary insurance as respects the LESSOR, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the LESSOR, its officers, directors, officials, employees, or volunteers shall be excess of the LESSEE'S insurance and shall not contribute with it.
- D. **SEVERABILITY OF INTEREST:** The LESSEE'S insurance shall apply separately to each insured against whom claim, or suit is brought, except with respect to the limits of the insurer's liability.
- E. **SUBCONTRACTORS: LESSEE:** shall be responsible for the acts and omissions of all its subcontractors and additional insured endorsements as provided by LESSEE'S subcontractor.

8. WORKERS' COMPENSATION

Worker's Compensation Waiver of Subrogation: The worker's compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against the LESSOR, its officers, directors, officials, employees, agents, or volunteers, which might arise by reason of payment of payment under such policy in connection with performance under this Agreement by the LESSEE. Should LESSEE be self-insured for workers' compensation, LESSEE hereby agrees to waive its right of subrogation against LESSOR, its officers, directors, officials, employees, agents, or volunteers.

9. NOTIFICATION OF CLAIM

If any claim for damages is filed with LESSEE or if any lawsuit is instituted against LESSEE, that arise out of or are in any way connected LESSEE'S performance under this Agreement and that in any way, directly or indirectly, contingently, or otherwise, effect or might reasonably affect LESSOR, LESSEE shall give prompt and timely of given within thirty (30) days following the date of service of process of a lawsuit.