

REAL PROPERTY LEASE AGREEMENT

(LOCATION: 45635 Sierra Hwy, Lancaster, CA 93534)

THIS LEASE AGREEMENT (this "Lease"), is made and entered into this ____ day of _____, _____ (the "Date of this Lease"), by and between the LANCASTER HOUSING AUTHORITY, a public body, corporate and politic (the "Lessor") and the CITY OF LANCASTER, (the "Lessee").

WHEREAS, the Lessor owns that real property (the "Premises") located at 45635 Sierra Hwy, Lancaster, CA 93534, and

WHEREAS, pursuant and subject to the terms and conditions set forth herein, the Lessee shall lease the premises from the Lessor and the Lessor shall lease the Premises to the Lessee in order to accommodate the Lessee's continued use of the Premises.

NOW, THEREFORE, in consideration of the foregoing and of the mutual conditions, promises and covenants hereinafter contained, the parties hereto hereby agree as follows:

1. LEASE OF PREMISES

Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor the Premises in an "as-is" condition, in accordance with the following terms and conditions.

2. USE OF PREMISES

During the term hereof, the Premises shall be used by Lessee solely for the purpose(s) set forth in the Description of Use.

3. TERM OF LEASE

The term of this Lease shall commence on the Date of this Lease (the "Effective Date") and shall terminate thirty (30) years thereafter (the "Initial Term"); provided, however, that the Lessor's Executive Director, or his or her designee, shall have the authority to grant extensions in addition to the Initial Term of the Lease in one (1) year increments upon the Lessee first providing a written request to the Lessor. Upon any extension of the Initial Term, the Lessor and Lessee shall complete the "Schedule of Extensions to the Initial Term" that is attached hereto and incorporated herein by reference by indicating the effective date of such extension, the new expiration/termination date of this Lease each initialing. The Lessee's request for an extension of the Initial Term shall be submitted to the Lessor no later than thirty (30) days prior to the end of the Initial Term, or, if applicable, any previous extension thereof. At Lessee's sole discretion, the Lease may be terminated sooner upon thirty (30) days written notice to the Lessor, or as otherwise provided herein.

4. RECREATION OF DEED RESTRICTIONS

School District consents and agrees to the recordation of a deed restriction in substantially the form attached hereto as Exhibit A.

5. HOLDING OVER

In the event Lessee holds over beyond the end of the term with the implied or express consent of Lessor, such holding over shall be at the annual rent established in Paragraph 5 of this Lease and subject to all other terms and conditions of the Lease. Lessee may not hold over without the express consent of Lessor.

6. RENT

The Lessee agrees to and shall pay the Lessor annual rent in the amount of One Dollar (\$1.00) (the "Rent") during the Initial Term. The Rent shall be payable on or before the Effective Date. In the event the Lessee extends the Initial Term by providing written notice to the Lessor as set forth in Section 3, the amount of rent to be paid by the Lessee to the Lessor during such extension period shall be negotiated and agreed to in writing prior to the commencement of such extension period.

7. TENANT IMPROVEMENTS

Lessee shall be solely responsible for tenant improvements required to utilize the Premises as permitted and contemplated by this Lease.

8. REPAIR AND MAINTENANCE

During the term of this Lease, including both the Initial Term and any extension thereof, the Lessee shall be responsible for all minor repairs and day-to-day maintenance of the Premises. The Lessor shall be responsible for those repairs and maintenance pertaining to the park equipment, facilities, landscape, and maintenance (existing and new construction).

9. SECURITY

Lessee shall be responsible for providing security for the premises for its invitees, employees, and students.

10. UTILITIES AND SERVICES

The Lessee shall be solely responsible for payment of all utilities and services furnished to, or used by the Lessee at the Premises, including without limitations, gas, electricity, water, sewer, telephone, cable, janitorial service, waste refuse and all pertinent

taxes, levies, connection charges, fees, and surcharges, if applicable. The Lessor may pay the same after giving the Lessee fifteen (15) days prior written notice, and any amount so paid by the Lessor shall thereupon become immediately due to the Lessor from the Lessee as additional rent. The Effective Date shall not be delayed by reason of any failure by the Lessee to so contract for utilities and or other services.

11. ALTERATIONS AND REPAIRS

The Lessee acknowledges that it accepts the Premises in an "as-is" condition and agrees to make no demands upon the Lessor for any alterations or improvements, unless agreed to by the Lessor. The Lessee shall have the right to make alterations or improvements only upon receipt of written approval thereof from the Lessor, which will not be unreasonably denied.

12. TAXES

The Lessee shall pay prior, to delinquency all taxes and assessments which may be levied upon or assessed against the Premises and all taxes and assessments of every kind and nature whatsoever arising in any way from the use, occupancy or possession of the Premises or assessed against the improvements situated thereon, together with all taxes levied upon or assessed against Lessee's Property. To that end the Lessor shall not be required to pay any taxes or assessments whatsoever which relate to or may be assessed against this Lease, the Premises, improvements and Lessee's Property. The Lessee may, at its option, contest in good faith and by appropriate and timely legal proceedings any such tax and assessment; provided, however, that the Lessee shall indemnify and hold harmless the Lessor from any loss or damage resulting from any such contest, and all expenses of same (including, without limitation, all attorneys' fees, court and other costs) are paid solely by the Lessee.

13. LIABILITIES AND INDEMNIFICATION

Both Lessor and Lessee are public entities under Government Code Section 895.2. Pursuant to Government Code Section 895.4 each party, shall assume liability for bodily injury or death and property damage caused by its negligence or willful misconduct arising from or connected with its performance under this agreement to the extent that such liability would be imposed in the absence of Government Code Section 895.2. To that end, each party shall indemnify and hold the other harmless from and against any damage, demand, cause of action, claim loss, cost, expense or liability that may be imposed on such other party by virtue of Government Code Section 895.2 arising from or connected with its performance under this Agreement. Each party waives subrogation. The provisions of Civil Code Section 2778 are made a part hereof as if fully set forth.

Lessee warrants that, with regard to its officers, employees, and servants, it is self-insured with no specified monetary limit pursuant to the provisions of the California Government Code. This self-insurance covers liability including that of bodily injury, personal injury, professional liability and property damage.

13. INSURANCE

A. The Consultant, at its expense, shall maintain in effect at all times during the term of this Agreement the following coverage and limits of insurance, which shall be maintained with insurers listed “A-, VIII” or better in the Best’s Key Rating Guide:

Commercial General Liability	
Each Occurrence	\$1,000,000
Per Project General Aggregate	\$2,000,000
Including Products/Completed Operations; Contractual Liability/Independent Contractors; Property Damage	
(Coverage shall be at least as broad as ISO form CG2010 11/85 or CG2010 07/04 and CG2037 07/04 combined, or an equivalent providing ongoing and completed operations)	
Automobile Liability	
Combined Single Limit per Accident for Bodily Injury and Property Damage	\$1,000,000
(Coverage shall be at least as broad as ISO form CA00 01)	
Workers Compensation	
As Required by the State of California	Statutory Limits
Employers’ Liability	
Each Accident	\$1,000,000
Bodily Injury by Disease	\$1,000,000
Each Employee	\$1,000,000
(A Waiver of Subrogation must be provided on behalf of the Certificate Holder for the Workers Compensation & Employers’ Liability policies)	
Professional Liability	
Each Occurrence	\$1,000,000
General Aggregate	\$1,000,000

B. The Consultant’s insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insured’s liability.

C. Professional liability and/or cyber insurance written on a “claims made” basis must be renewed for a period of three (3) years after this contract expires or is terminated. Such insurance must have the same coverage and limits as the policy that was in effect during the term of this contract and will cover Consultant for all claims made by the City insured entities arising out of any acts or omissions of Consultant or its officers, employees, or agents during the time this Agreement was in effect.

D. Any deductibles or self-insurance retentions must be declared and approved by the City. At the City’s option, either the insurer shall reduce or eliminate such deductibles or

self-insured retentions as respects the City insured entities or the insurer shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

E. All insurance shall be primary and non-contributory as respects the City insured entities. Any insurance or self-insurance maintained by the City insured entities shall be in excess of the Consultant's insurance and shall not contribute with it.

F. Consultant shall furnish the City with Certificates of Insurance and with original endorsements effecting coverage required by this Agreement. Certificates of Insurance shall meet the following requirements:

(1) Show that the insurance policy has been endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after 30 days' prior written notice (10 days' written notice for non-payment) to the City of Lancaster.

(2) List in the "Descriptions of Operations/Locations/Vehicles" section:
"Affordable Housing Financial & Development Advisor"

The City of Lancaster, its elected officials, officers, employees and volunteers are included as additional covered parties, but only insofar as the operations under this contract are concerned."

(3) List in the "Certificate Holder" section:
The City of Lancaster, 44933 Fern Avenue, Lancaster, California 93534.

14. FAILURE TO PROCURE INSURANCE

Failure on the part of the Lessee to procure or maintain required insurance shall constitute a material breach of this Lease upon which the Lessor may immediately terminate this Lease or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, and all monies so paid by the Lessor shall be repaid by the Lessee to the Lessor upon demand, or the Lessor may offset the cost of the premiums against any monies due to the Lessee from the Lessor.

15. DEFAULT

The Lessee agrees that if a default is made in any of the covenants and agreements herein contained to be kept by the Lessee, the Lessor may forthwith revoke and terminate this Lease.

16. ASSIGNMENT

This Lease is personal to the Lessee, and in the event the Lessee shall attempt to assign or transfer the same in whole or part, all rights hereunder shall immediately cease and come to an end.

17. OPERATIONAL RESPONSIBILITIES

During the term of this Lease, including both the Initial Term and any extension thereof, the Lessee shall:

- (a) Use the Premises for the purpose of operating Whit Carter Park as that use is permitted by the City of Lancaster's Zoning Ordinance;
- (b) Comply with the terms and conditions set forth in this Lease;
- (c) Comply with and abide by all applicable rules and regulations required by the Lessor;
- (d) Comply with all applicable local, state and federal ordinances, laws and regulations and, in the course thereof, obtain and keep in effect all permits and licenses required to conduct the authorized activities on the Premises;
- (e) Maintain the Premises in a clean and sanitary condition;
- (f) Conduct the activities permitted herein in a courteous and non-profane manner and remove any agent, servant or employee who fails to do so;
- (g) Assume the risk of loss, damage or destruction due to theft, fire and casualty of any and all fixtures and personal property belonging to the Lessee that are installed or placed upon or within the Premises;
- (h) Repair any and all damage to the Premises caused by or arising out of the Lessee's use of the Premises;
- (i) Permit the Lessor and/or its authorized representatives to enter the Premises at any time during business hours for the purpose of determining whether the Lessee is following the terms and conditions of this Lease;
- (j) Prohibit signs or matter to be displayed upon or within the Premises, other than signs displaying the Lessee's name.

18. NOTICES

Notices desired or required to be given by this Lease or by any law now or hereafter in effect may be given by personal service or by enclosing the same in a sealed envelope addressed to the party for whom intended and by depositing such envelope with postage prepaid in the United States Post Office or any substation thereof, or any public letter box, and any such notice and the envelope containing the same shall be addressed to Lessee as follows:

The City of Lancaster

ATTN: Parks, Arts, Recreation, and Community Services Director
44933 Fern Avenue
Lancaster, CA 93534

or such other place as may hereinafter be designated in writing by the Lessee and the notices and envelopes containing the same to Lessor shall be addressed to:

Lancaster Housing Authority
44933 Fern Avenue
Lancaster, CA 93534
Attention: Jason Caudle, City Manager

19. WARRANT OF AUTHORITY

Each of the undersigned signatories for the Lessee hereby personally covenant, warrant and guarantee that each of them, jointly and severally, have the power and authority to execute this Lease upon the terms and conditions stated herein and each agrees to indemnify and hold harmless the Lessor from all damages, costs, and expenses, which result from a breach of this material representation.

20. TERMINATION OF LEASE

Termination of this Lease for any reason whatsoever shall not release either party from liability or obligation hereunder resulting from an event which may have occurred before such termination, or thereafter in case by the terms of this Lease it is provided that certain things shall or may have to be done after such termination (including, but not limited to, removal of fixtures and equipment placed on the Premises by the Lessee)

21. LIENS

The Lessee shall have no power to do any act or make any contract which may be created or be the foundation for any lien, mortgage or other encumbrance upon the Premises or in the buildings or improvements thereon; it being agreed that should the Lessee cause any alterations, rebuilding, replacements, changes, additions, improvements, or repairs to be made to the Premises, or labor performed or material furnished therein, thereon or thereto, neither the Lessor nor the Premises under any circumstances be liable for the payment of any expense incurred or for the value of any work done or material furnished, but all such alterations, rebuilding, replacements, changes, additions, improvements, and repairs, and labor and material, shall be made, furnished and performed at the Lessee's expense, and the Lessee shall be solely and wholly responsible to the contractors, laborers and materialmen furnishing and performing such labor and material.

If, because of any act or omission (or alleged act or omission) of the Lessee, any

mechanic's or other lien, charge or order for the payment of money shall be filed against the demised Premises or any buildings or improvements thereon, or against the Lessor (whether or not such lien, charge or order is valid or enforceable as such), the Lessee shall, at its own cost and expense, cause the same to be cancelled and discharged of record or bonded within ten (10) days after notice to the Lessee of the filing thereof, and the Lessee shall indemnify and save harmless the Lessor against and from all costs, expenses, liabilities, losses, damages, suits, fines, penalties, claims and demands, including reasonable counsel fees, resulting therefrom.

22. DESTRUCTION

If the Site or the building located thereon is totally destroyed by fire or another casualty, this Lease shall terminate.

If ten percent (10%) or less of the Site is destroyed by fire or other casualty, this Lease shall not terminate and the Lessor shall repair and restore the Site or cause such repair and restoration as soon as is reasonably practicable, at Lessor's expense.

If ten percent (10%) or more of the Site is destroyed by fire or other casualty, Lessor shall, as soon as reasonably practicable but in no event later than thirty (30) days following the date of such destruction, evaluate or cause the evaluation of such destruction, and give written notice to Lessee as to whether Lessor elects to (a) repair and restore the Site at Lessor's expense, or (b) terminate this Lease. Within thirty (30) days following Lessor's notification to Lessee of Lessor's intent to terminate the Lease, Lessee may give notice to Lessor of Lessee's intention to complete the repair and restoration of the Site at Lessee's cost, in which event Lessor's election to terminate the Lease shall be ineffective.

While Lessee remains in possession of the Site pursuant to this lease during the period of restoration and repair thereof, the monthly rent as herein provided for shall be reduced by the same ratio as the portion of the Site which is unusable bears to the total square footage of the Site. Thus, if fifteen percent (15%) of the Site is rendered unusable due to the casualty damage, the monthly rent shall be reduced by fifteen percent (15%) during the period in which such portion of the Site is unusable.

23. LESSEE ADMINISTRATION OF LEASE

The Lessor's Executive Director or his or her designee shall have the authority to administer the Lessor's responsibilities under this Lease in accordance with its terms.

[Signatures begin on next page.]

IN WITNESS WHEREOF, the Agency has caused this Lease Agreement to be executed in its name by its duly authorized officers, and the City has caused this Lease Agreement to be executed in its name by its duly authorized officers, as of the date first above written.

CITY OF LANCASTER/LANCASTER HOUSING
AUTHORITY, as Lessor

By: _____

Its: City Manager

ATTEST:

By: _____

Its City Clerk

APPROVED AS TO FORM:

By: _____

Its City Attorney

LESSEE:

THE CITY OF LANCASTER

By: _____

Its: City Manager

Use of Premises

The Lessee shall use the Premises to meet its operational objective of providing facilities for youth recreation, group activities and instruction, playground, fitness equipment, storage rooms and restrooms. The Lessee may be permitted to use the area immediately adjacent to the Premises for special activities related to the foregoing, upon the Lessor's prior written approval. Upon the expiration or earlier termination of this Lease, including any extension(s), Lessee shall remove all materials and equipment that it placed upon or within the Premises, or shall transfer ownership of such property to the Lessor.

The Premises shall at all times be open to inspection by all local, state and federal governmental authorities. In the event the Lessor determines that the Lessee's use of the Premises creates an unnecessary and/or unreasonable risk to the Premises or to public health, safety or welfare, the Lessor may require that the Lessee cease using the Premises **until** such risk no longer exists.

RECORDING REQUESTED BY:
California Department of Parks and Recreation
Office of Grants and Local Services

WHEN RECORDED MAIL TO:
Office of Grants and Local Services
PO Box 942896
Sacramento, CA 94296-0001
Attn: Stephanie Schiechl

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

DEED RESTRICTION

I. WHEREAS, _____
_____ (hereinafter referred to as "Owner(s)") is/are recorded
owner(s) of the real property described in Exhibit A, attached and incorporated herein by reference
(hereinafter referred to as the "Property"); and

II. WHEREAS, the California Department of Parks and Recreation (hereinafter referred to
as "DPR") is a public agency created and existing under the authority of section 5001 of the California
Public Resources Code (hereinafter referred to as the "PRC"); and

III. WHEREAS, Owner(s) (or Grantee) applied to DPR for grant funds available pursuant to
the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All of 2018
Parks Bond Act, 2018 Parks Bond Act Per Capita Program for "Install new exercise stations and support
amenities" on the Property; and

IV. WHEREAS, on July 1, 2020, DPR's Office of Grants and Local Services conditionally
approved Grant 18-19-183 (hereinafter referred to as "Grant") for "Install new exercise stations and
support amenities" on the Property, subject to, among other conditions, recordation of this Deed
Restriction on the Property; and

V. WHEREAS, but for the imposition of the Deed Restriction condition of the Grant, the
Grant would not be consistent with the public purposes of the 2018 Parks Bond Act, 2018 Parks Bond

Act Per Capita Program and the funds that are the subject of the Grant could therefore not have been granted; and

VI. WHEREAS, Owner(s) has/ve elected to comply with the Deed Restriction of the Grant, so as to enable Owner(s) to receive the Grant funds and perform the work described in the Grant;

NOW, THEREFORE, in consideration of the issuance of the Grant funds by DPR, the undersigned Owner(s) for himself/herself/themselves and for his/her/their heirs, assigns, and successors-in-interest, hereby irrevocably covenant(s) with DPR that the condition of the grant (set forth at paragraph(s) 1 through 5 and in Exhibit B hereto) shall at all times on and after the date on which this Deed Restriction is recorded constitute for all purposes covenants, conditions and restrictions on the use and enjoyment of the Property that are hereby attached to the deed to the Property as fully effective components thereof.

1. DURATION. (a) This Deed Restriction shall remain in full force and effect and shall bind Owner(s) and all his/her/their assigns or successors-in-interest for the period running from July 1, 2018 through June 30, 2038.

2. TAXES AND ASSESSMENTS. It is intended that this Deed Restriction is irrevocable and shall constitute an enforceable restriction within the meaning of a) Article XIII, section 8, of the California Constitution; and b) section 402.1 of the California Revenue and Taxation Code or successor statute. Furthermore, this Deed Restriction shall be deemed to constitute a servitude upon and burden to the Property within the meaning of section 3712(d) of the California Revenue and Taxation Code, or successor statute, which survives a sale of tax-deeded property.

3. RIGHT OF ENTRY. DPR or its agent or employees may enter onto the Property at times reasonably acceptable to Owner(s) to ascertain whether the use restrictions set forth above are being observed.

4. REMEDIES. Any act, conveyance, contract, or authorization by Owner(s) whether written or oral which uses or would cause to be used or would permit use of the Property contrary to the terms of this Deed Restriction will be deemed a violation and a breach hereof. DPR may pursue any and

all available legal and/or equitable remedies to enforce the terms and conditions of this Deed Restriction up to and including a lien sale of the property. In the event of a breach, any forbearance on the part of DPR to enforce the terms and provisions hereof shall not be deemed a waiver of enforcement rights regarding any subsequent breach.

5. SEVERABILITY. If any provision of these restrictions is held to be invalid, or for any reason becomes unenforceable, no other provision shall be affected or impaired.

Dated: _____, 20 ____

Business Name (if property is owned by a business): _____

Owner(s) Name(s): _____

Signed: _____

Signed: _____

PRINT/TYPE NAME & TITLE OF ABOVE
(GRANTEE'S AUTHORIZED REPRESENTATIVE)

PRINT/TYPE NAME & TITLE OF ABOVE
(ADDITIONAL SIGNATURE, AS REQUIRED)

****NOTARY ACKNOWLEDGEMENT ON THE NEXT PAGE****

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____

On _____ before me, _____, a Notary Public,
personally appeared _____, who proved to me on the basis of
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that
by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the
person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)