

NOVATO UNIFIED SCHOOL DISTRICT
Real Property Lease Agreement
LYNWOOD ELEMENTARY



This lease is made between the NOVATO UNIFIED SCHOOL DISTRICT, a public entity, referred to as "Lessor" and the **QUALITY CARE FOR KIDS**, hereinafter referred to as "Lessee".

LESSOR and **LESSEE** agree as follows:

- 1) **PURPOSE OF LEASE.** The purpose of this Lease is for Lessor to allow the Lessee the use of certain land in the size, to the extent and in the location designated by Lessor in the attached site drawing (Attachment A), which is incorporated as part of this agreement (herein after "premises" or "site"). The Lessee will use the site to install or construct (or cause to have installed or constructed) and operate a child care center, at no cost to the Lessor. The Lessee will provide a facility that meets all federal, state and local laws and licensing requirements.
- 2) **TERM.** Consistent with the provisions of paragraph 3, the term of this Lease shall be for twelve (12) months, beginning August 30, 2016.
 - a) The Lease may be terminated by either party for any breach or violation of the terms and conditions stated herein by giving of thirty (30) days advance written notice to the other party.
- 3) **RENEWAL.** The Lease between the Lessor and Lessee will be automatically renewed on a yearly basis for a period of five (5) years, commencing on August 30, 2016 unless terminated by either party. If either party chooses not to renew the Lease that party shall provide ninety (90) days written notice to that effect to the other party.
- 4) **RENT.** In consideration for this Lease of this premise, Lessee shall pay Lessor rent of \$1.00 per year (one dollar), payable at the commencement or renewal of this Lease.
- 5) **UTILITIES.** Lessor shall allow Lessee reasonable access to required utility connections and the joint use of such common lines without surcharge, excepting that all necessary modifications to the utilities shall be at no expense to Lessor.
- 6) **PERMITTED USE.** Lessee shall use the premises only for a children's day care center. This use shall be made possible by the installation of relocatable child care Building(s) along with construction of appropriate leasehold improvements and site preparation as necessary to provide a play yard adjacent to the building at not cost to the Lessor. Lessee agrees to maintain the facility in a manner that meets all

federal, state and local laws and regulations relating to the construction, operation and licensing of day care centers.

- 7) **ALTERATIONS.** Lessee shall develop a plan for placement of the child care center buildings including relocation of any existing structures for review and approval by the Lessor. The plan shall consider traffic flow, accessibility for emergency equipment and resident access to relocated and adjacent structures, as well as restoration or repair of damages caused by the relocation effort. Lessee shall not make any alterations of the premises without first obtaining the written consent of the Lessor. Any additions to or alterations of the premises, except movable equipment, furniture and fixtures, including the relocatable building, shall become at once a part of the premises. Any alterations approved by Lessor shall be made at no expense to Lessor.

Lessee agrees that within ninety (90) calendar days after this Lease expires or the notice of non-renewal is issued under section 3, that any and all relocatable building(s) and all trade fixtures, equipment and appliances placed on the site shall be removed by Lessee at Lessee's sole cost and expense unless the Lessor agrees otherwise in writing.

- 8) **UTILITIES EXPENSE AND TAXES.** Lessee, without limitation, shall pay for all gas, heat, light, power, sewer, telephone service, trash collection and all other services supplied to the premises, including waste and connection charges. Lessee shall pay the sewer tax, if any, and all other taxes attributable to the premises and this Lease.
- 9) **MAINTENANCE OF PREMISES.** Lessee shall maintain the premises, at all times in good condition and repair, at no expense to Lessor and upon termination of this Lease, to surrender them to Lessor in as good order and condition as existed at the commencement of this Lease, except for reasonable wear and tear. Custodial services and supplies are the responsibility of and shall be paid for by the Lessee.
- 10) **INDEMNIFICATION.** Lessee shall indemnify, defend and hold harmless Lessor, its employees, directors and agents, from and against any and all claims arising from the conduct of Lessee's business or from any activity, work or things done, permitted or suffered by Lessee, its agents, contractors, or employees in or about the premises or elsewhere; and from and against any and all claims arising from a breach or default in the performance of any obligation on Lessee's part to be performed under the terms of the Lease or arising from any negligence of Lessee and from any and all costs, attorney's fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against Lessor shall defend the same at Lessee's expense.
- 11) **LIABILITY INSURANCE.** Lessee shall at Lessee's expense obtain and keep in force during the term of the Lease, a policy of combined single limit bodily injury and property damage insurance in the amount of not less than \$1,000,000., insuring Lessee and Lessor, its employees, directors, and agents against any liability arising out of ownership, use, occupancy, operation, or maintenance of the premises. Lessor shall be an additional named insured on this policy. If Lessee should fail to procure and maintain said insurance, Lessor may, but shall not be required to,

procure and maintain the same, at the expense of Lessee. Lessee shall also, at Lessee's own cost and expense, at all times during the full term of this lease and any extended term of this lease, keep all building improvements, structures and premises insured for at least 90% (ninety percent) of their full replacement costs against loss, or destruction by fire and perils, including vandalism and malicious mischief, commonly covered under the standard extended coverage endorsement in Marin County, California. Any loss payable under any policy described in this section shall be paid by the insurance company to a trustee such as a joint control agency selected by the insurance company and used to fund the repair or replacement of the damaged building. Lessor shall be named as an additional insured on the policies and the policies shall also contain a cross-liability endorsement.

Lessee shall maintain and effect throughout the term of this lease, at Lessee's sole expense, worker's compensation insurance in accordance with the laws of California.

Any policy of insurance as required under this article shall be written by insurance company authorized to do business in California. Each policy of insurance procured by the Lessee pursuant to this article shall expressly provide that it cannot be canceled for any reason or altered in any manner until at least 30 (thirty) days after written notice has been given by the insurance company issuing the policy to Lessor in the manner specified in this lease for the serve of notices on the Lessor by Lessee.

Lessee shall cause a duplicate copy of all policies of insurance issued under this provision to be deposited with the Lessor.

- 12) **DESTRUCTION OF PREMISES.** If any improvements, including buildings and other structures located within the leased premises are damaged or destroyed during the term of this lease and caused by a peril against which the, fire and extended coverage insurance is required to be carried under this lease, Lessee shall repair that damage as soon as reasonably possible and restore the premises and improvements to substantially the same condition as existed before the damage or destruction, regardless of whether insurance proceeds are sufficient to cover the actual cost of repair and restoration. If insurance required to be carried by this lease has lapsed or has not been carried Lessee shall be solely responsible for the full costs and expense of necessary repairs. If the damage or destruction is caused by a peril against which insurance is not required to be carried under this lease, this lease shall terminate.
- 13) **DEFAULT BY LESSEE.** All covenants and agreements contained in this lease are declared to be conditions to this lease and to the term leased to the Lessee. The following constitute a material default and breach of this lease by a Lessee:
 - a) Any failure to perform any covenant, condition or agreement contained in this lease when the failure is not cured within 20 (twenty) days after written notice of the specific failure is given by Lessor to Lessee.
 - b) The bankruptcy or insolvency of Lessee, the making by Lessee of a general assignment for the benefit of creditors; the filing by or against Lessee of a petition to have Lessee adjudged bankrupt or of a petition for reorganization or arrangement under the Bankruptcy Act [unless, in the case of a petition filed

against Lessee, it is dismissed within 60 (sixty) days]; the appointment of a trustee or receiver to take possession of substantially all of the Lessee's assets located at the premises or of Lessee's interest in this lease, if possession is not restored to the Lessee within 30 (thirty) days; or the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the premises or of Lessee's interest in this lease when that seizure is not discharged within 15 (fifteen) days.

c) The abandonment or vacating the premises by Lessee (which, for the purpose of this lease, shall mean Lessee's failure to occupy and operate premises for business for a period of at least 20 (twenty) consecutive days.

14) **ASSIGNMENT.** Lessee shall not encumber, assign, sublet, or otherwise transfer this lease, any right or interest in this lease, or any right or interest in the premises or any of the improvements that may now or hereafter be constructed or installed on the premises without first obtaining the written consent of Lessor. Lessee shall not sublet or any part of the premises nor allow any person, other than Lessee's agents, servants and employees to occupy the premises or any part of the premises without the prior written consent of Lessor. Any encumbrance, assignment, transfer or subletting without the prior written consent of Lessor, whether voluntary or involuntary, by operation of law or otherwise, is void and shall, at the option of Lessor, terminate this lease.

15) **ACCESS.** Lessee shall permit Lessor and its agents to enter into and upon the premises at all reasonable times for the purpose of inspecting the same or for the purpose of making repairs, alterations, or additions to any other portion of said premises.

16) **NO PARTNERSHIP.** Lessee and Lessor are not partners and nothing herein contained shall be construed to create a partnership or joint venture in any sense.

17) **NOTICE.** Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be in writing and either served personally or be prepaid, first-class mail as follows:

- **LESSOR:** Novato Unified School District, 1015 Seventh Street, Novato, CA 94945
- **LESSEE:** Quality Care for Kids, PO Box 2037, Novato, CA 94948

16) **MISCELLANEOUS:**

16.1 The Lessee shall consult and cooperate in reaching amicable agreement with the school principal on matters such as, but not limited to, parking areas, that concern both the Lessee and the Lessor. District agrees to serve as facilitator in discussion of such matters when the District's assistance is reasonably requested.

16.2 The Lessee shall have the right to apply for the use of school facilities on the same basis as other community groups pursuant to Education Code Section 40040, et. cet.

16.3 This agreement constitutes the sole and only full, final, and complete agreement between Lessor and Lessee respecting the premises, the leasing of the premises to Lessee and the lease terms contained in this lease, and correctly sets forth the obligations of Lessor and Lessee to each other as of its date.

IN WITNESS WHEREOF, the parties hereto have executed this Lease, each copy of which is deemed to be an original.

NOVATO UNIFIED SCHOOL DISTRICT

QUALITY CARE FOR KIDS (LYNWOOD)

Karen Maloney,
Assistant Superintendent – Business & Operations

Quality Care for Kids Representative

Date _____

Date _____