LEASE

HEALTH SERVICES DEPARTMENT – HOPE HOUSE

300 ILENE STREET MARTINEZ, CALIFORNIA

This lease ("Lease") is dated January 7, 2014, and is between the County of Contra Costa, a political subdivision of the State of California ("County") and Telecare Corporation, a California corporation ("Lessee").

Recitals

- A. The County is the owner of the property located at 300 Ilene Street, Martinez, as more particularly described in <u>Exhibit A</u> (the "**Premises**"), which has been improved with a building comprised of approximately 6,840 square feet and on-site parking for three vehicles.
- B. The County and Lessee are parties to a service agreement dated as of January 7, 2014, pursuant to which the Lessee has agreed to operate a residential crisis facility for adult women and men on behalf of the County (the "Service Contract"). Lessee desires to lease the Premises for the purpose of satisfying its obligations under the Service Contract.

The parties therefore agree as follows:

Agreement

- 1. <u>Lease of Premises</u>. In consideration of the services provided by the Lessee pursuant to the Service Contract, and subject to the terms herein set forth, the County hereby leases to the Lessee and the Lessee hereby leases from the County, the Premises, subject to all easements and encumbrances of record.
- 2. <u>Term.</u> The "**Term**" of this Lease is (i) subject to the provisions of Section 27 <u>Termination</u>, and (ii) comprised of an Initial Term and, with the parties' mutual consent, Renewal Terms, each as defined below.
 - a. <u>Initial Term</u>. The "**Initial Term**" commences on January 7, 2014, and ends June 30, 2014.
 - b. <u>Renewal Terms</u>. Lessee has three options to renew this Lease for a term of one year for each option (each, a "**Renewal Term**") upon all the terms and conditions set forth herein.
 - i. The first renewal term is July 1, 2014 June 30, 2015.
 - ii. The second renewal term is July 1, 2015 June 30, 2016.

- iii. The third renewal term is July 1, 2016 June 30, 2017.
- iv. Lessee must give County at least ninety days prior written notice to renew the Lease prior to the end of the Term.
- v. Upon the commencement of a Renewal Term, all references to the Term of this Lease will be deemed to mean the Term as extended pursuant to this Section.
- 3. <u>Consideration</u>. Consideration for this Lease consists of the services provided by Lessee pursuant to the Service Contract.
- 4. <u>Use</u>. Except as otherwise provided herein, the Premises may be used by the Lessee only for the operation and maintenance of a residential crisis housing facility for adult women and men and any other related activity. Lessee may not use the Premises for any other purpose without the prior written consent of the County. Any use of the Premises other than as described herein without the County's prior written consent is a default of this Lease.
- 5. <u>Utility and Janitorial Obligations</u>. The County shall contract and pay for (without reimbursement from Lessee) all utilities used or consumed on the Premises by Lessee, including, but not limited to gas, water, electricity, garbage disposal, and telephone services. Lessee shall pay for all janitorial service and all supplies used on the Premises. Lessee shall pay for any Internet and television service brought into the Premises by Lessee.
- 6. <u>Condition of Premises</u>. Lessee has inspected the Premises and is leasing the Premises in an "AS IS" condition with no warranty, express or implied, on the part of the County as to the condition of the improvements, the condition of the soil or the geology of the soil, with the exception that the County warrants that on the date the State of California, Department of Social Services Community Care Licensing Division issues a license to to Lessee for use of the Premises in accordance with this Lease and the Service Contract, the Premises will be suitable for its intended purpose. The Premises has not been inspected by a Certified Access Specialist.

7. Maintenance and Repairs.

a. Structures and Grounds. County shall, at its sole cost and expense throughout the Term, maintain in good and safe operating condition, (i) the roof, the exterior of the building and the parking lot, (ii) the doors and their fixtures, closers and hinges, elevator, glass and glazing, and all locks and key systems used in the Premises, and (iii) the security system, the fire alarm system, and the fire suppression system. Lessee shall maintain the casework, flooring, and interior walls of the Premises in a clean and presentable condition, including the removal of any graffiti from interior walls. Lessee does not have any obligation to remove graffiti from the exterior walls of the building.

- b. <u>Appliances and Furniture</u>. County shall, at its sole cost and expense throughout the Term, maintain in good and safe operating condition, and if necessary replace, all household appliances, including kitchen appliances, and the washing and drying machines.
- c. <u>Trash Enclosure</u>. County shall install and maintain adequate enclosures, screened areas and/or suitable covered metal receptacles on the Premises sufficient for the short-term accumulation and storage of solid waste, such as rubbish, trash, and garbage generated from the Premises. County shall use reasonable efforts to assure that the enclosures and/or screened areas are designed and installed to prevent, to the extent possible, odors, fumes, the attraction of pests and dispersal of wastes due to wind or water runoff. County shall, at its sole cost and expense, cause the Premises to receive regular waste removal and disposal services.
- d. <u>Building Systems</u>. County shall repair and maintain the electrical, lighting, water and plumbing systems (such systems, the "<u>Building Systems</u>") in good order, condition and repair; including the clearing of routine plumbing stoppages and replacing light bulbs. If it becomes necessary for any of the Building Systems to be replaced, Lessee has no obligation to replace them.
- e. <u>HVAC</u>. County shall maintain in good, safe operating condition the heating, ventilating, and air-conditioning (HVAC) systems.
- f. <u>Landscaping</u>; <u>Exterior Lighting</u>. County shall maintain in good, safe operating condition the landscaping and exterior lighting system.
- g. <u>Fire Extinguishers</u>. County is providing fire extinguishers for the Premises in accordance with the direction received from the Fire Marshal, and shall maintain, repair, and replace the fire extinguishers as needed.
- 8. <u>Covenant Against Liens</u>. Lessee may not permit any mechanic's, material man's, or other lien against the Premises, in connection with any labor, materials, or services furnished or claimed to have been furnished at the request of Lessee. If any such lien is filed against the Premises, the party charged with causing the lien will cause the same to be discharged, provided however, that either party may contest any such lien, so long as the enforcement thereof is stayed.
- 9. <u>Taxes</u>. County agrees to pay before delinquency all taxes (excluding possessory interest taxes), assessments, license fees, and other charges that are levied and assessed against the Premises. Lessee agrees to pay before delinquency any possessory interest tax and any storm and sewer assessments levied against the Premises or upon Lessee's interest in the Premises, or Lessee's personal property located in or on the Premises.

Payment of possessory interest taxes, assessments, license fees, or other charges levied and assessed upon Lessee's interest is the responsibility of the Lessee.

- 10. <u>Quiet Enjoyment</u>. Provided the Lessee is in compliance with the terms of this Lease, the County covenants that the Lessee will peaceably and quietly have, hold, and enjoy the Premises during the Term.
- 11. <u>Assignment and Sublease.</u> The Lessee may not assign this Lease or sublease the Premises or any part thereof at any time during the Term.
- Alterations and Additions. Lessee may not make any alterations, erect any additional structures, or make any improvements on the Premises without the prior written consent of the Public Works Director, or his or her designee. In the event Lessee makes alterations or constructs additions that violate the conditions contained in this Lease (an "Unauthorized Addition"), at the County's sole discretion, Lessee shall remove any Unauthorized Addition at Lessee's sole cost and expense. If Lessee is required to remove an Unauthorized Addition, Lessee, at its sole cost and expense, shall restore the Premises to the conditions existing immediately prior to the existence of the Unauthorized Addition. If Lessee is not required to remove an Unauthorized Addition, such Unauthorized Addition shall remain on and be surrendered with the Premises on the expiration or termination of this Lease.

If Lessee wishes to make any alterations, erect any additional structures, or make any additional improvements to the Premises as provided in this Section, Lessee may not commence construction until Lessee has obtained the prior written consent of the County. In addition, a Notice of Lessor Non-Responsibility must be posted and recorded by Lessee during construction in accordance with Civil Code Section 3094. Lessee shall mail a copy of such Notice of Lessor Non-Responsibility to County upon filing it with the County Recorder.

13. Insurance.

- a. <u>Liability Insurance</u>. Throughout the Term, the Lessee shall maintain in full force and effect, at its sole expense, a comprehensive general liability or commercial general liability insurance program covering bodily injury (including death), personal injury, and property damage. The limits must be not less than Three Million Dollars per occurrence and Five Million Dollars aggregate and Lessee may, at its option, satisfy any portion of such limits through umbrella coverage. The liability policy must name the County as an additional insured. The liability insurance maintained by the Lessee must be primary.
- b. <u>Property Insurance</u>. The County will maintain property insurance coverage on its real property. The Lessee has no interest in the proceeds of insurance on the real property, improvements, equipment, or fixtures owned by the County. The Lessee shall sign all documents necessary or proper in connection with the settlement of any claim or loss by the County. The Lessee may maintain, at its sole expense, an insurance policy to insure its own personal property, contents, improvements and betterments within or on the Premises.
- c. <u>Worker's Compensation and Employer's Liability Insurance</u>. The Lessee shall maintain in full force and effect, at its sole expense, (i) statutory California

Workers' Compensation coverage including a broad form all-states endorsement, and (ii) employer's liability coverage for not less than One Million Dollars per occurrence for all employees engaged in services or operations at the Premises.

- d. <u>Evidence of Insurance</u>. Within thirty days of execution of this Lease, the Lessee shall provide to the County, on a form approved by the County, an original copy of a Certificate of Insurance. The Certificate of Insurance must certify that the coverage required by this Lease has been obtained and remains in force for the period required by this Lease.
- e. <u>Notice of Cancellation or Reduction of Coverage</u>. The Lessee shall cause all policies it is required to obtain under the terms of this Lease to contain a provision that the County is to receive written notification of any cancellation in coverage at least thirty days prior to the effective date of such cancellation. Lessee shall notify the County of any reduction in coverage at least thirty days prior to the effective date of such reduction. Any notification regarding a cancellation or reduction of coverage is to be sent to the County in accordance with Section 22. Notices.
- f. Waiver of Subrogation. Except as may be specifically provided elsewhere in this Lease, the County and the Lessee hereby each mutually waive any and all rights of recovery from the other in the event of damage to the Premises or any personal property that is caused by acts of God, perils of fire, lightning, and the extended coverage perils, as defined in insurance policies and forms approved for use in the State of California. Each party shall obtain any special endorsements, if required by their insurer, to evidence compliance with this waiver.
- 14. <u>Surrender of Premises</u>. On the last day of the Term, or sooner termination of this Lease, the Lessee shall peaceably and quietly leave and surrender to the County the Premises, along with their appurtenances and fixtures, all in good condition, ordinary wear and tear, damage by casualty, acts of God and circumstances over which the Lessee has no control excepted.
- 15. <u>Abandonment</u>. The Lessee may not vacate or abandon the Premises at any time during the Term. If the Lessee abandons, vacates, or surrenders the Premises, or is dispossessed by process of law, or otherwise, the County may deem any personal property belonging to the Lessee that remains on the Premises to be abandoned.
- 16. <u>Waste, Nuisance.</u> The Lessee may not commit, or suffer to be committed, any waste upon the Premises, or any nuisance or other act or thing that may disturb the quiet enjoyment of any other occupant of the neighborhood in which the Premises is located.
- 17. <u>Inspection</u>. The County may enter the Premises at any time in an emergency and with 24-hours notice in a non-emergency to determine that (i) the Premises is being reasonably cared for, (ii) no waste is being made and that all actions affecting the Premises are done in the manner best calculated to preserve the Premises, and (iii) the Lessee is in compliance with the terms and conditions of this Lease.

18. <u>Destruction</u>. If damage occurs that causes a partial destruction of the Premises during the Term from any cause, the County may, at its option, make repairs within a reasonable time. Partial destruction does not void this Lease.

If the County does not elect to make repairs, this Lease may be terminated by either party, without cost, obligation or liability to the other party, except as described herein.

This Lease will terminate in the event of a total destruction of the Premises.

- 19. <u>Indemnification</u>. The Lessee shall indemnify, defend and hold County, its officers, agents and employees harmless from any and all claims, costs and liability, for any damage, injury or death, including without limitation, all consequential damages from any cause whatsoever, to any person or the property of any person arising directly or indirectly from or connected with this Lease, the Lessee's operations, or the Lessee's use or possession of the Premises, save and except claims or litigation arising through the sole negligence or sole willful misconduct of County, its officers or employees, and shall make good to and reimburse County for any expenditures, including reasonable attorneys fees, County may make by reason of such matters.
- 20. <u>Default</u>. The occurrence of any of the following events is a "**Default**" under this Lease:
 - a. The Lessee. The Lessee's failure to comply with any material term or provision of this Lease if such failure is not remedied within thirty days after receipt of a written notice from the County to the Lessee specifying the nature of the breach in reasonably sufficient detail (a "Notice of Default"). If the required cure of the noticed failure cannot be completed within thirty days, the failure to cure will not be deemed to be a Default of this Lease if the Lessee has attempted to cure the failure within the thirty-day period and has diligently and continuously attempted to complete the cure as soon as reasonably possible. In no event will the cure period extend beyond the sixty-day period after Lessee's receipt of the Notice of Default.
 - b. The County. The County's failure to perform any of its obligation under this Lease if the failure is not remedied within thirty days after receipt of a written notice from the Lessee to the County specifying the nature of the breach in reasonably sufficient detail. If the required cure of the noticed failure cannot reasonably be completed within thirty days, a Default will not be deemed to occur if the County has attempted to cure the failure within the thirty day period and has diligently and continuously attempted to complete the cure as soon as reasonably possible.

21. Remedies.

a. <u>The County</u>. Upon the occurrence of a Default by the Lessee, the County may reenter and repossess the Premises and remove all persons and property from the Premises, after giving the Lessee written Notice of Default and in accordance with due process of law.

- b. <u>The Lessee</u>. Upon the occurrence of a Default by the County, the Lessee may (i) terminate this Lease by giving written notice to the County, and (ii) quit the Premises without further cost or obligation to the County.
- 22. <u>Notices</u>. Any notice required or permitted under this Lease must be in writing and sent by facsimile with written transmission confirmation, overnight delivery service or registered or certified mail, postage prepaid and directed as follows:

To Lessee:

Telecare Corporation

1080 Marina Village Parkway, Suite 100

Alameda, CA 94501-1078 Facsimile: (510) 337-7967

To County:

Contra Costa County

Public Works Department – Real Estate Division

255 Glacier Drive Martinez, CA 94553

Facsimile: (925) 646-0288

Either party may at any time designate in writing a substitute address for that set forth above; thereafter notices are to be directed to such substituted address. If sent in accordance with this Section, all notices will be deemed effective (i) upon confirmed facsimile transmission, (ii) the next business day, if sent by overnight courier and (iii) three (3) days after being deposited in the United States Postal system.

- 23. <u>Successors and Assigns</u>. This Lease binds and inures to the benefit of the heirs, successors, and assigns of the parties hereto.
- 24. <u>Time is of the Essence</u>. Time is of the essence in fulfilling all terms and conditions of this Lease.
- 25. <u>Governing Law.</u> The laws of the State of California govern all matters arising out of this Lease.
- 26. <u>Severability.</u> In the event that any provision herein contained is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining provisions of this Lease will not in any way be affected or impaired.
- 27. <u>Termination</u>. If the County terminates the Service Contract for any reason or for no reason, the Term of this Lease will end on the same date that the Service Contract terminates. Upon such termination, Lessee shall surrender the Premises in accordance with Section 14 <u>Surrender of Premises</u>.

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28. <u>Entire Agreement; Construction; Modification</u>. Neither party has relied on any promise or representation not contained in this Lease. All previous conversations, negotiations, and understandings are of no further force or effect. This Lease is not to be construed as if it had been prepared by one of the parties, but rather as if prepared by both parties. This Lease may be modified only by a writing signed by both parties.

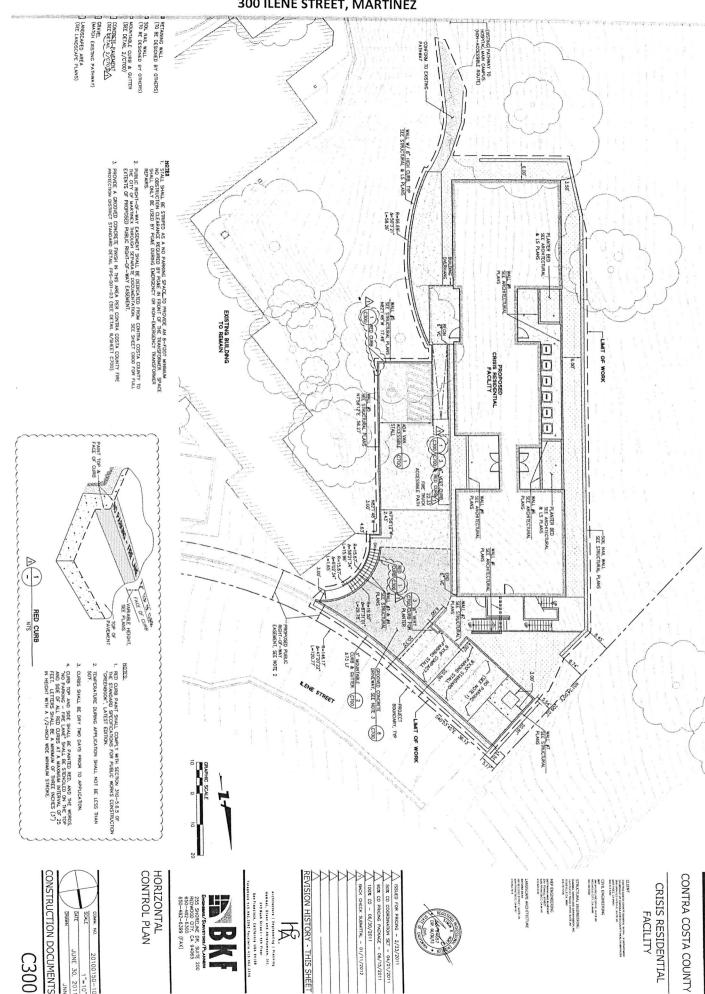
The parties are executing this Lease on the date set forth in the introductory paragraph.

The pa	arties are executing this Lease on the date set	. 101 111 11.	i the introductory paragraph.
COUNTY		<u>LESSEE</u>	
COUNTY OF CONTRA COSTA, a political subdivision of the State of California		TELECARE CORPORATION, a California corporation	
Ву:	Julia R. Bueren Public Works Director	By:	Marshall Langfeld Senior Vice President Faith Richie Senior Vice President
RECOMMENDED FOR APPROVAL: JULIA R. BUEREN, Public Works Director			
By:	Karen A. Laws		
By:	Principal Real Property Agent Dave Silva Senior Real Property Agent		
	ROVED AS TO FORM: RON L. ANDERSON, County Counsel		
By:	Katue W. aufus		

Kathleen M. Andrus Deputy County Counsel

Exhibit A – Premises 300 Ilene Street, Martinez

EXHIBIT A - PREMISES 300 ILENE STREET, MARTINEZ



JUNE 30.







CRISIS RESIDENTIAL FACILITY

CONTRA COSTA COUNTY