

GROUND SPACE LEASE

Location of Leased Premises: 1203 West 10th Street Antioch, CA 94509
Agency: 23RD DISTRICT AGRICULTURAL ASSOCIATION

Lease No.: L-1762**Lessee: Contra Costa County**

This Lease Agreement, hereinafter referred to as "Lease", dated for reference purposes only, March 1, 2020, by and between the State of California at the direction and with the consent of the 23rd District Agricultural Association (23rd DAA), acting by and through the Director of the Department of General Services (DGS), hereinafter collectively referred to as "State", and Contra Costa County, hereinafter referred to as "Lessee". State and Lessee may also be referred to as "Party" or "Parties".

RECITALS

WHEREAS, pursuant to Section 14670(a)(1) of the Government Code, the DGS with the consent of the State agency concerned, may Lease real property owned by the State for a period not to exceed 5 years; and

WHEREAS, the 23rd DAA has under its jurisdiction certain real property in the County of Contra Costa, State of California, commonly referred to as Contra Costa Fairgrounds; and

WHEREAS, Lessee desires to Lease the property described herein from the State; and

WHEREAS, it is in the best interests of the State that such a Lease be consummated between the State and Lessee on the terms and conditions herein contained;

NOW THEREFORE, the parties agree to the provisions of the Lease set forth herein as follows:

Section 1:	Site Specific Provisions
Section 2:	Building Specific Provisions
Section 3:	Standard Provisions

SECTION 1 –SITE SPECIFIC PROVISIONS**WITNESSETH:****PROPERTY DESCRIPTION**

1. State does hereby Lease to Lessee, and Lessee hereby hires from State, upon the terms, agreements, and conditions hereinafter set forth, those certain premises located at 1203 W. 10th Street, Antioch, California, County of Contra Costa, and more particularly described as follows:

A portion of Assessor's Parcel No. 067-010-003 consisting of approximately 1.62 acres located at the NW corner of State's fair site, fronting on West 10th Street.

State retains the right to use the driveway across the NE corner of the Premises to access State owned property, as shown in EXHIBIT A.

USE

2. (a) The Premises shall be used by Lessee during the term hereof for the purpose of conducting Contra Costa County Community Services Head Start, Early Start childcare and/or Child Development Programs in four (4) single story modular buildings, constructed by Lessee on land leased from the State, and for no other purpose whatsoever.

(b) The program conducted on the Premises will be the function and sole responsibility of Lessee. State will have no obligation to provide any program needs, including all supplies and equipment, except as otherwise specified herein. Lessee will ensure that all appropriate licensing and/or permits for childcare are obtained.

TERM

3. The term of this Lease shall be for ten (10) years, commencing October 1, 2020 and ending August 31, 2031, with such rights of termination as are hereinafter expressly set forth.

RENT PAYMENTS

4. State has determined the monthly "Fair Market Rent" for the use of the Premises to be in the sum of:

LEASE PERIOD	RENTAL PERIOD	MONTHLY RENT
1	OCTOBER 1, 2020 – SEPTEMBER 30, 2021	\$3,767.00
2	OCTOBER 1, 2021 – SEPTEMBER 30, 2022	\$3,955.35
3	OCTOBER 1, 2022 – SEPTEMBER 30, 2023	\$4,153.12
4	OCTOBER 1, 2023 – SEPTEMBER 30, 2024	\$4,360.78
5	OCTOBER 1, 2024 – SEPTEMBER 30, 2025	\$4,578.82
6	OCTOBER 1, 2025 – SEPTEMBER 30, 2026	\$4,807.76
7	OCTOBER 1, 2026 – SEPTEMBER 30, 2027	\$5,048.15
8	OCTOBER 1, 2027 – SEPTEMBER 30, 2028	\$5,300.56
9	OCTOBER 1, 2028 – SEPTEMBER 30, 2029	\$5,565.59
10	OCTOBER 1, 2029 – SEPTEMBER 30, 2030	\$5,843.87

Lessee's payments shall display State's Lease Number L-1762 and shall be mailed to the following address:

SECTION 1 –SITE SPECIFIC PROVISIONS**RENT PAYMENTS
(CONT)**

23RD District Agricultural Association
1201 West 10th Street
Antioch, CA 94509

Lessee acknowledges that rent and past due rent shall be due and payable to State whether or not an actual invoice is sent by State or received by Lessee.

**ADMINISTRATIVE
FEES**

5. Lessee shall pay administrative costs in the amount of Two Thousand and Five Hundred Dollars (\$2,500.00) associated with this new Lease. Execution of this Lease is subject to receipt of payment by Lessee for administrative fees.

Lessee's administrative fee payment shall be made **payable to Department of General Services** with "**L-1762**" written on the face of Lessee's check and submitted concurrently with this Lease document.

UTILITIES

6. Lessee agrees to pay all utilities and services associated with the use of the Premises including but not limited to gas, electric, telephone, water, sewer, refuse collection and fire inspection fees. Utility payments shall be made payable to and sent directly to the utility provider. State shall not provide such services, and shall have no responsibility for the existence or lack of existence of utilities or any other services to the Premises.

State shall not be liable to Lessee or third parties for failure to provide electricity due to rolling blackouts or other causes beyond State's control. Lessee shall comply with energy conservation measures, Governor's Executive Orders, other orders required by law, or reasonably required by State as the result of a crisis of any kind.

**EARLY
TERMINATION**

7. State and Lessee agree that either party may terminate this Lease at any time during the term hereof by giving written notice to the other party one hundred and eighty (180) days prior to the date when such termination shall become effective. State reserves the right to terminate the Lease immediately if safety and security are at risk and mutual resolution cannot be agreed upon.

PARKING

8. During 23rd DAA events, State retains the right to utilize the parking areas constructed by Lessee during evening and weekend hours to minimize interference with Lessee's normal use of said areas. State is responsible for keeping the parking area free from litter and debris while in use by State.

NOTICES

9. All notices or other communications required or permitted hereunder shall be in writing, with Lease Number **L-1762** referenced, and sent by overnight courier, registered mail, certified mail or postage prepaid mail to the addresses set forth below. All such notices shall be deemed received on the date of delivery receipt or rejection to the address of the person to receive such notice if received Monday through Friday during business hours, so long as such day is not a State or Federal holiday or Saturday or Sunday then such notice shall be effective on the following business day.

Lessee: **Contra Costa County**
Public Works Department
Real Estate Services
255 Glacier Drive

SECTION 1 –SITE SPECIFIC PROVISIONS

Martinez, CA 94553
Telephone (925) 313-2000

State: **Department Of General Services**
Real Estate Services Division
Lease Management, [L-1762]
707 3rd Street, 5th Floor
West Sacramento, CA 95605
Office: (916) 375-4172

With Copies to: **23rd District Agricultural Association**
1201 West 10th Street
Antioch, CA 94509
Telephone (925) 757-4400

Notice of change of address or telephone number shall be given by written notice in the manner described in this section. Lessee is obligated to notice all State offices listed above and the failure to provide notice to all State offices shall constitute a lack of notice. Nothing contained herein shall preclude the giving of any such notice by personal service.

PROPERTY INSPECTIONS

10. Lessee has visited and inspected the Premises and it is agreed that the area described herein is only approximate in size and State does not hereby warrant or guarantee the actual area included hereunder.

HOLDING OVER & LEASE RENEWAL

11. Any holding over after the expiration of the term of this Lease with the consent of the State, expressed or implied, shall be deemed to be a tenancy only from month-to-month. During hold over, Lessee's rental rate shall, at the option of State, be adjusted to be consistent with the most current established rental rate for the premises, payable on a monthly basis in advance. Said month-to-month tenancy shall be otherwise subject to all the terms and conditions of this Lease insofar as applicable.

State offers and Lessee accepts no assurance that the Premises or any other comparable space or facilities at the site described herein will be made available to Lessee beyond the term stated above or as said term is reduced as provided herein.

ACCESS TO PREMISES

12. Only the Lessee, its properly qualified and authorized agents, employees, contractors, and Permitted Users shall have the right of ingress to and egress from said Premises.

SUBLETTING

13. Lessee shall not assign this Lease in any event and shall not sublet the Premises or any part thereof and will not permit the use of the Premises by anyone other than the Lessee without prior written consent by State, which may be withheld for any reason.

End of Section 1

SECTION 2 – GROUND LEASE SPECIFIC PROVISIONS

1. REGULATION BY STATE.

State shall have the full power and right to determine and regulate the operations of the Lessee insofar as they affect the operations, safety, and effective use of State activities conducted at the same location.

(a) All contractors, agents, employees, representatives, or licensees of the Lessee shall be subject to the rules and regulations of the State as they relate to conduct on the grounds, security, and general use of facilities. Lessee will conduct its operations in such a manner so as to minimize any interference with the activities associated with the site.

(b) Lessee will comply with all building rules and regulations adopted by said authorities in charge. No article or material deemed by said authorities in charge to be considered as contraband shall be brought on said real property. Contraband includes, but is not limited to, alcoholic beverages, possession or use of firearms, explosives or edged weapons, and restricted controlled substances.

2. RIGHT TO ENTER.

During continuance in force of this Lease, there shall be and is hereby expressly reserved to State and to any of its agencies, contractors, agents, employees, representatives or licensees, the right at any and all times, and any and all places, to temporarily enter upon said Premises for survey, inspection, or any other lawful State purposes.

3. IMPROVEMENTS & MODIFICATIONS.

Lessee at its sole cost and expense may, subject to the approval of State, from time to time during its tenancy of the Premises:

(a) Furnish, install and use at the Premises such improvements and property of whatsoever kind and nature as Lessee and State mutually deems necessary consistent

with the purpose of this Lease as set forth in "Use" Section hereof.

(b) Improve the Premises in a manner consistent with the purposes of this Lease as set forth in "Use" Section hereof, and provided further that plans for the construction or enlargement of any improvement will be submitted to State in advance of such construction or enlargement, and will be subject to written approval by State. Such approval by State shall not relieve Lessee of the obligation of complying with any and all terms and conditions of this Lease; Lessee shall provide a minimum of thirty (30) days prior written notice of the construction to State.

(c) In making any excavation and/or installation of equipment on the Premises and/or easement areas, Lessee shall make the same in such manner as will cause the least injury to the surface of the ground around such excavation and/or construction, and shall replace the earth so removed by it and restore the surface of the ground and any improvement thereon to as near the same condition as they were prior to such excavation as is practicable.

4. DISPOSITION OF LESSEE'S PERSONAL EQUIPMENT, PERSONAL PROPERTY AND MODULARS.

(a) During the term of this Lease, all personal equipment, personal property and modulars placed in, upon, or under the Premises by Lessee shall remain the property of Lessee and shall be removed by Lessee, at its sole cost and expense within thirty (30) days after expiration or termination of Lessee's tenancy.

(b) Should Lessee fail to remove said personal equipment, personal property and modulars within thirty (30) days after expiration or termination of the Lease, State may do so at the risk of Lessee. Upon written demand by State, Lessee shall immediately pay all costs and expenses of the removal of Lessee's personal

SECTION 2 – GROUND LEASE SPECIFIC PROVISIONS

equipment, personal property and modulars.

(c) Notwithstanding anything to the contrary in this Section 2, Clause 4, Lessee may, however, with written consent of State, abandon in place any and all of Lessee's personal equipment, personal property and modulars, whereupon, as abandoned, title to said improvements will vest in State.

5. REPAIR AND MAINTENANCE.

It is acknowledged that Lessee is the current occupant of the space and that at time of initial occupancy, the site was considered to be in good condition.

a. Lessee shall maintain said Premises in compliance with all health, safety, and sanitation laws, ordinances, and regulations of the State, Federal, and local authorities.

b. Lessee agrees to maintain the Premises at their sole cost and expense.

6. CONDITION OF PREMISES.

(a) Lessee is aware of the current condition of the Premises and accepts the Premises in "as is" condition. Lessee accepts the Premises as being in good condition and repair, unless otherwise specified in writing to State, and agrees that on the last day of the term, or sooner termination of this Lease, to surrender up to State the Premises, with any appurtenances or improvements approved by State, in the same condition as when received.

7. LESSEE'S SECURITY.

Lessee shall be responsible for the security of the Premises and all persons in its program while such persons are in, on or about the Premises. In the event of a serious security emergency the State shall cooperate with the staff of Lessee, but such assistance shall not interfere with the State's normal treatment program. Rules and regulations governing employees and customers of the State which are applicable

to Lessee shall be strictly adhered to by Lessee's staff.

8. MEDICAL.

Medical support shall not be provided by State. Necessary emergency medical or surgical care of Lessee's clients and employees will be Lessee's responsibility.

As used herein, this is intended to mean that Lessee shall be liable for any and all medical and/or surgical care costs for Lessee's employees served by Lessee's program.

9. EMERGENCY PREPAREDNESS.

Lessee agrees to be responsible for maintaining an emergency preparedness program for Lessee. Lessee shall not rely on State to provide food or supplies during a local or area wide disaster. State will, if time and material allow, assist Lessee during a disaster.

10. FIRE/POLICE PROTECTION.

Lessee is a separate and distinct entity from the State and shall so inform the local Fire and Police Agencies. State shall in no way be responsible or liable for such protection to Lessee.

11. LESSEE GUARANTEES.

Lessee hereby guarantees any and all work or services performed by Lessee or Lessee's properly qualified or authorized agents, employees, contractors and servants, in order to accomplish the installation and/or maintenance of their communications equipment at State's facilities. Should the interruption or failure of State's existing computer or building support systems occur due to, or in any way be connected with Lessee's installation and/or maintenance of Lessee's equipment, all costs to repair or replace State's existing systems will be the sole responsibility of Lessee.

SECTION 2 – GROUND LEASE SPECIFIC PROVISIONS

12. CUSTODIAL AND TRASH.

Lessee shall have or hire custodial services sufficient to maintain the Premises in a clean and well maintained condition.

Lessee shall pick up trash and debris at Premises and deposit trash in trash bins provided by State. State shall, at its expense, arrange for trash disposal for the contents of Lessee as part of its regularly scheduled trash collection.

End of Section 2

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SECTION 3 – STANDARD PROVISIONS

1. PERMITS AND APPROVALS.

State and Lessee agree that Lessee's ability to use the Premises is dependent upon Lessee obtaining all of the certificates, permits, licenses, and other approvals that may be required from any third party. State will cooperate with Lessee, at no expense to State, in Lessee's effort to obtain such approvals in connection with said permits, licenses or other approvals.

2. LEASE MODIFICATION FEES.

An administration fee shall be assessed for any action originated by Lessee requiring lease administration or technical review staff work by State which result in an amendment to, or assignment of this Lease. To initiate such services, Lessee must submit a written request to State. The administration fee will be assessed at the prevailing rate in effect at the time the request is received.

3. DEFAULT.

Lessee shall make all payments to the State without deduction (except for offsets explicitly allowed hereunder), default or delay. In the event of the failure of Lessee to do so, or in the event of a breach of any of the other terms, covenants or conditions herein contained on the part of Lessee or State to be kept and performed, and if such default continues for a period of thirty (30) days after receipt of written notice from the non-defaulting party to the defaulting party of such default, this Lease may, at the non-defaulting party's sole discretion, be terminated.

Notwithstanding the foregoing, if a non-monetary default may not be reasonably cured within such thirty (30) day period and the defaulting party commences to cure such default within the thirty (30) day period, the time to cure may be extended through a writing signed by both parties, to a time frame and deadline mutually agreeable to the parties. So long as the defaulting party diligently prosecutes the cure to completion under the mutually agreed upon extended

deadline, then this Lease may not be terminated under this Clause. However, if the defaulting party operates with unreasonable delay in curing the default or otherwise does not cure within the mutually agreed upon time frame, the non-defaulting party may terminate immediately.

In the event of termination of this Lease due to a Lessee default, it shall be lawful for State to reenter into and upon the Premises and every part thereof and to remove and store at Lessee's expense all property therefrom and to repossess and occupy the Premises. In the event State terminates this Lease pursuant to this Clause, State shall not be required to pay Lessee any sum or sums whatsoever.

4. COMPLIANCE WITH LAWS.

Lessee shall at its sole cost and expense comply with all the statutes, laws, ordinances and regulations of all municipal, state and federal authorities now in force or which may hereafter be in force pertaining to the Premises and use of the Premises as provided by this Lease.

5. FAILURE TO PERFORM.

In the event of the failure, neglect, or refusal of Lessee to do, or perform work, or any part thereof, or any act or thing in this Lease provided to be done and performed by Lessee, State will, at its option, have the right to do and perform the same, and Lessee hereby covenants and agrees to pay State the cost thereof on demand.

6. RIGHTS RESERVED BY STATE.

(a) State reserves the right to use the real property involved (not including real property installed, erected or constructed by Lessee) in any manner, including but not limited to the right to construct, place, maintain, use, operate, repair, replace, alter and move pipelines, conduits, culverts, ducts, fences, poles, electrical energy, power and communication lines, roads, bridges, subways, sidewalks, to grant

SECTION 3 – STANDARD PROVISIONS

easements over, across, upon and under said real property, and the continuous right of ingress to and egress from any portion or portions of said real property in such manner as not to create any unreasonable interference with the exercise of the rights granted to Lessee.

(b) Any grant herein contained is subject to all valid and existing contracts, leases, licenses, easements, encumbrances and claims of title which may affect said facility.

(c) No priority or other rights will attach to the use of any space in State's building or on said facility.

7. ACTS OF NATURE.

If any of Lessee's improvements or equipment is destroyed by acts of nature, Lessee may replace them with improvements or equipment of the same general type that meet or exceed the technical specifications of the original equipment, which occupies no more physical space, and consumes no more electrical power.

Lessee shall immediately notify State of such items and the date the replacement is completed.

8. HAZARDOUS SUBSTANCE.

Lessee agrees that it shall comply with all laws, federal, state, or local, existing during the term of this Lease pertaining to the use, storage, transportation, and disposal of any hazardous substance as that term is defined in such applicable law.

(a) In the event State or any of its affiliates, successors, principals, employees, or agents incur any liability, cost, or expense, including attorney's fees and costs, as a result of Lessee's illegal use, storage, transportation, or disposal of any hazardous substance, including any petroleum derivative, Lessee shall indemnify, defend, and hold harmless any of these individuals against such liability.

(b) Where Lessee is found to be in breach of this Paragraph due to the issuance of a government order directing Lessee to cease and desist any illegal action in connection with a hazardous substance, or to remediate a contaminated condition caused by Lessee or any person acting under Lessee's direct control and authority, Lessee shall be responsible for all costs and expenses of complying with such order, including any and all expenses imposed on or incurred by State in connection with or in response to such government order.

9. VACATING THE PREMISES.

Lessee shall, on the expiration or earlier termination of said Lease, peaceably and quietly leave, surrender, and yield up to State, the Premises in good order, condition, and repair, reasonable use and wear thereof and damage by acts of nature, excepted.

Lessee will coordinate its move-out with the Fair Manager's office to complete a walkthrough and return keys, key cards, or any other State provided items.

10. AUDIT.

Lessee agrees that the Department of General Services, California State Auditor, or their designated representative shall have the right to review and to copy any of Lessee's non-redacted records and supporting documentation pertaining to the performance of this Lease. In the event State discovers any irregularities in Lessee's revenue statements Lessee shall bear all costs associated with said audit.

Lessee agrees to maintain such records for possible audit for a minimum of three (3) years after final payment. Lessee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records.

SECTION 3 – STANDARD PROVISIONS

Further, Lessee agrees to include in any sublease a similar right of the State to audit records and interview Sublessee related to any performance of this Lease.

State may audit Lessee's accounting books at any time upon reasonable request. Further to the extent Lessee provides the State with proprietary information, the State will hold it in the strictest confidence, and will return it when it is no longer necessary to support any audit exceptions.

Lessee understands the State is subject to the Public Records Act.

11. RECOVERY OF LEGAL FEES.

If action is brought by State for the recovery of any rent due under the provisions hereof or for any breach hereof, or to restrain the breach of any agreement contained herein, or for the recovery of possession of said Premises, or to protect any rights given to the State against Lessee, and if State will prevail in such action, Lessee shall pay to State such amount in attorney's fees in said action as the court shall determine to be reasonable, which shall be fixed by the court as part of the costs of said action.

12. AMERICANS WITH DISABILITIES ACT; UNRUH CIVIL RIGHTS ACT; DISABLED PERSONS ACT.

Lessee shall comply with all federal requirements established under 28 Code of Regulations, Part 36, Americans with Disabilities Act, and with all California State requirements established under Civil Code section 51 et seq., Unruh Civil Rights Act and Civil Code section 54 et seq., Disabled Persons Act, in order to make programs accessible to all participants and to provide equally effective communications.

By signing this Lease, Lessee assures State it complies with the Federal and State statutes described above, prohibiting discrimination on the basis of disability. Lessee also assures State it complies with

any applicable regulations and guidelines issued pursuant to the Federal and State statutes described above.

13. TAXES, ASSESSMENTS, AND POSSESSORY INTEREST.

Lessee agrees to pay all lawful taxes, assessments or charges that at any time may be levied upon any interest in this Lease.

It is understood that this Lease may create a possessory interest subject to property taxation and Lessee may be subject to the payment of property taxes levied on such interest.

14. NON-DISCRIMINATION.

In the performance of this Lease, Lessee shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability (including HIV and AIDS), mental disability, medical condition, age (over 40), marital status, sex, sexual orientation, use of family care leave, or any other Federal, State or local laws.

Lessee shall insure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment.

Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

Lessee shall comply with provisions of the Fair Employment and Housing Act (Government Code (GC) Section 12990 (a-f) et seq.) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285 et seq.).

SECTION 3 – STANDARD PROVISIONS

The applicable regulations of the Fair Employment and Housing Commission implementing GC Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Lease by reference and made a part thereof as if set forth in full.

Lessee shall give written notice of its obligations under this clause to any labor organizations with which they have collective bargaining or other agreement.

Further, Lessee shall post in conspicuous places available to employees and applicants for employment, notices to be provided by the State setting forth the provisions of this Fair Employment Practices Section. (GC Section 12920-12994).

Remedies for Willful Violations:

(1) State may determine a willful violation of the Fair Employment Practices provision to have occurred upon the receipt of a final judgment having that effect from a court in an action to which Lessee was a party, or upon receipt of a written notice from the Fair Employment Practices Commission that it has investigated and determined that the Lessee has violated the Fair Employment Practices Act and has issued an order pursuant to the appropriate provisions of the GC.

(2) State will have the right to terminate this Lease and any loss or damage sustained by State by reason thereof will be borne and paid for by Lessee.

15. INSURANCE.

Prior to or at Lease execution Lessee shall furnish to State a certificate of insurance, along with all policy endorsements, with State's **Lease Number L-1762** indicated on the face of said certificate or endorsements, issued to State with evidence of insurance as follows:

COMMERCIAL GENERAL LIABILITY

Lessee shall maintain general liability coverage with limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate annually for bodily injury and property damage liability combined and Fire Legal Liability of at least \$500,000.

The policy shall include coverage for liabilities arising out of Premises, operations, independent contractors, products, completed operations, personal & advertising injury, and liability assumed under an insured contract.

The policy must include State of California, their officers, agents, and employees as additional insureds, but only insofar as the operations under the Lease are concerned. The additional insured endorsement must be provided with the certificate of insurance.

AUTOMOBILE LIABILITY

Lessee shall maintain motor vehicle liability with limits of not less than \$1,000,000 per accident for bodily injury and property damage. The State of California and Department of General Services are to be additional insureds with respect to liability arising out of all vehicles owned, hired and non-owned. The additional insured endorsement must be provided with the certificate of insurance.

PROFESSIONAL LIABILITY (ERRORS AND OMISSIONS)

Lessee shall maintain Insurance appropriate to the Contractor's profession, with limits not less than \$1,000,000 per occurrence.

WORKERS' COMPENSATION

Lessee shall maintain statutory workers' compensation and employer's liability coverage for all its employees who will be engaged in the performance of the Lease, including special coverage extensions where applicable. Employer's liability limits of \$1,000,000 shall be required, and the

SECTION 3 – STANDARD PROVISIONS

policy shall include a waiver of subrogation in favor of the State of California. The waiver of subrogation endorsement must be provided with the certificate of insurance.

GENERAL REQUIREMENTS

Lessee shall ensure that the following general requirements are met:

a. Insurance Companies must be acceptable to Department of General Services, Office of Risk and Insurance Management.

b. Coverage needs to be in-force for complete term of this Lease. If insurance expires during the term of the Lease, a new certificate must be received by State within thirty (30) days of the expiration date of the existing policy. This new insurance must still meet the terms of the original contract.

c. Lessee shall notify the State within five business days of Lessee's receipt of any notice of cancellation or non-renewal of any insurance required by this lease.

d. Lessee is responsible for any deductible or self-insured retention contained within the insurance program.

e. In the event Lessee fails to keep in effect at all times the specified insurance coverage, State may, in addition to any other remedies it may have, terminate this Lease upon the occurrence of such event, subject to the provisions of this Lease.

f. Any insurance required to be carried shall be primary, and not excess, to any other insurance carried by State.

g. If Lessee is self-insured in whole or in part as to any of the above described types and levels of coverage, Lessee shall provide State with written acknowledgment of this fact at the time of the execution of this Lease. The State may require financial information to justify Lessee's self-insured status. If, at any time after the execution of this Lease, Lessee abandons its self-insured status, Lessee shall immediately

notify State of this fact and shall comply with all of the terms and conditions of this Insurance clause pertaining to policies of insurance in regard to those types and levels of insurance.

It is agreed that State shall not be liable for the payment of any premiums or assessments on the required insurance coverage.

16. FIRE AND CASUALTY DAMAGES.

State will not keep improvements which are constructed or installed by Lessee under the provisions of this Lease insured against fire or casualty, and Lessee shall make no claim of any nature against State by reason of any damage to the business or property of Lessee in the event of damage or destruction by fire or other cause, arising other than from or out of negligence or willful misconduct of agents or employees of the State in the course of their employment.

17. HOLD HARMLESS INDEMNIFICATION.

This Lease is made upon the express condition that the State of California is to be free from all liability and claims for damages by reason of any injury to any person or persons, including Lessee, or property of any kind whatsoever and to whomsoever belonging, including Lessee, from any cause or causes whatsoever while in, upon, or in any way connected with the Premises during the term of this Lease or any occupancy hereunder, holdover periods or any other occupancy of the Premises by Lessee, except those arising out of the sole negligence or willful misconduct of State, its employees, agents, and invitees.

Lessee agrees to defend, indemnify, and hold harmless State from all liability, loss, cost or obligation on account of or arising out of any such injury or loss, however occurring.

18. LOSSES.

State will not be responsible for losses or damage to personal property, equipment or

SECTION 3 – STANDARD PROVISIONS

materials of Lessee and all losses shall be reported to State immediately upon discovery.

19. DEBT LIABILITY DISCLAIMER.

State, including but not limited to the State's General Fund or any special self-insurance programs, is not liable for any debts, liabilities, settlements, liens or any other obligations of the Lessee or its heirs, successors or assigns.

State and its agencies, departments and divisions will not be liable for and will be held harmless by Lessee and for any claims or damages associated with any contract, tort, action or inaction, error in judgment, act of negligence, intentional tort, mistakes, or other acts taken or not taken by the Lessee, its employees, agents, invitees, guests or anyone acting in concert with or on behalf of Lessee. State has no obligation to defend or undertake the defense on behalf of Lessee or its heirs, successors or assigns.

20. RELOCATION.

(a) In the event that State terminates this Lease pursuant to its terms, Lessee acknowledges and agrees that it has no claim against the State for Relocation Payments, Relocation Advisory Assistance, or costs pursuant to the Government Code sections 7260 et seq., or any regulations implementing or interpreting such sections. Lessee further agrees that it has no claim in either law or equity against the State for damages or other relief should the Lease be terminated, and waives any such claims it may have.

(b) In the event subleasing, under the terms of this Lease, is permitted, Lessee shall incorporate this Paragraph into the sublease. Failure to do so may obligate Lessee for damages and costs resulting from claims for relocation payments by sublessee.

(c) The location of the Premises to be used by Lessee for the purpose of this Lease may

be changed as required by State in the event of circumstances arising to warrant such a change. Lessee agrees to accept another functionally equivalent location within the facility grounds within which to operate under the same general provisions of this Lease.

In the event the new quarters are different in size from present quarters, there shall be an adjustment in rental rate on a proportionate square footage basis at the discretion of the State, either greater or smaller, as the case may be.

In the event State is unable to relocate the Lessee within the facility grounds, State, upon reasonable notice, may require Lessee to leave State premises. Reasonable notice is defined herein as to be at least thirty (30) days.

21. SMOKING RESTRICTIONS.

Per Government Code 7597, Smoking shall not be allowed inside any building, or within 20 feet of any entrance or operable window of any building.

Lessee, its employees, invitees, or patrons shall compensate and reimburse State the cost of damage and destruction of any such fire caused by Lessee, its employees, invitees, contractors, or patrons, including State's out-of-pocket expenses for same.

22. RECORDING.

Lessee shall not record this Lease or a short form memorandum thereof. Any such recordation will, at the option of State, constitute a non-curable default by Lessee hereunder.

23. AUTHORITY TO CONTRACT.

If Lessee is a public, private or non-profit corporation, each individual executing this Lease on behalf of said Lessee shall provide evidence, which is acceptable to State, that he/she is duly authorized to execute and deliver this Lease on behalf of said Lessee in accordance with a duly

SECTION 3 – STANDARD PROVISIONS

adopted resolution of the Board of Directors or in accordance with the Bylaws of said Board, and that this Lease is binding upon said Board of Directors in accordance with its terms.

24. PARTNERSHIP DISCLAIMER.

Lessee its agents and employees shall act in an independent capacity and not as officers or employees of State. Nothing herein contained will be construed as constituting the parties herein as partners.

25. MINERAL RIGHTS.

Lessee agrees not to interfere, in any way, with the interests of any person or persons that may hold presently, or in the future, oil, gas, or other mineral interests upon or under said Premises; nor shall Lessee, in any way, interfere with the rights of ingress and egress of said interest holders.

26. CEQA.

Any physical changes made to the improvements by Lessee or its agents shall comply with the California Environmental Quality Act (CEQA).

27. BANKRUPTCY.

In no event shall this Lease or the leasehold estate become an asset of Lessee in bankruptcy, receivership or other judicial proceedings. Lessee shall be in default under this Lease in the event of any of the following: (a) Lessee becomes insolvent or makes an assignment for the benefit of creditors, (b) a petition in bankruptcy is filed by or against Lessee, (c) a writ of execution is levied against this Lease or the leasehold estate, (d) Lessee abandons or vacates or does not continuously occupy or safeguard the Premises.

28. AMENDMENTS AND MODIFICATIONS.

No amendment, modification, or supplement to this Lease shall be binding on either party unless it is in writing and signed by the party to be bound by the modification.

29. MUTUAL CONSENT.

Notwithstanding anything herein contained to the contrary, this Lease may be terminated and the provisions of the Lease may be altered, changed, or amended by mutual consent of the parties hereto in writing.

30. FORCE MAJEURE.

If either Lessee or State will be delayed or prevented from the performance of any act required hereunder by reason of acts of Nature, governmental restrictions, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Lease) or other cause without fault and beyond the control of the party obligated (except financial inability), performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Nothing in this Paragraph shall excuse Lessee from prompt payment of any rent, taxes, insurance or any other charge required of Lessee, except as may be expressly provided in this Lease.

31. WAIVER.

If State waives the performance of any term, covenant or condition contained in this Lease, such waiver shall not be deemed to be a waiver of that or any subsequent term, covenant or condition.

Failure by State to enforce any of the terms, covenants or conditions of this Lease for any length of time shall not be deemed to waive or decrease State's right to insist thereafter upon strict performance by Lessee.

Waiver by State of any term, covenant, or condition contained in this Lease may only be made by a written document properly signed by an authorized State representative.

32. ENTIRE AGREEMENT.

SECTION 3 – STANDARD PROVISIONS

This Lease and its exhibits constitute the entire agreement between State and Lessee. No prior written or prior, contemporaneous or subsequent oral promises or representations shall be binding.

33. PARAGRAPH HEADINGS.

All Paragraph headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Lease.

34. SEVERABILITY.

If any term, covenant, condition, or provision of this Lease or any application thereof, to any extent, is found invalid, void, or unenforceable by a court of competent jurisdiction, the remainder of this Lease will not be affected thereby, and will be valid and enforceable to the fullest extent permitted by law.

35. SEPARATE COUNTERPARTS.

This Lease may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same Agreement. The exchange of copies of this Lease and of signature pages by electronic mail in “portable document format” (“pdf”) form or by any other electronic means shall constitute effective execution and delivery of this Lease, as long as the original signatures will follow in the mail.

36. SUPERSEURE.

This Lease supersedes and voids any prior license, lease or agreement of any kind between State and Lessee identified in this Lease with regards to the Premises.

37. BINDING.

The terms of this Lease and covenants and agreements herein contained shall apply to and shall bind and inure to the benefit of the heirs, representatives, assigns and successors in interest of the parties hereto.

38. ESSENCE OF TIME.

Time is of the essence for each and all of the provisions, covenants and conditions of this Lease.

End of Section 3

IN WITNESS WHEREOF, this Lease has been executed by the parties hereto as of the date written below.

**STATE OF CALIFORNIA
APPROVED:**

DIRECTOR OF DEPARTMENT OF
GENERAL SERVICES

By: _____
TONY PSIHOPAIDAS, Manager
State Owned Leasing and Development

Date Executed: _____

APPROVAL RECOMMENDED:

STATE OWNED LEASING AND
DEVELOPMENT

By: _____
KARI CHISM
Associate Real Estate Officer

CONSENT OF:

23RD DISTRICT AGRICULTURAL ASSOCIATION
D.B.A. CONTA COSTA COUNTY FAIR

By: _____
JOE BRENGLE
Chief Executive Officer

LESSEE:

COUNTY OF CONTRA COSTA, a
political subdivision of the State of
California

By: _____
BRIAN M. BALBAS
Public Works Director

Date: _____

APPROVAL RECOMMENDED:

REAL ESTATE DIVISION

By: _____
JESSICA L. DILLINGHAM
Principal Real Property Agent

By: _____
STACEY SINCLAIR
Senior Real Property Agent

APPROVED AS TO FORM:

SHARON L. ANDERSON, COUNTY COUNSEL

By: _____
KATHLEEN M. ANDRUS
Deputy County Counsel