CITY FACILITIES LEASE AGREEMENT

between

THE CITY OF LEMOORE,

a California Municipal Corporation

and

THE LEMOORE POLICE OFFICERS ASSOCIATION,

a Non-Profit Organization

This City Facilities Lease Agreement ("Agreement") is hereby made and entered into this ____ day of _____, 2011, by and between the CITY OF LEMOORE, a California municipal corporation ("City") and the LEMOORE POLICE OFFICERS ASSOCIATION, a non-profit organization ("LPOA"). City and LPOA are from time to time throughout this Agreement referred to as "Party" or "Parties".

I. RECITALS

WHEREAS, the City has ownership of the Cinnamon Municipal Complex, a facility in Lemoore, for the purpose of services to the Lemoore community out of said facility; and

WHEREAS, the Cinnamon Municipal Complex is located at 711 Cinnamon Drive in Lemoore, California; and

WHEREAS, LPOA has the exclusive expertise and resources to operate a fitness facility in said facility; and

WHEREAS, there is a need to ensure that the identified portion of the facility will benefit the members of the Lemoore Police Officers Association for a minimum of ten (10) years with two (2) renewable five (5) year extensions; and

WHEREAS, the City of Lemoore and LPOA agree that communication between the two parties is a high priority.

NOW, THEREFORE, in consideration of the covenants and conditions hereinafter set forth, it is agreed by the Parties as follows:

II. LEASE OF THE FACILITY

A. The property subject to this Agreement is located entirely at the Cinnamon Municipal Complex, incorporated herein by reference ("Facility"). The City of Lemoore agrees to allow the LPOA to utilize, and LPOA agrees to be financially responsible for the repair and maintenance costs of:

1. The exclusive use of approximately 1,250 square feet of the south east corner of the building – identified by Exhibit A as subject space.
2. LPOA will utilize said space Monday through Sunday 24 hours a day unless otherwise agreed upon in writing.
3. LPOA shall maintain their utilized space and shared space in good, sanitary condition. Any spills or unsafe/unhealthy conditions created by LPOA, its staff, volunteers or visitors will be mitigated immediately.
4. LPOA members shall not utilize the fitness facility while on duty.
5. LPOA members shall utilize the fitness facility at their own risk and said signage is required to be visible throughout the facility.
6. LPOA members shall document entry and departure to the fitness facility with the implementation of a sign in sheet.

Portions of the Facility identified above for use by LPOA are hereinafter referred to as "Leased Premises" and shall be made available by City to LPOA for purposes consistent with this Agreement.

B. It is the intent of the City of Lemoore and LPOA that the Leased Premises mentioned in Section II.A of this Agreement should remain used as a fitness facility for a minimum ten (10) years with two (2) renewable five (5) year extensions for a fee of $1.00 per year.

C. Utilities/Services. The City of Lemoore will be responsible to pay for all utilities/services for the Leased Premises.

1. **Natural Gas**: N/A.
2. **Electricity**: LPOA will be allowed to utilize City of Lemoore electrical service at no charge.
3. **Water**: LPOA will be allowed to utilize City of Lemoore water service at no charge.
4. **Trash**: LPOA will be allowed to utilize City of Lemoore's refuse service at no charge..
5. **Yard Service**: N/A.
6. **Janitorial Services**: LPOA will be expected to provide for janitorial services in the fitness facility
7. **Pest Control**: N/A.

D. Assignment and Subletting. LPOA shall not have the right to assign, sell or mortgage its interest in this Lease Agreement or to sublet the Leased Premises.

E. Onsite Facility Improvements. LPOA shall be responsible for the construction and installation of the Onsite Facility Improvements. Improvements shall consist of installation of two 8 foot walls constructed out of 2x4's and drywall materials along with doors as required. Electrical outlets will be strategically placed as needed.

F. Maintenance. From and after the Effective Date, LPOA shall, at its own expense, maintain, preserve and keep the Leased Premises identified in Section II.A of this Agreement in good repair, working order and condition, and shall in a timely manner make all repairs, replacements and improvements necessary to keep the Facility in such condition. City shall have no responsibility for such maintenance, or for any such maintenance, repairs,

replacements or improvements. LPOA shall, at its own expense and following City's written approval, have the right to remodel the Leased Premises or to make additions, modifications and improvements thereto. Such additions, modifications and improvements shall not in any way damage the Facility, or cause it to be used for purposes other than those authorized herein.

G. **Parking.** The City reserves the right to assign or re-assign parking at any time.

H. **Shared Use and Responsibility of the Existing Bathroom.** From and after the Effective Date, LPOA shall maintain to an acceptable level of cleanliness, the existing bathroom, identified in Exhibit A as the shared bathroom. During City events that are held in the Cinnamon Municipal Complex, which warrant use of the shared bathroom by City employees, agents, invitees, or guests, the City shall ensure the cleanliness of the shared bathroom upon conclusion of the event, and shall not hold LPOA responsible for damages, or violation of this clause.

III. TERM AND TERMINATION

The Lease Agreement granted herein shall be for a term of ten (10) years commencing on _____, 2011 and ending _____, 2021, except as otherwise provided herein. The Agreement shall automatically renew and be extended for up to two additional five (5) year terms, unless written notice to terminate is provided at least 90 days prior to the expiration of either the ten-year term or either five-year extension by either party to this Agreement. During the initial ten-year term or the extended term(s), all the same terms and conditions of this Agreement shall remain in effect unless modified by supplemental written agreement of the parties.

IV. CONTINGENCY; INSURANCE; AND OTHER MATTERS

A. **Indemnity.** LPOA agrees to defend, hold harmless and indemnify the City against all claims, liabilities, losses, damages and actions which arise from any activity sanctioned by LPOA at or adjacent to the Facility.

City agrees to defend, hold harmless and indemnify LPOA from all claims, liabilities, losses, damages and actions which arise from any activity sanctioned by the City at or adjacent to the Facility.

Actions, claims or proceedings which arise out of or in any way relate to the conduct of the officers, employees, agents or volunteers of LPOA, or its invitees, shall be the responsibility of LPOA and covered under the LPOA promise of indemnity to the City set forth above.

The actions, claims or proceedings which arise out of or in any way relate to the conduct of the officers, employees, agents, volunteers of the City, or its invitees, shall be the responsibility of the City, and covered under its promise of indemnity to LPOA set forth above.

V. EVENTS OF DEFAULT AND REMEDIES.

A. **Events of Default Defined.** The following shall be "Events of Default" under this Agreement and the terms "Events of Default" and "Default" shall mean, whenever they are

used in this Agreement, with respect to the Facility, any one or more of the following events:

1. Failure by LPOA to pay any rental payment or other payment required to be paid hereunder at the time specified herein and the continuation of said failure for a period of ten (10) business days after written notice given by the City that the payment referred to in such notice has not been received.
2. Failure by LPOA to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in the first clause of this Section, for a period of sixty (60) days after written notice specifying such failure and requesting that it be remedied has been given to LPOA by City, unless City shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, City will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by LPOA within the applicable period and diligently pursued until the default is corrected.

B. Remedies on Default. Whenever any Event of Default referred to in Section V.A hereof shall have happened and be continuing with respect to the Leased Premises or Facility, City shall have the right, at its option and without any further demand or notice, to take one or any combination of the remedial steps:

1. With or without terminating this Agreement, reenter and take possession of the Leased Premises and the Improvements and exclude LPOA from using it; provided, however, that if this Agreement has not been terminated, City shall return access to the Leased Premises and Improvements to LPOA when the event of default is cured; or,
2. With or without terminating this Agreement, reenter and take possession of the Leased Premises and sublease the Leased Premises.
3. Take whatever action at law or in equity may appear necessary or desirable to enforce performance and observance of any obligation, agreement or covenant of LPOA under this Agreement.

C. Delay; Notice. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle any party to exercise any remedy reserved to it in this Agreement it shall not be necessary to give any notice, other than such notice as may be required in this Agreement.

D. No Remedy Exclusive. No remedy herein conferred upon or reserved to City is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every such remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any tight or power accruing upon any Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

VI. ADMINISTRATIVE PROVISIONS

A. **Binding Effect.** This Lease Agreement shall be binding upon, and inure to the benefit of, the parties hereto, and their successors and assigns.

B. **Applicable Law.** This Lease Agreement shall be interpreted and enforced in accordance with the laws of the State of California.

C. **Effective Date.** This Lease Agreement shall be effective as of the date first set forth above.

CITY OF LEMOORE, CALIFORNIA

By _____
Jeff Briltz, City Manager

LEMOORE POLICE OFFICERS ASSOCIATION

By _____
Sgt Patrick Mundy, LPOA

By _____
Sgt James Chaney, LPOA

By _____
Ofc Jeannette Hanes, LPOA