

## LEASE AGREEMENT

This is an agreement between the City of San Jose Housing Department hereinafter “Lessee” and the Franklin-McKinley School District Owner, hereinafter “Lessor”, to provide office space located at 645 Wool Creek Drive.

IT IS AGREED between the parties as follows:

Facilities to be provided – Lessor shall provide the following facilities:

Facility: A portion of Second Floor Office space (Suite A) of approximately 1,000 sq. ft. as shown in Exhibit “A” referred to as “premises”

Address: 645 Wool Creek Drive, San Jose, CA 95112

1. Term: The term of this lease shall commence on August \_\_\_\_, 2021, and terminate on July 30, 2022. A one (1) month deposit is required. Lessee shall be entitled to renew the lease for an additional six-month term, with the rental fee adjusted based on Consumer Price Index. See section “5” for more details. If Lessee elects to exercise this option to extend the term, Lessee shall give written notice to Lessor at least three (3) months prior to the end of the current term. However, if the Lessor’s Board of Education makes a finding that the Lessor needs to re-occupy the leased premises for administrative purposes related to the educational needs of the Lessor, Lessor shall notify Lessee six (6) months in advance of Lessor’s intention to utilize space and, upon such notification, Lessee’s right to exercise the remaining six (6) month additional lease option shall terminate.

2. Access to Facilities: The Lessee, his/her officers, agents, employees, and invitees, shall have all right of ingress and egress to and from the above facilities and over such other portions of property at the facility as the Lessor deems necessary for the use of the facilities. Such right to access shall also include parking, restrooms, and other necessary items.

Lessee will be provided with appropriate keys, access codes, and security codes as required for access to the facilities. Lessee will be notified by the Lessor of holidays or other times when the facility will be closed to the public. Lessee is required to make prior arrangements with the Lessor if public access is required during these times. Lessee shall also be afforded the use of Lessor’s public area meeting spaces, on a per request basis, subject to availability and prior written consent of Lessor. Certain fees may apply when reserving public area meeting spaces through Facilitron.

3. Maintenance, Custodial Services, and Repairs: Lessor shall, at its own expense, keep the exterior and interior facilities in good repair and maintain them in a condition suitable for the above purposes according to Federal, State, and Local Building, Public Safety, and Access requirements including but not limited to (CA Code of Regulation Code, Titles 19 and 24). Lessee shall be responsible for all repairs to those portions of the leased office space which are occasioned by damage caused by Lessee officers, employees, agents, and invitees, at no cost to Lessor.

Lessor agrees to provide light custodial services to the Lessee. The cost of custodial services will be included in the rent charge. Any leasehold improvements that may be undertaken by the

Lessee must receive prior written approval from the Lessor before the commencement of any work. This includes, but is not limited to, modification to interior spaces or the reconfiguration of moveable partition panels.

4. Utilities: Lessor shall provide all water, electricity, heat, air conditioning, and sewage; the cost of the same shall be included in the base rent fee provided in paragraph 5. Lessee will be responsible for phone and broadband services.

5. Rent: Lessee shall pay Lessor the following: Utilities & Custodial

	21/22 SY
Total Square Feet	1,000
Rate Square Feet/ Month	\$1.81
Months Covered	11
Annual Rental Fee	\$19,910

The monthly total rent will be adjusted annually in July. The starting point for computing the adjustment is the Consumer Price Index – All Urban Consumers (CPI) for the San Francisco-Oakland-San Jose Metropolitan Area as published by the US Bureau of Labor Statistics. (<http://www.bls.gov/cpi/>).

If the Lessee starts utilizing the facilities prior to August 1, 2021, we will prorate the rental fee based on those additional days.

6. Billing: The above rental payment shall be made monthly to Lessor upon receipt of Lessor's standard invoice.

7. Damage to Premises: Lessee shall pay Lessor for the repair or replacement of any property of facilities of Lessor which may be lost, damaged, or stolen as a result of Lessee's use of Lessor's premises.

8. Indemnification: Lessor and Lessee agree that pursuant to Government Code Section 895.4, each of the Parties hereto shall fully indemnify and hold each of the other Parties, their officers, board members, employees, and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined in Government Code Section 810.8) occurring by reason of the negligent acts or omissions or willful misconduct of the indemnifying party, its officers, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such party under this Agreement. No party, nor any officer, board member, or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of the other Parties hereto, their officers, board members, employees, or agents, under or in connection with or arising out of any work authority or jurisdiction delegated to such other Parties under this Agreement.

9. Liability Insurance: Lessor acknowledges that Lessee self-funds for liability exposures

and does not purchase commercial insurance policies. Lessee will provide Lessor a Letter of Self-Insurance at the inception of the Lease Agreement. During the entire term of Agreement, and any extension thereof, Lessee shall maintain in effect a self-funding for liability exposures, including general liability, coverage of owned and non-owned automobiles, providing a minimum combined single limit coverage of \$1 million for the defense of lawsuits and the payment of damages arising from bodily injury, sickness or disease, and death to any person, and property loss, damage, and destruction for each accident or occurrence covering the Lessee, its officers, employees, and agents.

Recommended Coverage	Per Occurrence / Aggregate Limits	Certificate of Insurance	Additional Insured
General Liability	\$1,000,000 / 2,000,000	X	X
Sexual Abuse or Molestation	\$1,000,000 / 2,000,000		

10. Assignments and Subcontracts: This agreement, or any part thereof, may not be assigned or subcontracted by either party hereto, except with the written consent of the other party. Any assignment or subcontract made without such consent shall be void, and shall, at the option of the aggrieved party, terminate the agreement.

11. Signage: All signage shall be in accordance with the Lessor's type, design, and colors at the expense of Lessee. The main entrance to the Lessee's office suite may include the lettering and logo of the Lessee's and signage on two exterior locations: one (#1) located at the front door of the District Office and the second (#2) located at the front driveway entrance of the District Office. The marquee-type signs will be available for the Lessee to display the Lessee's logo.

12. Attorney's Fees: In the event either party shall bring any action or legal proceeding for damages for any alleged breach of any provision of this Lease, to recover rent or possession of the Premises, to terminate this Lease, or to enforce, protect or establish any term or covenant of this Lease or right or remedy of either party, each party shall bear their own costs.

LESSEE:  
City of San Jose Housing Department

*Sarah zarate*

By:

Sarah Zarate | Director  
City of San Jose  
City Manager's Office  
200 E. Santa Clara Street  
San Jose, CA 95113  
Email: [Sarah.zarate@sanjoseca.gov](mailto:Sarah.zarate@sanjoseca.gov)

8/10/21

Date:

*Rene Alejandro Ortega*

Rene Alejandro Ortega  
Sr. Deputy City Attorney  
Approved as to form

LESSOR:  
FRANKLIN-MCKINLEY  
SCHOOL DISTRICT

By

*Jason E. Vann*  
Assistant Superintendent Business

Date:

*8/12/21*