

Meeting Date: 8/9/2016

Report Type: Consent

Report ID: 2016-00715

Title: Lease Agreement for Oak Park Child Care Center

Location: District 5

Recommendation: Pass a Motion: a) finding that it is in the best interests of the City to lease a building within the Oak Park Community Center complex without bidding per City Code Section 3.68.110 E; b) approving the Lease Agreement with the Women's Civic Improvement Club for a child care center at the City building at 3930 8th Avenue for a five-year term with a five-year extension option for an annual rent amount of \$26,400; and c) authorizing the City Manager or his designee to execute the Lease Agreement.

Contact: Shannon Brown, Operations Manager, (916) 808-6076, Department of Parks and Recreation

Presenter: None

Department: Parks & Recreation Department

Division: Fiscal And Management Services

Dept ID:

Attachments:

1-Description/Analysis

2-Exhibit A

City Attorney Review

Approved as to Form

Sheryl Patterson

7/21/2016 2:07:47 PM

Approvals/Acknowledgements

Department Director or Designee: Christopher Conlin - 7/19/2016 9:19:47 AM

Description/Analysis

Issue Detail: Within the Oak Park Community Center campus located at 3930 8th Avenue is a 4,150 square foot facility. In the late 1980s, the City sought proposals, based on certain qualifications, from providers of child care services. Since 1988, under a lease agreement with the City, the Women's Civic Improvement Club of Sacramento, Inc. (WCIC) has operated a Head Start Child Development Program. The current lease is set to expire on August 31, 2016, and the proposed action is to renew the lease at the same rental rate for five years with a five-year extension option, for a total term of 10 years. The Oak Park Child Care Center has three activity rooms, a kitchen, multiple offices, and play loft areas.

City Code Section 3.68.110 E provides for leasing City property without bidding to a non-profit community civic organization with a membership comprised predominantly of persons residing in the city if the lease term does not exceed 10 years. WCIC is a 501(c)(3) non-profit community civic organization incorporated in 1945 to provide services to Sacramento's low income communities. WCIC will pay a monthly rent of \$2,200.

Policy Considerations: This City building was constructed with redevelopment funds for the purpose of establishing a child care center for the Oak Park community. The continued operation of the Oak Park Child Care Center by WCIC is consistent with the designated use for this building.

Economic Impacts: Not applicable.

Environmental Considerations: The lease to allow continued use of the building located at 3930 8th Avenue by WCIC for a Head Start Child Development Program and is exempt from environmental review under the CEQA Guidelines Section 15301, Existing Facilities.

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: WCIC will continue to operate a Head Start Child Development Program for low income families within the Oak Park community.

Financial Considerations: A five-year lease for the period September 1, 2016, through August 31, 2021, will generate annual revenue of \$26,400, for a total of

\$132,000. All funds collected will be deposited in the General Fund, Community Center unit (department 19001641, fund 1001).

Local Business Enterprise (LBE): Not applicable.

**LEASE AGREEMENT
OAK PARK CHILD CARE CENTER
3930 8th Avenue**

THIS LEASE AGREEMENT (“Lease”), is made as of _____, 2016 (“Execution Date”) by and between the CITY OF SACRAMENTO, a municipal corporation (“City” or “Lessor”), and the WOMEN’S CIVIC IMPROVEMENT CLUB OF SACRAMENTO, INC., a California nonprofit corporation (“WCIC” or “Lessee”).

BACKGROUND

- A. WCIC is a non-profit community civic organization that was incorporated in 1945 to provide services to Sacramento’s low income communities.
- B. Within the Oak Park Community Center campus located at 3930 8th Avenue is a building that the City has leased to WCIC to operate a Head Start child care center since 1988. The current lease is set to expire on August 31, 2016.
- C. The City Code allows for leases of City property without competitive bidding to nonprofit organizations with a membership comprised predominantly of persons residing in the City for a term of not more than 10 years.

AGREEMENT

NOW, THEREFORE, Lessee and Lessor enter into this Lease for the purpose of establishing each party’s rights and obligations with regard to the occupancy, use and maintenance of the Premises as follows:

1. DESCRIPTION OF PREMISES.

Subject to the terms and conditions in this Lease, Lessor leases to Lessee, and Lessee leases from Lessor, the City building located at 3930 8th Avenue as shown in attached Exhibit A (the “Premises”).

2. TERM.

A. The term of this Lease is five (5) years commencing on September 1, 2016 and ending on August 31, 2021 (“Initial Term”), subject to prior termination by Lessor in the event of breach of any of the terms and conditions of this Lease, or pursuant to Section 15. If Lessee shall for any reason holdover beyond the Initial Term with Lessor’s consent, express or implied, such holding over shall not be a renewal of this Lease but shall be a month-to-month tenancy subject to the terms and conditions of this Lease or subject to such other terms as Lessor may specify.

B. Subject to Lessor's consent, Lessee has the option to extend the term of this Lease by five (5) years commencing on September 1, 2021 and ending on August 31, 2026 ("Extended Term"), by giving written notice of Lessee's request for extension ("Option Notice") to Lessor not less than six (6) but not more than one year before the end of the Initial Term. Within ninety (90) days from receipt of Lessee's written request for extension, Lessor shall notify Lessee of Lessor's decision concerning such request. Notwithstanding the foregoing, Lessee shall have no right to extend the Initial Term if Lessee is in default on the date the Option Notice is given to Lessor or if Lessee is in default on the date the Extended Term is to commence.

3. RENT.

A. Lessee shall pay Lessor monthly ("Rent") the amount of Two Thousand Two Hundred Dollars (\$2,200.00). Payment is due on the first day of each month and made payable to the City of Sacramento Revenue Division, 915 I Street, 1st floor, Sacramento CA 95814.

B. A penalty ("Late Charge") of six percent (6%) of the amount due shall be added to the Rent amount if payment is not received by Lessor on or before the tenth (10th) day of the month. The Rent amount due shall compound by the rate of 1.5% monthly until the outstanding balance is paid in full. The imposition of a Late Charge and interest owed and the acceptance of a late payment shall not be construed as a waiver of Lessor's rights in the event of a default by Lessee.

C. The monthly rent for the Extended Term shall be mutually agreed to by the parties within the ninety (90) day period for Lessor's consent to the Extended Term as specified in Section 2. In the event the parties cannot reach agreement on monthly rent for the Extended Term, this Lease will terminate at the end of the Initial Term.

4. PERMITTED USE AND OPERATION REQUIREMENTS.

A. Lessee shall use the Premises exclusively for the operation of a Head Start Child Development Program (the "Program") to serve the Oak Park community and for no other purpose. No other use of the Premises shall be permitted without the written consent of Lessor. Lessee shall not sublease or assign any interest in the Premises without the prior written consent of Lessor. Lessee's failure to occupy and operate the Program at the Premises is a default and shall result in termination of this Lease.

B. Lessee's shall at all times during the term of this Lease be fully licensed by the State of California Department of Social Services to operate a preschool child care facility at the Premises, shall have a Program Director and staff that hold child care director and teacher licenses by the State, and shall insure that the Premises meets the State's day care facility standards.

C. Lessee shall not conduct or permit any activity at the Premises, or allow any condition of the Premises, to be a public or private nuisance.

D. In its occupancy and use of the Premises, Lessee shall not discriminate against any applicant for employment, any employee, any parent or child, or any member of the public on the grounds of sex which includes gender identity and gender expression, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language or immigration status. The foregoing is based on Section 51 of the Civil Code of the State of California, which is incorporated herein by reference as if set forth herein in full, and includes any other applicable federal, state, or local law prohibiting discrimination. Lessee is also prohibited from discriminating in the provision of employee benefits between employees with spouses and employees with domestic partners, and between the spouses and domestic partners of employees of Lessee.

E. Lessee shall operate and manage the Program, and shall ensure that its employees at all times conduct themselves, in a professional, businesslike manner. Lessee shall have a Program Director in attendance at all times that the Program is in operation at the Premises and shall maintain a staff adequate to operate and administer the Program in a safe and orderly manner.

F. Lessee shall not operate any amplified sound or music system in a manner which interferes with the operations of other tenants within the Oak Park Community Center campus or the use of adjacent private properties. Lessee shall immediately comply with any written request of the Lessor concerning the use of such sound system including, but not limited to, a request to: (1) cease the use of said equipment; (2) restrict the hours of use of such system; or (3) reduce the level of sound output of such system.

G. Lessor has the right from time to time to promulgate rules and regulations for the public's use of the Oak Park Community Center campus and Lessee shall comply with such rules and regulations at they may affect Lessee's use of the Premises or other improvements within the campus.

H. Lessee shall maintain its status as a non-profit charitable organization under Section 501(c)(3) of the Internal Revenue Code and as a corporation under state law.

5. NO WARRANTIES BY LESSOR.

Lessor makes no representation or warranty of any kind, express or implied, as to the suitability of the Premises for Lessee's Program. Lessee has occupied the Premises under prior leases with Lessor and is fully aware of the condition of the Premises. Lessor has no obligation to make improvements to the Premises to make it suitable for Lessee's operation of the Program. Lessee warrants that it has independently made a full and thorough investigation and examination of the Premises and that it is

entering this Lease relying only upon facts ascertained from said independent investigation.

6. LESSOR PROVIDED FACILITIES AND SERVICES.

A. The Premises includes furniture, fixtures and equipment (FF&E) owned by Lessor, which may have been replaced by Lessee during the term of previous leases of the Premises between the parties. Lessor's FF&E existing as of the commencement of the term of this Lease is provided to Lessee in its "as is" condition and Lessor has no obligation to repair or replace Lessor's FF&E during the term of this Lease. Lessee may not remove or replace any existing Lessor FF&E without Lessor's prior written consent.

B. Lessor's Oak Park Community Center campus includes public parking spaces for use by the public and patrons of the Premises. Lessor maintains the parking lot and the landscaped area of the campus for the benefit of the public.

C. Lessor will furnish to Lessee water and sewer services, and trash and garbage disposal.

7. MAINTENANCE OF PREMISES.

With the exception of structural or system defects and failures which render the Premises inoperable or prevent its use for Lessee's Program, Lessee shall be responsible for the costs of utilities, services other than what Lessor provides per Section 6, and certain maintenance of the Premises as follows:

A. Utilities – Lessee shall arrange for electricity and gas services for the Premises.

B. Services – Lessee shall be responsible for pest control, fire extinguisher maintenance services, telephone service and computer Internet services. Lessor shall be responsible for the maintenance services for the security alarm system installed by Lessor.

C. Maintenance - Lessee and Lessor shall be responsible for maintenance of the Premises as follows:

(1) Lessee shall be solely responsible for maintenance, repair and replacement of the following Premises systems, fixtures and components necessitated by the normal use and wear of the building, but excluding damages caused by vandalism:

(a) Light bulbs and fixtures;

(b) All interior improvements including walls, ceiling tiles, flooring and window coverings, doors and windows, including glass replacement;

- (c) Painting the interior of the building and graffiti removal from the exterior of the building;
 - (d) Telephone and computer-related wires and systems; and
 - (e) Minor plumbing (e.g., toilet malfunction) and incidental expenses.
- (2) Lessor shall be responsible for maintenance, repair and replacement of the following systems, fixtures and components necessitated by the normal use and wear of the building:
- (a) Heating and air conditioning systems, with the exception of replacement of major system components;
 - (b) Roofing leaks and defects and weather proofing, with the exception of roof replacement;
 - (c) Plumbing and electrical pipes, wires and systems inside the interior walls;
 - (d) Painting and caulking the exterior of the building if signs of paint deterioration exist; and
 - (e) Doors and door hardware including locks.

Lessee shall contact Lessor's Contract Manager, specified in subsection Section G, to report any problems with the Premises which require maintenance by Lessor. Annually the parties shall meet to inspect the Premises and review the building maintenance work performed by the parties.

- (3) If Lessee fails to perform its maintenance responsibilities, Lessor shall have the right to perform such work at Lessee's expense, but such right shall not be construed as constituting a legal obligation upon Lessor to continue to perform such maintenance work. Lessor shall first notify Lessee in writing of any maintenance work that is not being properly performed by Lessee, provide Lessee with the opportunity to perform the work, and notify Lessee of the estimated costs for Lessor to perform such work before Lessee is obligated to reimburse Lessor for such maintenance work.

D. Janitorial - Lessee shall be solely responsible for arranging for custodial and janitorial services to maintain the Premises in a safe, sanitary and neat condition. If any event of pest or vermin infestation is found in the Premises, Lessee shall immediately contract with a bonded, professional pest-and-sanitation control operator to immediately remedy such infestation.

E. Reporting – Lessee will report to Lessor's Contract Manager as soon as any of the following are observed:

- (1) Graffiti, vandalism or other illegal activity in or around the building;
- (2) Exterior building lighting is inoperable;
- (3) Walkway pavement cracking and uplifting presents a safety hazard;

- (4) Roof leaks, electrical system default, plumbing system pipe ruptures, or if HVAC system becomes inoperable; and
- (5) Any other problems which may pose a health or safety hazard.

F. Suspension of Use – Whenever the condition of the Premises could expose the public to safety or health hazards, Lessee shall immediately discontinue use of the Premises and shall prevent public entry until the defects can be remediated and the threat of injury or damage to the public no longer exists. If Lessor discovers safety or hazardous conditions at or near the Premises, Lessor shall have the right to order the Premises immediately closed until such conditions are remedied or removed by Lessee and/or by Lessor, without liability to Lessee for lost revenue due to such suspension.

G. CITY Contract Manager - All notices and reports by Lessee under this Lease shall be sent to:

Kimberly Rhodes, Administrative Analyst
City of Sacramento
Department of Parks and Recreation
915 I Street, 3rd floor
Sacramento CA 95814
Phone: (916) 808-6316
E-mail: krhodes@cityofsacramento.org

8. LESSOR'S RIGHT OF ENTRY.

Lessor reserves the right to enter the Premises at reasonable times to carry out any building management or business purpose in or about the Premises. Lessee shall permit Lessor and its employees and authorized agents to enter the Premises during Lessee's usual Program hours of operation or upon twenty-four (24) hours advance notice for the purpose of inspecting the Premises.

9. IMPROVEMENTS, LIENS AND TAXES.

A. Lessee may provide at its own expense any additional security devices, installation or equipment designed for the purpose of protecting the Premises from theft, burglary, or vandalism.

B. Lessee shall not undertake any other alterations or improvements to the Premises without Lessor's prior written consent. If Lessor permits Lessee to undertake alterations or improvements to the Premises, upon expiration or earlier termination of this Lease those alterations or improvements which are affixed to the building shall become the property of Lessor without any obligation to reimburse Lessee for those costs. Lessee shall not create waste, destroy or modify any improvements within the Premises except as approved by Lessor in advance in writing.

C. Lessee shall pay in full all persons and entities that perform labor or provide materials for the work to be performed by Lessee at the Premises and shall not permit or suffer any mechanics' or materialmen's liens of any kind or nature to be enforced against Lessor's property for such work or materials. Lessee shall indemnify and hold harmless Lessor from and against any and all liens, claims, demands, costs or expenses of whatsoever nature in any way connected with or arising from such work done, labor performed, or materials furnished.

D. Lessee shall be obligated to pay any possessory interest tax levied or assessed by the County Assessor on Lessee's possessory interest in the Premises under this Lease.

10. INDEMNITY AND HOLD HARMLESS.

Lessee shall assume the defense of, and indemnify and save harmless, Lessor, and its officers, employees, agents and volunteers from and against all actions, damages, costs, liability, claims, losses, judgements, penalties and expenses of every type and description including, but not limited to, any fees and/or costs reasonable incurred by the Lessor's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), to which any or all of them may be subjected, to the extent such Liabilities arise out of or are in any way connected with Lessee's performance of its rights and obligations under this Lease, whether or not such Liabilities are caused in part by Lessor, its officers, employees, agents and volunteers; provided that the foregoing indemnity does not apply to Liabilities arising from the sole negligence of willful misconduct of Lessor, its officers, employees, agents and volunteers. This indemnity provision shall survive the termination or expiration of this Lease.

11. INSURANCE REQUIREMENTS.

During the term of this Lease, Lessee shall maintain in full force and effect at its sole cost and expense, the insurance coverage specified on Exhibit "B", attached hereto and incorporated herein by reference.

12. COMPLIANCE WITH LAWS.

A. Lessee and its employees and agents shall at all times comply with and abide by all applicable regulations and ordinances of the City of Sacramento, the County of Sacramento, and the laws of the State of California and the United States, including the Americans with Disabilities Act, and to obtain and keep in effect all necessary permits and licenses required for all operations permitted under this Lease.

B. Lessee represents, warrants and covenants that Lessee and its employees and agents will occupy and use the Premises in compliance with all applicable federal, state and local laws ordinances and regulations, including consent decrees and administrative orders relating to public health and safety and protection of the

environment ("Environmental Laws"), and that Lessee will not permit to occur on the Premises any release, generation, storage, disposal or treatment of any hazardous materials as that terms is defined in any of the Environmental Laws. Lessee shall immediately notify Lessor of any release of hazardous materials and take such necessary remediation measures at Lessee's expense to complete the remediation to the satisfaction of Lessor. Lessee shall immediately notify Lessor of any complaints, citations, inquires or notices from any governmental entity relating to compliance with Environmental Laws.

13. ASSIGNMENT, SUBLET, HYPOTHECATION.

A. Lessee shall not directly or indirectly assign, sublet, or hypothecate any interest in the leasehold estate under this Lease. Any attempt or purported assignment of any right or obligation of Lessee with the intent of releasing Lessee from its obligations to Lessor pursuant to this Lease shall be void and of no effect.

B. Excepting only a change in name, the term "assignment" shall include any change in the form of business entity of Lessee, any merger or consolidation of Lessee from that of a California nonprofit corporation whether voluntarily or by operation of law providing; however, that a change of status due only to a change in the California Corporation Code shall not be deemed to be an assignment.

C. Lessee is directly responsible for all events, activities, services, or merchandise conducted or provided on the Premises. The conducting of said events and activities and the offering or provision of goods and services must be under the auspices of authorized officers, employees, or volunteers of Lessee and all revenue realized within the scope of this Lease must be reflected in Lessee's financial records.

D. Lessee shall not directly or indirectly use, or permit to be used, the Premises or improvements for security for any debt.

14. VIOLATION OF LEASE PROVISIONS.

A. The Director of the City Parks and Recreation Department may terminate this Lease in the event that Lessee violates any provision of this Lease. Lessee may appeal any termination of this Lease to the City Manager within thirty (30) days after the date of mailing the notice of termination by the Director. Lessee's written notice shall specify the grounds for the appeal. The decision of the City Manager, or his or her designee, shall be final and conclusive.

B. In the event Lessee fails or neglects to perform any of the duties required to be performed by it by virtue of the provisions of this Lease, after Lessor provides written notice of default to Lessee and a reasonable opportunity to cure, Lessor may enter the Premises as provided in Section 8 and Lessee shall pay Lessor for its costs to perform such duties.

C. Either the appointment of a receiver to take possession of all or substantially all of the assets of Lessee, a general assignment by Lessee for the benefit of creditors, or any action taken or suffered by Lessee under any insolvency or bankruptcy act, shall constitute a breach of this Lease by Lessee. Should such action occur against Lessee, Lessee shall have thirty (30) days to cure the action or suit prior to being considered in default of this Lease.

15. TERMINATION.

Notwithstanding the term provisions in Section 2, either party may terminate this Lease for its convenience by providing the other party at least one hundred and eighty (180) days advance written notice in the manner specified in Section 21 and specifying the date of termination. In the event that funding to Lessee for the operation of its Head Start Child Care Program is reduced, suspended, or terminated so that Lessee must terminate the child care program being conducted at the Premises, Lessee may terminate this Lease by providing Lessor with at least thirty (30) days advance written notice and specifying the date of termination.

16. SURRENDER.

At the end of the term of this Lease, or at any time this Lease may be terminated, Lessee shall peaceably vacate the Premises and any and all improvements located thereon and deliver up the same to Lessor in a reasonably good condition, ordinary wear and tear excepted. Within thirty (30) days of termination, Lessee or Lessee's representatives shall remove, at its sole cost and expense, its own furniture, furnishings, equipment, inventory and trade fixtures and the Premises shall be restored to its original condition, ordinary wear and tear excepted. Should Lessee fail to remove said items within the thirty-day period, Lessee shall lose all right, title and interest in and to said items, and Lessor may elect to keep same upon the Premises or to sell, remove or demolish them without the requirement to reimburse Lessee therefor.

17. CAPTIONS.

The captions of the various sections and paragraphs of this Lease are for convenience and ease of reference only and do not define, limit, augment, or describe the scope or intent of this Lease or any part or parts of this Lease.

18. WAIVER.

The waiver by either party of any breach of any term, covenant or condition of this Lease shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition of this Lease.

19. CONDEMNATION.

In the event any entity with the power of eminent domain shall take the Premises, or any part thereof, actually using the power of eminent domain or negotiating under the threat of the use of the power of eminent domain, then;

(i) In the event of taking of the entire Premises, this Lease shall be terminated when title passes to the condemner or when possession is obtained by the condemner, whichever shall first occur; or

(ii) In the event of taking of less than the entire Premises, Lessee shall have the right to terminate this Lease by giving thirty (30) days advance written notice to Lessor.

20. EXCUSABLE DELAYS.

Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, enemy or hostile government action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of any party obligated to perform, shall excuse performance by such party for a period equal to such prevention, delay or stoppage.

21. NOTICES.

Any notices that may be given under this Lease may be served by first-class mail or in person as follows, or to such other address as either may provide to the other in writing:

To Lessor:

City of Sacramento
Attn: Director of Parks and Recreation
915 I Street, 3rd Floor
Sacramento, CA 95814
(916) 808-8526

To Lessee:

Women's Civic Improvement Club
Attn: Executive Director/Head Start
3555 3rd Avenue
Sacramento, CA 95817
(916) 451-8870

22. AMENDMENT IN WRITING/SUCCESSORS.

Any amendment to this Lease shall be in writing and signed by both parties. The covenants and conditions herein contained shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of all of the parties hereto.

23. SEVERABILITY.

The invalidity of any portion of this Lease shall not affect the remainder, and any invalid portion shall be deemed rewritten to make it valid so as to carry out as near as possible the expressed intention of the parties.

24. NO JOINT VENTURE.

The parties to this Lease do not constitute a joint venture, partnership or association other than that of landlord and tenant pursuant to this Lease.

25. TIME OF THE ESSENCE.

Time is of the essence in the performance of Lessee's obligations under this Lease.

26. GOVERNING LAW.

This Lease shall be construed and enforced in accordance with the laws of the State of California.

27. AUTHORIZATION.

Each individual executing this Lease on behalf of an entity represents and warrants that he or she has been authorized to do so by the entity on whose behalf he or she executes this Lease and that said entity will thereby be obligated to perform the terms of this Lease.

28. ENTIRE AGREEMENT.

This Lease constitutes the entire agreement and supersedes the prior leases of the Premises between the parties and any prior written or oral agreements between the parties with respect to the matters contained herein.

[signature page follows]

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease on the date hereinabove first written.

LESSOR: CITY OF SACRAMENTO,
a municipal corporation

By: _____
Christopher Conlin, Director
Department of Parks and Recreation
For: John F. Shirey, City Manager

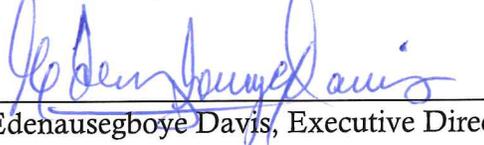
APPROVED AS TO FORM:

By: _____
Senior Deputy City Attorney

ATTEST:

By: _____
Assistant City Clerk

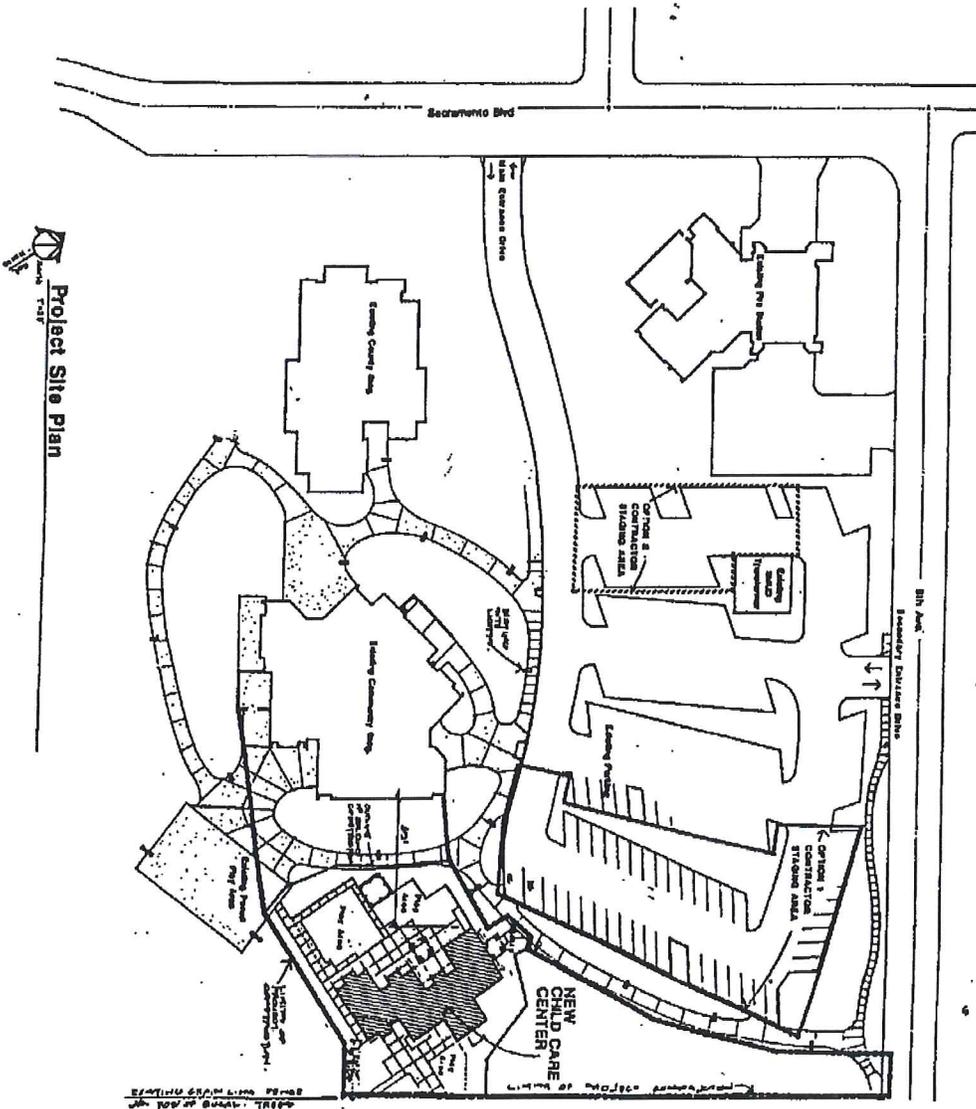
LESSEE: WOMEN'S CIVIC IMPROVEMENT CLUB,
a California nonprofit corporation

By: 
Edenausegboye Davis, Executive Director/Head Start

Attachments:
Exhibit A: Lease Area Diagram
Exhibit B: Insurance Requirements

Exhibit A: Lease Area Diagram

EXHIBIT A
Page 1 of 2



Project Site Plan

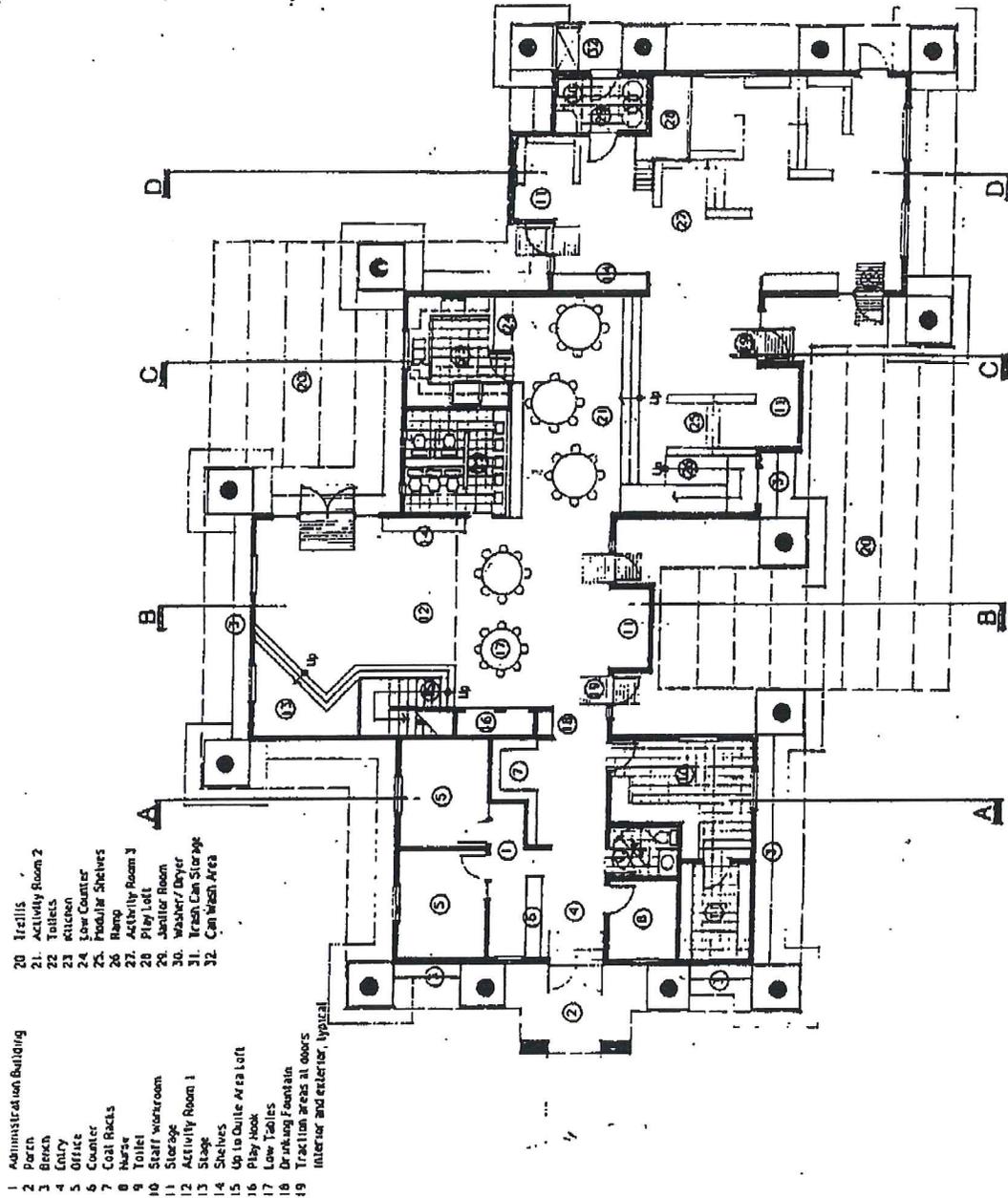
Oak Park Child Care Center
 Sacramento Housing & Redevelopment Agency
 A Park Community Center, Sacramento, CA.

Project

Issues
 Date: 06/23/16
 Rev: 16/16

Title
 Project: Oak Park Child Care Center
 Issue: Lease Area Diagram

Sheet
 A1



- 1 Administration Building
- 2 Park
- 3 Bench
- 4 Entry
- 5 Office
- 6 Counter
- 7 Coat Racks
- 8 Nurse
- 9 Toilet
- 10 Staff workroom
- 11 Storage
- 12 Activity Room 1
- 13 Stage
- 14 Shelves
- 15 Up to Quilt Area Loft
- 16 Play hook
- 17 Low Tables
- 18 Drinking Fountain
- 19 Traction areas at doors interior and exterior, typical
- 20 Trellis
- 21 Activity Room 2
- 22 Toilets
- 23 Kitchen
- 24 Low Counter
- 25 Modular Shelves
- 26 Ramp
- 27 Activity Room 3
- 28 Play Loft
- 29 Janitor Room
- 30 Washer/Dryer
- 31 Trash Can Storage
- 32 Can Wash Area

Floor Plans
Scale 1/8"=1'-0"
NORTH

Oak Park Child Care Center

Exhibit B: Insurance Requirements

During the term of this Lease, Lessee shall maintain in full force and effect at its own cost and expense the following insurance coverages. Lessor does not represent that the coverage and limits of the required insurance will be adequate to protect Lessee's interests. It is also understood and agreed by the Lessee that the required insurance coverage and limits shall not be deemed as a limitation on Lessee's liability under the indemnity granted to the Lessor in this Lease.

Insurance requirements are subject to review and revision every five (5) years to assure that policy terms, conditions, and limits are maintained in accordance with current insurance industry standards for comparable premises and buildings.

A. Minimum Scope & Limits of Insurance Coverage

- (1) General Liability Insurance is required providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall include coverage for premises, operations, products and completed operations and contractual liability for the term of the policy. The policy shall include a fire legal liability limit of \$100,000 per occurrence.
- (2) Auto Liability Insurance is required providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) combined single limit. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Lessee.
- (3) Workers' Compensation Insurance is required with statutory limits, including a waiver of subrogation in favor of City and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000).
- (4) All Risk Property Insurance is required for all tenant improvements, fixtures and equipment located on or about the Premises against loss of damage including fire, flood or other acts of nature and vandalism. Tenant improvements, fixtures and other equipment shall be insured for replacement value. The proceeds from any such policy shall be used by the Lessee for replacement of personal property and restoration of Lessee's tenant improvements or alterations.

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The City, its officials, employees, agents and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of activities performed by or on behalf of Lessee, including products and completed operations of Lessee and premises owned, leased or used by Lessee.
- (2) Automobile Liability Insurance: The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Lessee's insurance shall be primary as respects City, its officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees, agents or volunteers shall be in excess of Lessee's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officials, employees, agents or volunteers.
- (3) Coverage shall state that Lessee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) The City will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:V. Self-insured retentions, policy terms or other variations that do not comply with the foregoing requirements must be declared to and approved by the City Risk Management Division in writing prior to execution of this Lease.

E. Verification of Coverage

Lessee shall furnish City with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the City's representative named in Section 17 G. Copies of policies shall be delivered to the City on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.