LEASE AGREEMENT
BETWEEN CITY OF MENLO PARK
AND
MENLO PARK LIBRARY FOUNDATION

THIS LEASE AGREEMENT (hereinafter "Lease") is made and entered into this 1st day of February, 2019, by and between the City of Menlo Park, a California municipal corporation (hereinafter "City") and Menlo Park Library Foundation, a California nonprofit corporation (hereinafter "Lessee"). City and Lessee may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Lease." The Menlo Park City Manager serves as Contract Administrator for this Lease on behalf of the Menlo Park City Council.

RECITALS

WHEREAS, These recitals are a substantive portion of this Lease; and

WHEREAS, City and Lessee desire to lease the Premises to provide for the operation and maintenance of a "Menlo Park Library Foundation Office" ("MPLF Office"); and

WHEREAS, The MPLF Office is expected to serve as a location for board members and skilled volunteers of Menlo Park Library Foundation to conduct the organization's business;

NOW, THEREFORE, in consideration of these Recitals and the following covenants, terms, and conditions, Lessee and City mutually agree as follows:

LEASE PROVISIONS

1. PREMISES. City hereby leases to Lessee, certain real property located in the City of Menlo Park, County of San Mateo, State of California, commonly known as the MPLF Office (hereinafter the "Premises") and more particularly described in Exhibit A, entitled Description of Subject Property, attached hereto and incorporated herein by reference. The Premises consists of approximately ninety (90) square feet located on the ground level within the Menlo Park Main Library, 800 Alma Street, Menlo Park, CA 94025, as set forth in Exhibit A. Unless specifically provided, Lessee accepts the Premises "as-is" on the date of execution of this Lease.

2. TERM.

2.1 Original Term. The term of this Lease shall be for a period of ten (10) years, commencing February 1, 2019, and terminating January 31, 2029.

2.2 Termination. City or Lessee may terminate this Lease upon one-hundred twenty (120) days written notice.

3. RENT.

3.1 Rental. Lessee agrees to pay to City as rental for the Premises the sum of One Dollar ($1.00) per year in lawful money of the United States on or before the first day of February of each calendar year during the term hereof, free from all claims and demands against City of any kind, nature, or description whatsoever, at such place or places as may be designated from time to time by City.
4. **USE OF PROPERTY.** Lessee shall use the Premises for office and meeting uses in connection with its non-profit charitable activities and for no other use without City’s prior written consent. Lessee shall obtain all necessary licenses and shall comply with all Local, State, and Federal regulations pertaining to the use of the Premises. In the event the Lessee should fail to use said Premises for the purposes herein provided, then said Lease shall terminate, without notice or other action, at the option of the City herein.

5. **ALTERATIONS.** Lessee shall not make any additions, alterations, or changes to the Premises without the prior written consent of the City first had and obtained. City agrees not to unreasonably withhold its consent. Any additions or alterations to the Premises shall become a part of the realty and shall revert to City. Lessee shall not change any of the locks on the Premises without providing City with a duplicate key.

6. **MAINTENANCE, REPAIR, AND UTILITIES.**

   6.1 Except as otherwise provided in Paragraph 10, Lessee shall be responsible for all interior maintenance and repair for the Premises. Lessee shall be responsible for all costs associated with the maintenance and repair, including but not limited to supplies, contract services, alterations, repairs and other maintenance costs.

   6.2 Lessee shall use the Premises in a careful, safe, and proper manner. Lessee agrees to pay City on demand for any damages to the Premises by misuse or abuse of the facility.

7. **ASSIGNMENT AND SUBLetting.** Lessee may not assign this Lease nor sublet the Premises without City’s prior written consent, which consent shall not be unreasonably withheld provided any such Lessee is a non-profit, non-sectarian, charitable organization financially capable of assuming Lessee’s obligation hereunder.

8. **ABANDONMENT.** Should Lessee abandon, be dispossessed, surrender or otherwise vacate the Premises, the City, at City’s option, may immediately terminate this Lease and enter the Premises and remove all persons and property. Lessee shall not allow the Premises to be vacant for more than a thirty day period except during any major alteration of the Premises as may be approved by City.

9. **DEFAULT.** In the event of a non-monetary default, City shall give written notice thereof to Lessee. In the event that Lessee shall not have cured the default within ten (10) days of the notice, or if the default is of a monetary nature or of a nature which cannot reasonably be cured within ten (10) days and Lessee shall not have commenced to cure the default and be diligently pursuing such cure to completion, then City, besides any other right or remedies that City may have, shall have the right either to terminate this Lease, or from time to time, without terminating this Lease, relet the Premises for the account and in the name of Lessee or otherwise, for any such term or terms and conditions as City in its sole discretion may deem advisable. Lessee shall pay to City, as soon as ascertained, the costs and expenses incurred by City in such reletting. Rentals received by City from such reletting shall be applied: First, to the payment of any indebtedness, other than rent, due hereunder from Lessee to City; Second, to the payment of the cost of reletting the Premises, including but not limited to real estate commissions and the cost of any repairs to the Premises necessary to return the Premises to their original condition, normal wear and tear excepted; Third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be held by City and applied in payment of future rent or damages in the event of termination as the same may become due and payable hereunder and the balance, if any, at the end of the term of this Lease shall be paid to Lessee. Should such rentals, received from time to time from such reletting during any month be less than that agreed to be paid during that month by Lessee hereunder, Lessee shall pay immediately such deficiency to City. Such deficiency shall be calculated and paid monthly. No such reletting of the Premises by City shall be construed as an election on its part to terminate this Lease unless a notice of such intention be given to Lessee.
or unless the termination thereof be decreed by a court of competent jurisdiction. Notwithstanding any such reletting without termination, City may at any time thereafter elect to terminate this Lease for such previous breach provided it has not been cured.

Should City at any time terminate this Lease for any breach, in addition to any other remedy it may have, it may recover from Lessee all damages it may incur by reason of such breach, including the cost of recovering the Premises, and including (a) all rent due and unpaid as of the date of such termination; (b) amounts that would have fallen due as rent between the time of termination of this Lease and the time of the judgment, or other award, less the avails of all relettings and attornments; and (c) the worth at the time of the judgment or other award, of the amount by which the unpaid rent for the balance of the term exceeds the amount of such rental loss that Lessee proves could be reasonably avoided; and (d) any other amount necessary to compensate City for all the detriment proximately caused by Lessee's failure to perform Lessee's obligations under this Lease or which in the ordinary course of things would be likely to result therefrom.

10. **DESTRUCTION.** In the event the Premises are partially destroyed from any cause, City shall repair the property—provided the cost of such repairs are fully covered by insurance and such repairs can be made within ninety (90) days. Such partial destruction shall not void this Lease.

If the repairs cannot be made within ninety (90) days, this Lease may be terminated at the option of either party. In the event the Premises suffer the destruction of more than 25 percent of the replacement cost or in the event insurance proceeds are not sufficient to cover the cost of repairs, City may elect to terminate this Lease.

City shall not be obligated to replace any of the Lessee's personal property which may be damaged or destroyed.

11. **INSURANCE AND INDEMNIFICATION.** Lessee, at its own expense, shall provide and keep in force public liability insurance for the benefit of City and Lessee jointly against liability for bodily injury and property damage in an amount of not less than One Million Dollars ($1,000,000.00) for injury to, or death of one person in any one accident or occurrence, and in an amount of not less than One Million Dollars ($1,000,000.00) for injury to, or death of more than one person in any one accident or occurrence, and in the amount of not less than One Million Dollars ($1,000,000.00) per occurrence in respect to damage to property, such limits to be for any greater amounts as may be reasonably indicated by circumstances from time to time existing. City shall be named as an additional insured on Lessee's insurance policy.

Lessee, during the continuance of this Lease, covenants and agrees to indemnify and save harmless the City, its agents and employees from each and every loss, cost, damage and expense arising out of any accident or other occurrence on the Premises causing injury to or death of persons or damage to property by reason of the condition of the Premises, or due to the use or neglect thereof by Lessee or any subtenant of Lessee if permitted. Lessee further agrees during the continuance of this Lease also to indemnify and hold harmless the City from all damages and penalties arising out of any claims of Lessee's negligence or failure of the Lessee to comply with any of Lessee's obligations hereunder.

Lessee shall indemnify and hold City harmless from and against any and all costs, attorneys' fees, expenses and liabilities incurred in or about any of the foregoing claims or any action or proceeding brought thereon. In case any action or proceeding be brought against the City by reason of any such claim, Lessee upon notice from City shall defend the same at Lessee's expense by counsel reasonably satisfactory to City. Lessee, as a material part of the consideration to City, hereby assumes all risk of damages to property or injury to persons in or about the Premises from any cause whatsoever except that which is caused by the failure of the City to observe any of the terms and conditions of this Lease. The obligations of Lessee under this section arising by reason of any occurrence taking place during the term of this Lease shall
survive any termination of this Lease. City shall indemnify, defend and hold Lessee harmless from and against any and all costs arising out of City’s negligence, willful misconduct or breach of this Lease.

12. **QUIET POSSESSION.** Except as provided in Paragraph 13, City shall not disturb Lessee’s quiet enjoyment and possession of the Premises during the term of this Lease.

13. **INSPECTION.** City may enter the Premises at all reasonable times to inspect, maintain and repair the property. City shall attempt to provide twenty-four (24) hours’ notice to Lessee prior to such entry.

14. **LIENS.** Lessee shall keep the Premises free from any and all liens arising out of any work performed, materials furnished, or obligations incurred by or for Lessee; and Lessee agrees to defend City at its sole cost and expense against any and all law suits arising from such lien upon receipt of notice of opportunity to defend from City.

15. **NOTICES.** All notices between the parties shall be in writing and sent by U.S. Certified Mail - Return Receipt to:

   **City:**
   Attn: City Manager
   CITY OF MENLO PARK
   701 Laurel Street
   Menlo Park, California 94025

   **Lessee:**
   Attn: President
   MENLO PARK LIBRARY FOUNDATION
   800 Alma Street
   Menlo Park, California 94025

16. **WAIVER.** The waiver by City of a breach by Lessee of any agreement herein, shall not be deemed to be a waiver on a part of City of any covenant of this Lease. Such waiver by City shall not constitute a waiver of any future breach by Lessee of the same or other covenants of this Lease.

17. **MISCELLANEOUS.** This Lease shall be binding on the administrators, assigns, executors, heirs and successors of City and Lessee.

   Should either party bring an action for breach under any of the conditions and terms of this Lease, the losing party agrees to pay to the prevailing party all reasonable attorneys' fees and cost, as fixed by the court.

   Section headings are for reference only and shall have no effect upon the interpretations of this Lease.

   Time is of the essence of each provision of this Lease.

   This Lease contains the entire agreement between the parties. No promise, representation, warranty, or covenant not included in this Lease has been or is relied on by either party. Each party has relied on its own examination of this Lease, the counsel of its own advisors, and the warranties, representations, and covenants in the Lease itself. The failure or refusal of either party to inspect the Premises or improvements, to read the Lease or other documents, or to obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention, or claim that might have been based on such reading, inspection, or advice.
The unenforceability, invalidity or illegality of any provision shall not render the other provisions unenforceable, invalid or illegal.

18. ATTACHMENTS TO LEASE. The following exhibits are attached to and made a part of this Agreement:

   Exhibit A: Description of Subject Property
   Exhibit B: Proof of General Liability Insurance

IN WITNESS WHEREOF, Lessee has executed this agreement, and the City, by its City Manager, who is authorized to do so, has executed this agreement.

LESSEE
Dated: 1/2/2019

By:
Elyse Stein, President
MENLO PARK LIBRARY FOUNDATION

CITY OF MENLO PARK
Dated: 1/1/2019

By:
Stacia Jerome-Robinson, Interim City Manager

Approved as to form and procedure:

City Attorney

Attest:
City Clerk

City Clerk
EXHIBIT A
DESCRIPTION OF SUBJECT PROPERTY
(PREMISES)

PARTIAL FIRST FLOOR PLAN (NEW WING)
NOTE: ALL WORK ON THIS SHEET IS TO BE DONE DURING PHASE 1 CONSTRUCTION.
THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
BPIA Business Professional Insurance Associates
1519 South B Street
San Mateo, CA 94402
Virginia Fontana

INSURED
Menlo Park Library Foundation
800 Alma Street
Menlo Park, CA 94025

CERTIFICATE NUMBER:
2018-27355-NPO

INSR. TYPE:
COMMERCIAL GENERAL LIABILITY

ADDITIONAL INSURANCE:
CLAIMS-MADE OCCUR

POLICY NUMBER:
2018-27355-NPO

POLICY EFF/EXP:
03/19/2018 03/19/2019

LIMITS:
1,000,000

EXCLUSIONS & CONDITIONS:
EACH OCCURRENCE

DAMAGE TO RENTED PREMISES (EA occurrence)

MED EXP (Any one person)

PERSONAL & ADJ INJURY

GENERAL AGGREGATE

PRODUCTS - COMPROP AGG

This is to certify that the policies of insurance listed below have been issued to the insured named above for the policy period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Limits shown may have been reduced by paid claims.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
City of Menlo Park, Landlord, its officers, officials, employees and volunteers are included as Additional Insured with respects to office space in the main library building used by insured.
Additional Insured applies to General Liability only.

CERTIFICATE HOLDER
City of Menlo Park
City Manager
701 Laurel Street
Menlo Park, CA 94025

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Virginia Fontana
Sorry – reviewed and meant to respond to you before now. Not so sure about the recitals as to whether they really reflect what they do/offer... but other than that the lease looks fine. For personal preference, I prefer to use Arial font rather than Times New Roman or whatever that font is and think that overall we generally use Arial on most City documents so for consistency, might want to consider doing that. Only question is whether this requires City Council approval of the Lease? Best practice is to have the lease approved by the City Council, but since it does not obligate the City for any financial commitment and can be terminated on 120 days’ notice, probably okay to just have approved/signed by the City Manager. wlm

Hi Bill,
Checking in about the status of this draft lease agreement. I’m meeting with Jim Lewis tomorrow and would like to be able to discuss the topic with him at that time, if possible.
Thanks!
Sean

Thanks, and I won’t share it until after your review.

I will try to review it tomorrow or Thursday – have been pretty slammed. Would prefer you not share until I have reviewed. wlm

Hi Bill,
Just circling back on this request. (See below). I have a meeting with Jim Lewis (President of MPHA) next Tuesday 12/18 and would like to discuss the proposed MOU with him at that time, if possible. Could you please let me know if you have any concerns or suggested changes to the attached draft?
Thanks!
Sean