

**AGREEMENT FOR CONTRACT SERVICES
BETWEEN THE CITY OF CARSON AND
THE SOUTH BAY WORKFORCE INVESTMENT BOARD**

THIS AGREEMENT FOR CONTRACT SERVICES (herein "Agreement") is made and entered into this 19 day of Sept, 2017 by and between the CITY OF CARSON ("City"), a California municipal corporation and the South Bay Workforce Investment Board, Inc. ("SBWIB"), a California nonprofit public benefit corporation ("SBWIB"). The City and the SBWIB are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties."

1. RECITALS

1.1 WHEREAS, the Workforce Innovation and Opportunity Act of 2014 ("WIOA") was enacted by the United States Congress to establish a federally-funded employment and training system; and

1.2 WHEREAS, pursuant to the authority granted in the WIOA, the City, along with the cities of Inglewood, Hawthorne, Lawndale, Gardena, El Segundo, Hermosa Beach, Manhattan Beach, Redondo Beach, Torrance, Lomita ("Member Cities") have entered into a Joint Powers Agreement No. 83-100, as amended, ("Joint Powers Agreement") to form the South Bay Workforce Investment Act Area for purposes of providing for the delivery of employment training services under the WIOA; and

1.3 WHEREAS, the Member Cities have designated the City of Inglewood to serve as the Chief Local Elected Official of the SBWIB; and

1.4 WHEREAS, the Chief Local Elected Official, pursuant to its authority under the Joint Powers Agreement has contracted with the SBWIB, Inc. to serve as the designated administrator for the SBWIB; and

1.5 WHEREAS, the City has continuously operated the Carson Career Center to facilitate the delivery to the geographical area and community which it serves Workforce Innovation and Opportunity Act ("WIOA")-related services and Transitional Supplemental Employment ("TSE") related services; and

1.6 WHEREAS, the City now desires to transfer all operations of the Carson Career Center to the SBWIB to ensure ongoing and quality services to residents of the City; and

1.7 WHEREAS, the SBWIB desires to assume such operations pursuant to the terms and conditions set forth in this AGREEMENT.

NOW, THEREFORE, in consideration of the foregoing premises, the adequacy and sufficiency of which is hereby acknowledged, the Parties agree as follows:

2. SBWIB TAKEOVER OF CARSON CAREER CENTER SERVICES

2.1 Transfer of Carson Career Center Services To The SBWIB: The City hereby transfers and delivers to the SBWIB its right, title and interest in and to all operations, contracts, equipment, furnishings and other assets pertaining to the Carson Career Center (the "Assets"), effective as of _____ ("Transfer Date"). The program assets shall be transferred on an as-is/where-is basis. The final inventory shall be agreed upon by the Parties prior to the Transfer Date. An inventory spreadsheet of Assets is attached as Exhibit No. A of the AGREEMENT.

2.2 Lease of Portion of Carson Community Center: For continued operation of WIOA and TSE-related services, the City has offered to lease to the SBWIB a portion of the Carson Community Center, located at 801 E. Carson Street in the City of Carson, as indicated in the Career Center Lease ("LEASE"), for the sole purpose of providing continued WIOA and TSE-related services, as and provided by the other terms and conditions set forth in the LEASE. Pursuant to the terms of this AGREEMENT and the LEASE, which is attached hereto as Exhibit No. B, the SBWIB shall have the use of Room 117, and the use of an additional space in Room 116, which Room is currently used for the operation of the Elito M. Santarina Senior Citizens' Technology Center, with the understanding that the current level of classes for the seniors remains intact.

2.3 Exclusions From Assets: The Parties agree and acknowledge that the Assets do not include internet connectivity and phone lines, all of which are located at 801 E Carson Street, Room 117 and Room 116. The Parties will endeavor to transfer said internet connectivity and phone lines from _____ to _____ as expeditiously as reasonably possible.

2.4 Transition Matters: The City and the SBWIB hereby agree to take all reasonable action necessary to facilitate an efficient transition of the Carson Career Center operation to the SBWIB. In furtherance of such effort, the Parties agree as follows:

(a) Closeout of Service Period. The City agrees to the closeout of all billing and grant funding for the service period ending 9.19.17. The City further agrees to cooperate in the transfer of any applicable carryover grants and contracts that are transferable. From and after 9.19.17 the SBWIB shall be responsible for the solicitation and procurement of all applicable grant funding and other contracts necessary for the operation of the Carson Career Center.

2.5 Continuing Operation of Carson Career Center: From and after the Transfer Date, the SBWIB shall continue operation of the Carson Career Center within the geographic boundaries of the City. The SBWIB shall adequately staff the Carson Career Center in order to provide during regular and defined hours and a full range of employment and training services for the City residents.

2.6 Current Career Center Employees: The current Carson Career Center City employees, which include three (3) full-time Employment Specialists, one (1) full-time Resource Center Technician and one (1) part-time clerical assistant, shall retain their current employment status with the City until 9.7.17, at which date the SBWIB shall place those certain employees the SBWIB wishes to retain, on a 30-day temporary employment period that could,

but does not necessarily, lead to permanent employment with the SBWIB in accordance with the applicable personnel rules and regulations of the SBWIB. The SBWIB, in its sole discretion, and to the extent possible, shall endeavor to provide said retained employees with salary and benefits similar to those they currently receive from the City. Upon the Transfer Date, the City shall pay out to the current Career Center employees their accrued unused leave time balances according to the Memorandum of Understanding between the American Federation of State, County and Municipal Employees, Local 809, and the City (“ASCME MOU”) and the City’s personnel rules and regulations.

2.7 Compliance With Law. All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency of competent jurisdiction.

2.8 Licenses, Permits, Fees and Assessments. The SBWIB shall obtain at its sole cost and expense such licenses, permits, and approvals as may be required by law for the performance of the services required by the AGREEMENT.

3. INDEMNIFICATION

Pursuant to Government Code Section 895.4, the Parties have agreed to mutually indemnify each other as provided for in this section.

3.1 City Indemnification of SBWIB: To the full extent permitted by law, the City agrees to indemnify, defend and hold harmless the SBWIB, its officers, employees and agents (“Indemnified Parties”) against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “claims or liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein by the City, its officers, employees, agents, subcontractors, invitees, or any individual or entity for which Consultant is legally liable (“indemnitors”), or arising from the City or indemnitors’ reckless or willful misconduct, or arising from City’s or indemnitors’ negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, except claims or liabilities occurring as a result of SBWIB’s sole negligence or willful acts or omissions. The indemnity obligation shall only be effective prior to the Transfer Date, and shall be binding on successors and assigns of Consultant and shall survive termination of this Agreement.

3.2 SBWIB Indemnification of City: To the full extent permitted by law, the SBWIB agrees to indemnify, defend and hold harmless the City, its officers, employees and agents (“Indemnified Parties”) against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “claims or liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein by the SBWIB, its officers, employees, agents, subcontractors, invitees, or any individual or entity for which Consultant is legally liable (“indemnitors”), or arising from the SBWIB or indemnitors’ reckless or willful misconduct, or arising from SBWIB’s or indemnitors’ negligent performance of or failure to

perform any term, provision, covenant or condition of this Agreement, except claims or liabilities occurring as a result of City's sole negligence or willful acts or omissions. The indemnity obligation shall be effective from and after the Transfer Date, and shall be binding on successors and assigns of Consultant and shall survive termination of this Agreement.

4. INSURANCE

4.1 Insurance Coverages. The SBWIB shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this AGREEMENT including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees and agents of the City:

(a) Commercial General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than \$1,000,000.00 per occurrence or if a general aggregate limit is used, either the general aggregate limit shall apply separately to this contract/location, or the general aggregate limit shall be twice the occurrence limit.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for the SBWIB against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the SBWIB in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance (Form CA 0001 (Ed 1/87) including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than either (i) bodily injury liability limits of \$100,000 per person and \$300,000 per occurrence and property damage liability limits of \$150,000 per occurrence or (ii) combined single limit liability of \$1,000,000. Said policy shall include coverage for owned, non-owned, leased, hired cars, and any other automobile.

(d) Professional Liability. Professional liability insurance appropriate to the SBWIB's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of or related to services performed under this Agreement. The insurance must be maintained for at least 5 consecutive years following the completion of SBWIB's services or the termination of this Agreement. During this additional 5-year period, SBWIB shall annually and upon request of the City submit written evidence of this continuous coverage.

(e) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements in Exhibit "A".

(f) Subcontractors. SBWIB shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each

subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

4.2 General Insurance Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees and agents as additional insureds and any insurance maintained by City or its officers, employees or agents may apply in excess of, and not contribute with SBWIB's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. The insurance policy must specify that where the primary insured does not satisfy the self-insured retention, any additional insured may satisfy the self-insured retention. All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the SBWIB shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until the SBWIB has provided the City with Certificates of Insurance, additional insured endorsement forms or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City. City reserves the right to inspect complete, certified copies of and endorsement to all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to City.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the City's Risk Manager or other designee of the City due to unique circumstances.

5. CONTINUING COOPERATION

5.1 Each Party agrees to take such further action reasonable requested by the other party in order to execute the purposes of this AGREEMENT.

6. FUNDING REDUCTIONS

6.1 Services to be performed by the SBWIB pursuant to this AGREEMENT are contingent upon the continuing availability of current funding provided to the SBWIB by its respective funding agencies. In the event there is any reduction in the current funding, the determination as to allocation of then-available funds shall be the sole responsibility of the SBWIB.

7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 Contract Officer. [Dir. of Community Dev. or] such person as may be designated by the City Manager is hereby designated as being the representative the City

authorized to act in its behalf with respect to the work and services specified herein and to make all decisions in connection therewith (“Contract Officer”).

7.2 Representative of SBWIB. Jan Vogel is hereby designated as being the representative of the SBWIB authorized to act on its behalf with respect to the work and services specified herein and make all decisions in connection therewith. All personnel of the SBWIB and any authorized agents shall be under the exclusive direction of the representative of the SBWIB. The SBWIB shall utilize only competent personnel to perform services pursuant to this AGREEMENT. The SBWIB shall make every reasonable effort to maintain the stability and continuity of the SBWIB’s staff and subcontractors, and shall keep the City informed of any changes.

7.3 Independent Contractor. Neither the City nor any of its employees shall have any control over the manner, mode or means by which the SBWIB, its agents or employees, perform the services required herein, except as otherwise set forth. The SBWIB shall perform all services required herein as an independent contractor of the City with only such obligations as are consistent with that role. The SBWIB shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of the City, or that it is a member of a joint enterprise with the City.

7.4 California Law. This AGREEMENT shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this AGREEMENT shall be instituted in the Superior Court of the County of Los Angeles, State of California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.

7.5 Legal Action. In addition to any other rights or remedies, either Party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this AGREEMENT, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this AGREEMENT. Notwithstanding any contrary provision herein, the SBWIB shall file a statutory claim pursuant to Government Code Sections 905 *et. seq.* and 910 *et. seq.*, in order to pursue any legal action under this AGREEMENT.

Except with respect to rights and remedies expressly declared to be exclusive in this AGREEMENT, the rights and remedies of the Parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

8. MISCELLANEOUS

8.1 Covenant Against Discrimination. The SBWIB covenants that, by and for itself, its heirs, executors, assigns and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry, or other protected class in the performance of this AGREEMENT. The SBWIB shall

take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry, or other protected class

8.2 Non-liability of City Officers and Employees. No officer or employee of the City shall be personally liable to the SBWIB, or any successor in interest, in the event of any default or breach by the City or for any amount, which may become due to the SBWIB or to its successor, or for breach of any obligation of the terms of this Agreement.

8.3 Notice. Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer (with her/his name and City title), City of Carson, 701 East Carson, Carson, California 90745 and in the case of the SBWIB, to the person(s) at the address designated on the execution page of this AGREEMENT. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

8.4 Integration; Amendment. It is understood that there are no oral agreements between the parties hereto affecting this AGREEMENT and this AGREEMENT supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This AGREEMENT may be amended at any time by the mutual consent of the parties by an instrument in writing.

8.5 Severability. In the event that part of this AGREEMENT shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this AGREEMENT which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this AGREEMENT meaningless.

8.6 Waiver. No delay or omission in the exercise of any right or remedy by non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this AGREEMENT.

8.7 Attorneys' Fees. If either party to this AGREEMENT is required to initiate or defend or made a party to any action or proceeding in any way connected with this AGREEMENT, the prevailing party in such action or proceeding, in addition to any other relief which any be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees, whether or not the matter proceeds to judgment.

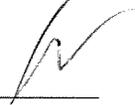
8.8 Interpretation. The terms of this AGREEMENT shall be construed in accordance with the meaning of the language used and shall not be construed for or against either

party by reason of the authorship of this AGREEMENT or any other rule of construction which might otherwise apply.

8.9 Counterparts. This AGREEMENT may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

8.10 Warranty & Representation of Non-Collusion. No official, officer, or employee of the City has any financial interest, direct or indirect, in this AGREEMENT, nor shall any official, officer, or employee of City participate in any decision relating to this AGREEMENT which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interests found to be "remote" or "noninterests" pursuant to Government Code Sections 1091 or 1091.5. The SBWIB warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. The SBWIB further warrants and represents that it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. The SBWIB is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this AGREEMENT void and of no force or effect.

SBWIB's Authorized Initials _____



8.11 Corporate Authority. The persons executing this AGREEMENT on behalf of the Parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this AGREEMENT on behalf of said Party, (iii) by so executing this AGREEMENT, such party is formally bound to the provisions of this AGREEMENT, and (iv) the entering into this AGREEMENT does not violate any provision of any other AGREEMENT to which said Party is bound. This AGREEMENT shall be binding upon the heirs, executors, administrators, successors and assigns of the Parties.

[Signatures on the following page.]

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT on the date and year first-above written.

CITY:

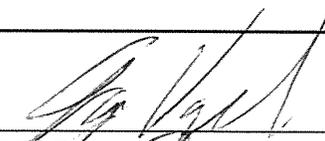
CITY OF CARSON, a municipal corporation

ALBERT ROBLES,
MAYOR, CITY OF CARSON

ATTEST:

DONESIA L. GAUSE, CITY CLERK

SBWIB:

By: 
JAN VOGEL
EXECUTIVE DIRECTOR, SBWIB

By: 
WAYNE SPENCER
CHAIRMAN, SBWIB

Address:
11539 Hawthorne Blvd., Ste. 500 5th Floor
Hawthorne, CA 90250

Two corporate officer signatures required when SBWIB is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. SBWIB'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO SBWIB'S BUSINESS ENTITY.

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

SUNNY K. SOLTANI, CITY ATTORNEY

Inventory of Assets

Carson Career Center - Inventory -

Approximately 36 cubicle section walls

Kitchen

Microwave oven, coffee maker, water cooler/dispenser, refrigerator/freezer
1-round table, 2 chairs, paper shredder

Contractor space (Michael Seale)

1-computer, 1-phone, corner desk, 1-office chair, 1-guest chair
2-4 drawer file cabinets, 1-2 drawer file cabinet

Partner Area

1-computer, 1-phone, desk, 1-office chair, 1-guest chair, 1-rectangular table
2-4 drawer file cabinets, 1-2 drawer file cabinet, 1-overhead cabinet

Partner Area (ProPath)

1-computer, 1-phone, desk, 1-office chair, 1-guest chair, 3-table tops
3-2 drawer file cabinets, 2-overhead cabinets

Common Area

1-copier, 1-printer, 1-Multi-Functional-Device, 1-paper cutter, 1-cabinet, 1-table
1-round table, 2-4 drawer file cabinets, 1-2 drawer file cabinet, 2-bookcases, 4-guest chairs

Employment Specialist for Youth Programs

1-computer, 1-phone, desk, 1-office chair, 2-guest chairs, 1-table
3-3 drawer file cabinets, 2-overhead cabinets

Employment Specialist for Adult Programs

1-computer, 1-phone, desk, 1-office chair, 2-guest chairs, 1-table
3-3 drawer file cabinets, 1-2 drawer file cabinet, 2-overhead cabinets

Employment Specialist for Employment Development

1-computer, 1-phone, desk, 1-office chair, 2-guest chairs, 2-tables
3-3 drawer file cabinets, 1-2 drawer file cabinet, 2-overhead cabinets

Resource Center Technician

1-computer, 1-phone, desk, 1-office chair, 1-guest chair, 2-tables, 1-round table
2-3 drawer file cabinets, 2-2 drawer file cabinets, 2-overhead cabinets

Receptionist

1-computer, 1-phone, 1-printer, desk, 1-office chair, 1-guest chair
2-3 drawer file cabinets, 2-2 drawer file cabinets

Reception area

1-fax machine, 3-tables, 3-chairs
2-3 drawer file cabinets, 2-2 drawer file cabinets

Guest computer lab area

10-task chairs, 10-cubicles/work stations, 9-computers, 1-phone

Lease

**RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:**

City of Carson
701 East Carson Street
Carson, CA 90745
Attention: City Clerk

[SPACE ABOVE FOR RECORDER'S USE ONLY]
Exempt from filing/recording fees per Govt. Code §27383

LEASE AGREEMENT

(Career Program at Carson Community Center)

THIS LEASE AGREEMENT (“Lease”) is made and entered into this ____ day of _____, 2017, by and between the **CITY OF CARSON**, a municipal corporation (“City”), and South Bay Workforce Investment Board, Inc., a California non-profit public benefit corporation (“SBWIB”).

RECITALS

A. City is the owner of that certain real property located at 801 East Carson Street in the City of Carson, CA (APN 7337-006-922) which is improved with a multi-story building commonly referred to as the Carson Community Center together with driveways, parking lot and landscaped areas (“**Community Center**”).

B. The City currently operates a career program at the Carson Career Center located at the Community Center. The career programs are provided pursuant to the Workforce Innovation and Opportunity Act of 2014 which is a federally funded employment and training system to serve the South Bay Workforce Investment Act Area. The Carson Career Center also provides related services pursuant to the Transitional Supplemental Employment.

C. SBWIB intends to assume the operation of the career program pursuant to that certain Contract Services Agreement dated _____, 2017 with the City pursuant to which City is transferring certain assets (including grants) to SBWIB and SBWIB is assuming obligations and agreeing to operate the career program (“**Contract Services Agreement**”).

D. City is willing to enter into a lease with SBWIB to allow SBWIB to lease a portion of the Community Center as indicated in this Lease for the sole purpose of operating the career program and upon the other terms and conditions set forth in this Lease.

NOW, THEREFORE, the parties incorporate the Recitals as set forth herein and agree as follows:

AGREEMENT

1. LEASE.

1.1. Leased Premises. Subject to the terms of this Lease and solely for the Uses (as defined in Section 3), City hereby leases to SBWIB and SBWIB hereby leases from City (“**Leased Premises**”):

(i) the exclusive use of Room 117 in the Civic Center which consists of approximately two thousand (2,000) square feet and located in the Community Center as depicted on **Exhibit A**; and

(ii) the non-exclusive right to use the computer center in Room 116 which is used as the Elito M. Santarina Senior Citizens' Technology Center ("**Tech Center**"). SBWIB may use the Room 116 from time to time provided (i) it coordinates with the manager of the ("**Tech Center**") as to the time and uses; (ii) complies with all Tech Center rules and regulations; and (iii) the use will not negatively impact the current level of classes available for seniors.

In addition to the Leased Premises, SBWIB shall also have the non-exclusive use of the Common Areas (as defined in Section 1.2.1).

SBWIB acknowledges that, as of the Effective Date (as defined in Section 2.1), the Leased Premises are in good order, repair, and condition and suitable for the Uses and SBWIB accepts the Leased Premises in AS-IS condition. City makes no representations or warranties regarding the Leased Premises. SBWIB shall have access to the Leased Premises during normal operation hours of the Community Center. SBWIB understands it is solely responsible for security of the Leased Premises and City has no responsibility for same.

Pursuant to California Civil Code Section 1938, SBWIB is advised that the Leased Premises have not undergone inspection by a Certified Access Specialist (CASp), and, therefore, City is not aware if the Premises complies with the applicable construction-related accessibility standards pursuant to Civil Code Section 55.53.

1.2. Restrictions and Reservations.

1.2.1. Common Areas. All portions of the Community Center for public use including, but not limited to, driveways, parking areas, bathrooms, elevators, landscaped areas, hallways, access doors, walkways, and sidewalks ("**Common Areas**"). The Common Areas are reserved to the City and City shall have the right from time to time, in City's sole discretion, to do any of the following without SBWIB's consent but on not less than twenty-four (24) hours' notice to SBWIB:

- i. To make changes to the Common Areas, including without limitation, changes in the location, size, shape and number of driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;
- ii. To close temporarily any of the Common Areas for maintenance purposes, so long as reasonable access to the Leased Premises remains available;
- iii. To add property, buildings and improvements to the Common Areas or to change current improvements in the Common Areas;

- iv. To use the Common Areas while engaged in making additional improvements, repairs, or alterations to the Community Center, or any portion thereof; and
- v. To do or perform such other acts or make such other changes in, to or with respect to the Common Areas as City may, in the exercise of its reasonable judgment, deem to be appropriate.

1.2.2. Rules and Regulations. City, and all person(s) as City may appoint, shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to establish, modify, amend and enforce reasonable rules and regulations ("**Rules and Regulations**") for management, safety, care and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or members of the public and invitees to the Community Center. SBWIB agrees to abide by and conform to all such Rules and Regulations, and to cause its employees, agents, customers, students, contractors and invitees to so abide and conform.

1.2.3. Name of Career Center. At all times, SBWIB shall use the name of "Carson Career Center". Any and all signs, websites and other identification of the Leased Premises and the Career Program shall include "Carson" in the name. The SBWIB will maintain the identity of the "Carson" Career Center under its current umbrella of Career and Business Centers also known as America Job Center of California (AJCC) required brand for state and federal programs.

1.3. City Personal Property. SBWIB shall not have the right to use the personal property owned by the City which has not been conveyed to SBWIB pursuant to the Contract Services Agreement.

2. TERM AND TERMINATION.

2.1. Lease Term. This Lease shall commence on the date of execution and delivery of this Lease by City ("**Effective Date**"), and terminate five (5) years after the Effective Date ("**Termination Date**"). The period between the Effective Date and the Termination Date is hereinafter referred to as the "**Lease Term**".

2.2. Option to Terminate.

2.2.1. By City. Notwithstanding any provisions to the contrary in this Lease, City shall have the option to terminate this Lease before the Termination Date if, at any time, SBWIB fails to operate the Career Program in accordance with Section 3.1 which option may be exercised by providing thirty (30) days written notice to SBWIB.

2.2.2. By SBWIB. If the funding to SBWIB is terminated or reduced and not replaced by other programs, SBWIB may elect to terminate this Lease by providing thirty (30) days written notice to City together with reasonable evidence regarding the termination or reduction of funding.

2.2.3. Either Party. Either party may terminate this Lease without cause upon one hundred eighty (180) days prior written notice to the other party.

2.3. Negotiation of Extension. No earlier than one hundred-eighty (180) days and no later than ninety (90) days prior to expiration of the Lease Term, the parties shall meet and confer in good faith to negotiate a continuation of this Lease for an additional period and the terms thereof. However, neither party shall be required to continue this Lease beyond the Lease Term, or be required to negotiate for more than ninety (90) days, and neither party shall be prevented from exercising any rights of a party solely because of such negotiations. No extension shall be binding on the parties until confirmed by a formal amendment to this Lease executed by both parties.

3. USES.

3.1. Career Program. SBWIB will use the Leased Premises solely and exclusively for operation of the Career Center to provide career programs available to the public at no cost all as more specifically summarized on Exhibit B attached hereto (“**Career Programs**”).

3.2. Additional Use Requirements/Restrictions. SBWIB shall:

- i. Not commit any acts on the Leased Premises, nor use the Leased Premises in any manner that will increase the existing rates for or cause the cancellation of any fire, liability, or other insurance policy insuring the Leased Premises or the improvements on the Leased Premises and SBWIB shall, at SBWIB’s own cost and expense, comply with all requirements of City’s insurance carriers that are necessary for the continued maintenance at reasonable rates of fire and liability insurance policies.
- ii. Comply with any and all federal, state and municipal laws concerning the Leased Premises or SBWIB’s use of the Leased Premises at its sole cost and expense, including, without limitation, the obligation at to alter, maintain or improve the Leased Premises in compliance with, and conformity to, all laws relating to the condition, use or occupancy of the Leased Premises during the Lease Term (“**ADA**”). However, notwithstanding the foregoing, City will be responsible for any structural improvements to the Leased Premises.
- iii. Not to use the Leased Premises for any immoral or unlawful purpose.
- iv. Not commit any waste or any public or private nuisance upon the Leased Premises.
- v. Not allow any Hazardous Material (as defined in Section 12) on the Leased Premises.
- vi. Comply with any and all covenants, conditions, restrictions, easements, development agreements, mortgages or deeds of trust, rights of way or other matters now or hereafter of record against the Community Center.
- vii. Not to allow any discrimination against or segregation of any person or of a group of persons on account of race, color, religion, creed, sex, marital

status, ancestry or national origin in the use, occupancy, tenure or enjoyment of the Leased Premises or in the operation or maintenance, repair of the Leased Premises.

4. RENT & CONSIDERATION; NO SECURITY DEPOSIT.

- 4.1. **Rent & Consideration.** SBWIB represents and warrants to City that it is a non-profit public benefit tax exempt entity providing Career Programs to the public. City acknowledges that the Career Programs is material consideration for this Lease. SBWIB agrees to provide written reports to City from time to time regarding the Career Programs in a form reasonably satisfactory to City. Provided that SBWIB provides the Career Services and the reports, SBWIB shall not be required to pay any monthly monetary amount to City for the Leased Premises.

The parties acknowledge that the fair market monthly rental value of the Leased Premises is Two Thousand Dollars (\$2,0000) ("**Rental Value**"). If SBWIB commits a Default (as defined in Section 16.1), the Rental Value for all months preceding the Default shall be immediately due and owing to City. If SBWIB does not Default at any time during the Lease Term, SBWIB shall not be required to pay the Rental Value.

However, any other sums required to be paid by SBWIB under this Lease shall be deemed additional rent payable in lawful money of the United States and shall be paid without deduction or offset, prior notice or demand. Landlord acknowledges that Tenant's Programs for local youth is additional and material consideration for this Lease. Accordingly, Tenant shall provide to Landlord (a) on an annual basis, a written report regarding the Programs in a form reasonably satisfactory to Landlord, and the reports specified under Section 4.6.

- 4.2. **No Security Deposit.** The parties acknowledge that SBWIB has not paid any security deposit to the City under this Lease.
- 4.3. **Right to Audit.** Upon reasonable written notice but not more than once in a twelve (12) month period, City shall have the right to audit SBWIB's operations and records to confirm that SBWIB is operating the Career Program as specified in accordance with Section 3. SBWIB shall fully cooperate with providing all requested books and records as requested by City.

5. **TAXES.** SBWIB shall pay prior to delinquency any and all personal property taxes and all real property or possessory interest taxes attributable to the Leased Premises. SBWIB shall have the sole obligation to pay any taxes, fees and assessments, plus applicable penalties and interest, which may be imposed by law and arise out of SBWIB's leasehold interest hereunder. SBWIB shall indemnify, defend and hold harmless City against any and all such taxes, fees, penalties or interest assessed, or imposed against City hereunder. In the event SBWIB fails to timely pay any tax, assessment, fee, penalty or interest, City, at its option, shall have the right to pay such charge and treat such payment as additional rent to be charged to SBWIB and paid by SBWIB to City within five (5) days after receipt of written notice from City.

6. **UTILITIES.** During the Lease Term, City shall provide heating, air conditioning and electricity for the Leased Premises. SBWIB covenants to be environmentally responsible in use of the utilities and, upon notice, shall comply with reasonable conservation requirements imposed by the City in writing from time to time. If SBWIB excessively uses the utilities, SBWIB shall promptly reimburse City for such excessive use upon written demand from City.

SBWIB shall be solely responsible to arrange and pay for installation and monthly charges for telephone, cable and internet services as needed by SBWIB for the Leased Premises.

7. REPAIRS AND MAINTENANCE.

7.1. Repair and Maintenance Obligations. Commencing with the Effective Date, SBWIB, at its sole cost and expense, shall at all times maintain the Leased Premises securely and in good condition and repair in a neat and attractive appearance. SBWIB shall make repairs to the Leased Premises due to damage caused by Tenant's occupancy with such repairs to be of a quality equal to or exceeding that of the original. If SBWIB fails to make any repair or otherwise maintain the Leased Premises for a period of fifteen (15) days after written demand by City, then City may enter the Leased Premises and make such repairs or replacements and SBWIB will promptly pay to City the costs incurred by City in making such repairs together with interest thereon at the maximum rate permitted by law from the date of commencement of the work until repaid. City shall be responsible for maintaining the Common Areas at its sole cost and expense except for any such repairs due to acts or negligence of SBWIB's officers, employees, contractors or invitees and such sum shall be promptly paid by SBWIB to City within five (5) days of City written demand.

7.2. Surrender of Leased Premises. SBWIB agrees to deliver to City physical possession of the Leased Premises at the end of the Term, or any extension of the Term, in good condition and repair, reasonable wear and tear and loss by fire or other casualty or by earthquake or other act of God excepted.

8. IMPROVEMENTS AND ALTERATIONS. SBWIB shall not make any other improvements to the Leased Premises (including any signage) without the prior written approval of City which approval shall be in the sole discretion of City, but shall not be unreasonably withheld provided that SBWIB complies with the requirements set forth below. Any improvements requested by SBWIB and approved by City are hereinafter referred to as "**Approved Improvements.**"

Approved Improvements shall comply with all of the following: (i) must be reflected on a reasonably detailed set of plans and specification provided to the City for its review and approval; (ii) not commenced prior to providing at least thirty (30) days prior written notice to City of the scheduled construction commencement date so City can take appropriate action to protect the Community Center from liens, if it elects; (iii) be promptly commenced as of the scheduled construction commencement date and diligently prosecuted to completion in accordance with the approved plans and specifications at SBWIB's sole cost and expense; (iv) constructed only by a licensed California contractor which provides reasonable evidence of insurance naming City as an additional insured and satisfying City's requirements and in accordance with the approved plans; (v) construction shall not unreasonably interfere or impede the access to the Common Areas; (vi) fully comply with all applicable building and fire safety codes and all ordinances; (vii) comply with all applicable laws including prevailing wages; and (iv) no liens shall be placed on the Community Center for such work.

City agrees, when requested by SBWIB, to execute and deliver any applications, consents, or other instruments required to permit SBWIB to do this work or to obtain permits for the work; provided, that City retains all rights in its governmental capacity to review and approve or deny or conditionally approve such permits.

SBWIB shall keep the Leased Premises free and clear of all liens, claims, and demands for work performed, materials furnished, or operations conducted on the Leased Premises for the Approved Improvements. If any such lien is filed, SBWIB shall, within ten (10) days of such filing, obtain the release of such lien either by payment of same or by securing and recording an appropriate bond in accordance with California law. If SBWIB does not cause the release of the lien, City may do so and SBWIB shall reimburse City within three (3) days of receipt of City's written demand. SBWIB will indemnify, defend and hold harmless City for all liens, claims, or damages (including reasonable attorney's fees and costs) caused by remodeling, improvements, additions, alterations, and major repairs.

All alterations and improvements made to the Leased Premises shall become the property of City and shall remain on and be surrendered with the Leased Premises at the expiration or sooner termination of this Lease, including any renewals or extensions.

9. RIGHT OF ENTRY. City or City's agents, representatives, or employees shall have the right to enter the Leased Premises at all reasonable times upon prior notice to inspect the Leased Premises to determine whether SBWIB is complying with the terms of this Lease and to do other lawful acts that may be necessary to protect City's interest in the Leased Premises under this Lease or to perform City's duties under this Lease. City's entry and any work conducted by City or its contractors shall be performed so as to minimize interruption or interference with SBWIB's ability to operate the Career Program and to remain open for business.

10. SURRENDER OF PREMISES; HOLDING OVER. On the expiration or termination of this Lease, SBWIB shall promptly surrender and deliver the Leased Premises to City in good condition and repair subject to reasonable wear and tear. At the expiration of this Lease, if SBWIB holds over for any reason, it is agreed, in absence of a written agreement to the contrary, tenancy shall then be from month-to-month only and not a renewal of this Lease, or an extension for any further term. SBWIB shall pay monthly Rent, and the month-to-month tenancy shall be subject to every other term, covenant and condition in this Lease that is consistent with and not contrary to a month-to-month tenancy.

11. DAMAGE AND DESTRUCTION. If the Community Center is damaged or destroyed, whether partially or entirely, by any cause, then City may elect, in its sole discretion, to repair, restore, or reconstruct the damaged building or to terminate this Lease. City shall have no obligation to rebuild the Community Center. SBWIB shall give prompt notice to City in case of fire or accidents in the Leased Premises or of any damage or defects in the Leased Premises or any fixtures or equipment therein.

12. WAIVERS OF LIABILITY AND INDEMNITY. Except as may be solely caused by an act or omission of City or its employees, contractors or agents, City shall not be liable for any damage to property of SBWIB, or of others, located in, on or about the Leased Premises, nor for the loss of or damage to any property of SBWIB or of others by theft or otherwise. City shall not be liable to SBWIB or its officers, employees, invitees or representatives for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or leaks from any part of the Leased Premises or from the pipes, appliances or plumbing works or from the roof, street or sub-surface or from any other places or by dampness or by any other cause of whatsoever nature. City shall not be liable to SBWIB or its officers, employees, invitees or representatives for any such damage caused by other occupants or persons in the Leased Premises, or the public, or caused by operations in construction of any private, public or quasi-public work, that are not proximately caused by City,

or its employees, contractors or agents. City shall not be liable for any latent defects in the Leased Premises thereon at any time after the Effective Date. All property of SBWIB kept or stored on the Leased Premises shall be so kept or stored at the sole risk of SBWIB and SBWIB shall hold City harmless from any claims arising out of damage to the same, including subrogation claims by SBWIB's insurance carriers, unless such damage shall be proximately caused by the acts or omissions of City, or its employees, contractors or agents.

SBWIB shall defend, indemnify and hold harmless City, and its officers, employees, invitees and agents, from and against any and all claims, actions, costs, expenses, judgments, awards, liabilities, penalties and demands whatsoever, together with reasonable attorney's fees and court costs (collectively "**Damages**") arising out of or concerning the activities of SBWIB under this Lease, including, but not limited to, injury or death or damage to persons or property of invitees, agents, or employees of City, SBWIB or others, occurring in, on or about the Leased Premises and any resulting from Hazardous Materials (as defined below) brought to the Leased Premises by or on behalf of SBWIB by any of its officers, employees, invitees or agents; provided, that SBWIB's obligation to indemnify and hold harmless shall only be to the extent SBWIB or any of its officers, employees, agents or invitees caused the Damages. If any action or proceeding in connection with any such matters is brought against City, or any of its officers, employees, invitees or agents, notice shall be given to SBWIB and SBWIB shall be furnished with a copy of any papers served. City shall have the right to defend any such action or proceeding, employing legal counsel selected by it. As between City and SBWIB, City shall not be responsible or liable in any way for the presence of any toxic or Hazardous Materials on the Leased Premises, including compliance with any requirements imposed by applicable governmental authorities. Termination of this Lease notwithstanding, the provisions of this Section shall continue in full force and effect as to any claims or other matter listed therein, without limitation in time by virtue or any other provisions of this Lease. Any acceptance by the City of insurance certificates and endorsements does not relieve SBWIB from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause also shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

For purposes of this Lease, "**Hazardous Material**" is defined to include any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority (other than City), the State of California, or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance which is: (A) petroleum or oil or gas or any direct or derivate product or byproduct thereof; (B) defined as a "hazardous waste," "extremely hazardous waste" or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (C) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (D) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Sections 25501(j) and (k) and 25501.1 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (E) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (F) "used oil" as defined under Section 25250.1 of the California Health and Safety Code; (G) asbestos; (H) listed under Chapter 11 of Division 4.5 of Title 22 of the California Code of Regulations, or defined as hazardous or extremely hazardous pursuant to Chapter 10 of Division 4.5 of Title 22 of the California Code of Regulations; (I) defined as waste or a hazardous substance pursuant to the Porter-Cologne Act, Section 13050 of the California Water Code; (J) designated as a "toxic pollutant" pursuant to the

Federal Water Pollution Control Act, 33 U.S.C. § 1317; (K) defined as a “hazardous waste” pursuant to the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6903); (L) defined as a “hazardous substance” pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601); (M) defined as “Hazardous Material” pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq.; or (N) defined as such or regulated by any “Superfund” or “Superlien” law, or any other federal, state or local law, statute, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning Hazardous Materials and/or underground storage tanks, as now, or at any time hereafter, in effect.

13. ASSIGNMENT AND SUBLETTING. SBWIB shall not assign this Lease in whole or in part, nor sublet all or any part of the Leased Premises, without the prior written consent of which consent may be withheld by City in its reasonable discretion. City may consider a sublessee or assignee provided SBWIB provides the following information: (i) financial statements and other evidence reasonably acceptable to City to show financial responsibility; (ii) City is provided evidence and assurance that assignee can provide the Career Programs; and (iii) no amount is paid by assignee to SBWIB for the assignment and/or there is no sublease rent paid to SBWIB (since SBWIB is not paying rent to City). The consent by City to any assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting. Irrespective of any assignment or sublease, SBWIB shall remain fully liable under this Lease and shall not be released from performing any of the terms, covenants and conditions of this Agreement. A transfer of any ownership interest in SBWIB shall be deemed an assignment under this Lease. No interest of SBWIB in this Lease shall be assignable by operation of law. Each of the following acts shall be considered an involuntary assignment: (i) if SBWIB is or becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or institutes a proceeding under the Bankruptcy Act in which SBWIB is bankrupt; or, if SBWIB is a partnership or consists of more than one person or entity, if any partner of the partnership or other person or entity is or becomes bankrupt or insolvent, or makes an assignment for the benefit of creditors, (ii) if a writ of attachment or execution is levied on this Lease or (iii) if, in any proceeding or action to which SBWIB is a party, a receiver is appointed with authority to take possession of the Leased Premises. An involuntary assignment shall constitute a Default by SBWIB, and City shall have the right to elect to terminate this Lease, in which case this Lease shall not be treated as an asset of SBWIB. Any assignment or sublease of the Leased Premises without the prior written consent of City shall be a material default of this Lease.

14. ESTOPPEL AND SUBORDINATION. Within seven (7) days after notice from City, SBWIB shall execute, acknowledge and deliver to City or its designee an estoppel certificate and or subordination agreement. SBWIB’s failure to deliver such documents within the specified time period shall be a material default under this Lease. In addition, SBWIB agrees to provide such financial statements of SBWIB as may be reasonably required by City or such lender or prospective purchaser. To the extent allowable by law, all such financial statements shall be received by City in confidence and shall be used for the purposes herein set forth. In addition, within seven (7) days after City’s written request, SBWIB shall deliver to City SBWIB’s most current quarterly and annual financial statements audited by SBWIB’s certified public accountant. If audited financial statements are not available, SBWIB shall deliver to City SBWIB’s financial statements certified to be true and correct by SBWIB’s chief financial officer. SBWIB’s annual financial statements shall not be dated more than twelve (12) months prior to the date of City’s request.

15. INSURANCE.

- 15.1. Liability Insurance Coverage.** Prior to entering the Leased Premises, SBWIB, at its sole expense, shall obtain and thereafter maintain during the entire term of this Lease, comprehensive general liability insurance, including, but not limited to, owned and non-owned vehicle liability, personal injury, blanket contractual, broad form property damage, and product/completed operations liability coverage shall be on a per occurrence basis and shall have limits of not less than \$2 Million combined single-limit per occurrence for bodily injury, personal injury and property damage liability.
- 15.2. Worker's Compensation Insurance.** SBWIB and all persons performing work for, or on behalf of SBWIB, including, but not limited to, their contractors or sub-contractors, shall, at SBWIB's own cost and expense, procure and maintain during the performance of the said work, a policy of workers' compensation insurance and employer's liability insurance in such amount as to willfully comply with the laws of the State of California.
- 15.3. Miscellaneous.** All of the above policies of insurance, except workers' compensation insurance, shall name City, its officers, employees, and agents as additional insureds. Copies of all insurance policies shall be delivered to City. In the event any of said policies of insurance are canceled, SBWIB shall, prior to the cancellation date, submit new evidence of insurance. Copies of all policies of insurance and proof that they are in effect shall be provided to City prior to the Effective Date. SBWIB shall comply with additional insurance requirements that City may impose from time to time. SBWIB shall be solely responsible to maintain any other insurance for its protection.

16. DEFAULT

- 16.1. Default.** The occurrence of any of the following events shall constitute a default on the part of SBWIB under this Lease ("**Default**"):
- 16.1.1. Payment.** A failure by SBWIB to pay any sum due under this Lease within three (3) days after written notice that such payment is due.
- 16.1.2. Required Services.** SBWIB ceases to provide the Required Services.
- 16.1.3. Contract Services Agreement.** A default by SBWIB under the Contract Services Agreement.
- 16.1.4. Non-Profit Status.** SBWIB ceases to be a non-profit tax exempt entity.
- 16.1.5. Bankruptcy.** The bankruptcy or insolvency of SBWIB, any transfer by SBWIB to defraud creditors, any assignment by SBWIB for the benefit of creditors, or the commencement of any proceedings of any kind by or against SBWIB under any provision of the Federal Bankruptcy Act or under any other insolvency, bankruptcy or reorganization act unless, in the event any such proceedings are involuntary, SBWIB is discharged from the same within sixty (60) days thereafter; the appointment of a receiver for a substantial part of the assets of SBWIB; or the levy upon

this Lease or any estate of SBWIB hereunder by any attachment or execution.

- 16.1.6. **Career Program.** SBWIB fails to continuously operate the Career Program at the Leased Premises in accordance with Section 3.
- 16.1.7. **SBWIB.** SBWIB ceases to be a non-profit public benefit corporation.
- 16.1.8. **Performance of Lease Terms.** SBWIB's failure to perform any of the terms, covenants, agreements or conditions of this Lease to be observed or performed by SBWIB which default has not been cured within fifteen (15) days after written notice thereof by City to SBWIB; provided, however, that if the nature of the default is such that the same cannot reasonably be cured within the fifteen (15) period, SBWIB shall not be deemed to be in default if within such period SBWIB shall commence such cure and thereafter diligently prosecute the same to completion.
- 16.1.9. **Abandonment.** The abandonment of the Leased Premises.
- 16.1.10. **Failure to Comply.** SBWIB's failure to comply with the provisions contained in Sections 3, 9 and 15.

In addition, any notice required to be given by City under this Lease shall be in lieu of, and not in addition to, any notice required under Section 1161 of the California Civil Code of Procedure.

- 16.2. **Remedies.** In the event of a Default by SBWIB, City may at any time thereafter, without limiting City in the exercise of any right or remedy at law or in equity which City may have by reason of such Default:

- 16.2.1. **Continue Lease.** Pursue the remedy described in California Civil Code Section 1951.4 whereby City may continue this Lease in full force and effect after SBWIB's breach and recover the Rent and any other monetary charges as they become due, without terminating SBWIB's right to sublet or assign this Lease, subject only to reasonable limitations as herein provided. During the period SBWIB is in default, City shall have the right to do all acts necessary to preserve and maintain the Premises as City deems reasonable and necessary, including removal of all persons and property from the Premises, and City can enter the Premises and relet them, or any part of them, to third parties for SBWIB's account. SBWIB shall be liable immediately to City for all costs City incurs in reletting the Premises, including, without limitation, brokers' commissions, expenses of remodeling the Premises required by the reletting, and like costs. Reletting can be for a period shorter or longer than the remaining Term.

- 16.2.2. **Perform.** Pay or perform such obligation due (but shall not be obligated to do so), if SBWIB fails to pay or perform any obligations when due under this Lease within the time permitted for their payment or performance. In such case, the costs incurred by City in connection with the performance of any such obligation will be additional rent due under this Lease and will become due and payable on demand by City.

16.2.3. Terminate. Terminate SBWIB's rights to possession by any lawful means, in which case this Lease shall terminate and SBWIB shall immediately surrender possession of the Premises to City. In such event City shall be entitled to recover from SBWIB all damages incurred by City by reason of SBWIB's default, including, without limitation, the following: (A) the worth at the time of award of any unpaid Rent which had been earned at the time of such termination; plus (B) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that is proved could have been reasonably avoided; plus (C) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that is proved could be reasonably avoided; plus (D) any other amount necessary to compensate City for all the detriment proximately caused by SBWIB's failure to perform its obligations under this Lease or which in the ordinary course of events would be likely to result therefrom; plus (E) at City's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable State law. In addition, City shall be entitled to recover from SBWIB the unamortized portion of any SBWIB improvement allowance, free rent or other allowance provided by City to SBWIB and any brokerage commission or finder's fee paid or incurred by City in connection with this Lease (amortized with interest at the Interest Rate on a straight line-basis over the Lease Term of this Lease.) Upon any such termination of SBWIB's possessory interest in and to the Premises, SBWIB (and at City's sole election, SBWIB's sublessees) shall no longer have any interest in the Premises, and City shall have the right to make any reasonable repairs, alterations or modifications to the Premises which City in its sole discretion deems reasonable and necessary. The "worth at the time of award" of the amounts referred to in subparagraphs (A) and (B) above is computed by allowing interest at the maximum rate an individual is permitted by law to charge. The worth at the time of award of the amount referred to in subparagraph (C) above is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

16.2.4. SBWIB may terminate this Lease in the event that SBWIB's funding is terminated or reduced and there-after such funding is not substituted by other programs and can no longer maintain the premises leased under this agreement, then SBWIB will surrender possession of the premises. **Additional Remedies.** Pursue any other legal or equitable remedy available to City. Unpaid installments of Rent and other unpaid monetary obligations of SBWIB under the terms of this Lease shall bear interest from the date due at the rate of ten percent (10%) per annum.

17. DEFAULT BY CITY; TRANSFER. City shall be in default if City fails to perform any of the covenants or conditions required on its part to be performed pursuant to this Lease, where such failure continues for a period of thirty (30) days after receipt of written notice from SBWIB specifying the nature and extent of such default in detail; provided, that if such default is of a nature it cannot reasonably be cured within a thirty (30) day period, then City shall have such additional time as may be required to effect such cure, but only

if City commences the cure within such thirty (30) day period. City shall not be liable to SBWIB for any damages sustained as a direct result of such default. Neither City nor any of its officers, employees, or agents shall be personally liable. SBWIB's sole remedy for a default by City is to terminate this Lease. In the event City shall sell, convey, transfer or exchange the Community Center, SBWIB agrees to recognize and attorn to the purchaser or transferee, as landlord hereunder and City shall be and is relieved and released from any liability under any and all of its covenants and obligations under the Lease arising out of any act, occurrence or event arising after such sale, conveyance, transfer or exchange.

18. MISCELLANEOUS.

- 18.1. **Compliance with Laws.** SBWIB shall, at its sole cost and expense, comply with all of the requirements of all municipal, state and federal authorities now in force, or which may hereafter be in force pertaining to the use of the Leased Premises; and shall faithfully observe in said use all municipal ordinances, including, but not limited to, the general plan and zoning ordinances, state and federal statutes, or other governmental regulations now in force, or which shall hereinafter be in force.
- 18.2. **Entire Agreement.** This Lease contains all agreements and understandings of the parties and supersedes and cancels any and all prior or contemporaneous written or oral agreements, instruments, understandings, and communications of the parties with respect to the subject matter herein.
- 18.3. **No Brokerage Commission.** Each party represents that it has not had dealings with any real estate broker, finder or other person, with respect to this Lease in any manner. Each party shall hold harmless the other party from all damages resulting from any claim that may be asserted against the other party by any broker, finder, or other person with whom the other party has or purportedly has dealt.
- 18.4. **Rights Cumulative.** The rights and remedies of each party specified in this Lease shall be cumulative and shall inure to the benefit of the its respective successors, and assigns and be in addition to any other rights and remedies provided by law.
- 18.5. **No Partnership.** City is not, in any way or for any purpose, a partner of SBWIB in the conduct of its business, or otherwise, or joint venture or a member of a joint enterprise with SBWIB by reason of this Lease.
- 18.6. **Authority.** The persons executing this Lease on behalf of SBWIB represents and warrants to City that it has the authority to execute this Lease on behalf of SBWIB, that the execution and delivery of this Lease has been duly authorized, and that upon such execution and delivery this Lease shall be binding upon and enforceable against SBWIB.
- 18.7. **Amendment.** This Lease shall not be amended, revised, modified or revoked at any time without the written agreement of both parties.
- 18.8. **Time.** Time is expressly declared to be of the essence of this Lease and of each and every covenant, term, condition, and provision hereof.
- 18.9. **Interest.** Any sums not paid when due shall bear interest at the maximum rate allowed by law until paid.

- 18.10. **Binding Effect.** This Lease shall be binding on the parties, their representatives, successors, and assigns.
- 18.11. **Governing Law.** This Lease shall be governed by, construed, interpreted and enforced in accordance with the laws of the State of California. If any legal action is necessary to enforce the terms and conditions of this Agreement, the parties agree that a court of competent jurisdiction in the County of Los Angeles shall be the sole venue and jurisdiction for the bringing of such action.
- 18.12. **Partial Invalidity.** If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall to any extent, be invalid or unenforceable, then the remainder of this Lease, or the application for such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and enforced to the fullest extent permitted by law.
- 18.13. **Recordation.** In accordance with Government Code Section 37393, this Lease shall be recorded in the Official Records of Los Angeles. Upon termination of the Lease, Tenant shall execute and acknowledge any documents reasonably requested by Landlord in order to terminate the Lease of record. This obligation shall survive termination of this Lease for any reason.
- 18.14. **Attorney's Fees.** If either party commences litigation against the other under this Lease, the prevailing party shall be entitled to recover from the other party such costs and reasonable attorneys' fees as may have been incurred, including any and all costs incurred in enforcing, perfecting and executing such judgment.
- 18.15. **Notices.** Any notice herein required or permitted to be given shall be deemed given (i) three (3) days following the date the same is mailed, by United States certified mail, postage prepaid, return receipt requested, properly addressed to the party; or (ii) one (1) day following the date the same is mailed by a national overnight delivery service prepaid and delivery receipt requested, properly addressed to the party. Notices personally delivered shall be deemed given as of the date of personal delivery. Until changed, as hereinafter provided, notices and communications to the parties shall be addressed as follows:

To City: City of Carson
 701 East Carson Street
 Carson, CA 90745
 Attn: City Manager

With Copy to: City of Carson
 701 East Carson Street
 Carson, CA 90745
 Attn: City Attorney

To SBWIB: South Bay Workforce Investment Board, Inc.
 11539 Hawthorne Blvd Suite 500
 Hawthorne, CA 90250
 Attn: Jan Vogel, CEO

Either party may change the address for the purpose of this Section by giving written notice of the change to the other party in the manner provided in this Section.

- 18.16. Force Majeure.** In the event either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, governmental moratorium, riots, insurrection, war or other reason of a like nature not the fault of the party delaying in performing work or doing acts required under the terms of this Lease, then performance of such act shall be excused for the period of such delay. Finance inability is not an act which constitutes force majeure although SBWIB shall have the right to terminate this Lease as set forth in Section 2.2.2.
- 18.17. Construction.** The provisions contained herein shall not be construed in favor of or against either party, but shall be construed as if both parties prepared this Lease. The headings contained in this Lease are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Lease. The invalidity or unenforceability of any particular provision of this Lease shall not affect the validity or enforceability of the other provisions. In the event of invalidity or unenforceability of a particular provision, this Lease shall be construed in all respects as if the invalid or unenforceable provisions were omitted.
- 18.18. Waivers.** Either party's waiver of any breach of any provision contained in this Lease shall not be deemed to be a waiver of the same provision for subsequent acts of the other party.
- 18.19. Counterparts.** This Lease may be executed in several counterparts of which each shall be deemed a duplicate original but all of which shall constitute a single document.
- 18.20. Exhibits.** Exhibits A and B attached hereto are incorporated herein by reference.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Lease as of the dates specified below.

City:

CITY OF CARSON, a municipal corporation

By: _____
Albert Robles, Mayor

ATTEST:

By: _____
Donesia Gause, City Clerk

Dated: _____, 2017

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: _____
Sunny Soltani
City Attorney

SBWIB:

SOUTH BAY WORKFORCE INVESTMENT BOARD, INC., a California non-profit public benefit corporation

By: _____
Jan Vogel, Chief Executive Officer

By: _____
Wayne Spencer, Chairman

Dated: _____, 2017

EXHIBIT "A"
DEPICTION OF LEASED PREMISES

To be completed prior to execution.

EXHIBIT "B"
CAREER PROGRAM

SBWIB will manage the operation career development programs including:

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

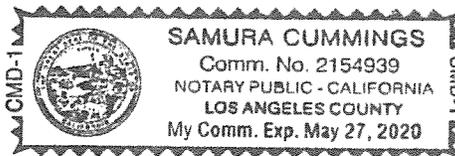
COUNTY OF LOS ANGELES

On 8/11/, 2017 before me, Samura Cummings Notary, personally appeared Jan Vogel, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Samura Cummings



OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> CORPORATE OFFICER _____ TITLE(S)	_____ TITLE OR TYPE OF DOCUMENT
<input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL <input type="checkbox"/> ATTORNEY-IN-FACT <input type="checkbox"/> TRUSTEE(S) <input type="checkbox"/> GUARDIAN/CONSERVATOR <input type="checkbox"/> OTHER _____ _____	_____ NUMBER OF PAGES
	_____ DATE OF DOCUMENT

SIGNER IS REPRESENTING:
 (NAME OF PERSON(S) OR ENTITY(IES))

 SIGNER(S) OTHER THAN NAMED ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

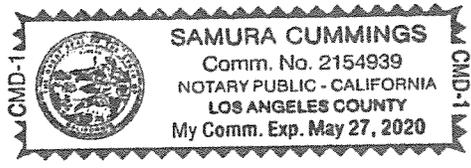
COUNTY OF LOS ANGELES

On August 11, 2017 before me, Samura Cummings, Notary personally appeared Wayne Spencer, proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: *Samura Cummings*



OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> CORPORATE OFFICER _____ TITLE(S)	_____ TITLE OR TYPE OF DOCUMENT
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	_____ DATE OF DOCUMENT

SIGNER IS REPRESENTING:
 (NAME OF PERSON(S) OR ENTITY(IES))

 SIGNER(S) OTHER THAN NAMED ABOVE