LEASE BETWEEN International Woodworkers Local #W98 AND THE CITY OF ARCATA FOR A PORTION OF THE WOODSMAN HALL (4700 Valley East Boulevard])

THIS LEASE ("Lease") dated as of [date] is entered into between the International Woodworkers Local #W98 ("Landlord") and the City of Arcata ("Tenant").

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

- 1. <u>Premises</u>. Landlord leases to Tenant and Tenant leases from Landlord The interior and exterior portions of the Woodsman Hall located at 4700 Valley East Blvd, except for the two established offices on the East side of the building which will be retained by the Landlord. Further the Landlord shall have access for Woodsman Union Hall activities as needed which are expected to be only a few days a year. ("Premises"), as specifically designated on the building layout map, attached as Exhibit A, and incorporated by reference.
- 2. <u>Term</u>. The term of this Lease is for 30 months] ("Term"), commencing on October 1, 2023, and ending on December 31, 2025. The Lease will convert to a month-to-month lease thereafter.

3. <u>Rental Terms and Security Deposit</u>.

- a. The rent shall be [\$1,600] ("Rent") per month, payable in advance to Landlord, on or before the first of the month at the address of Landlord stated in this Lease or at another location Landlord may designate.
- b. Upon execution of this Lease, Tenant shall pay to Landlord [\$4,800], representing the security deposit and \$1,600 representing the first month's rent.
- c. Upon the default by Tenant under this Lease, Landlord may apply the security deposit to satisfy Tenant's obligations under this Lease, provided that this application shall not cure the default. Immediately following the receipt of notice of this application from Landlord, Tenant shall pay to Landlord an amount equal to that applied by Landlord. Landlord agrees that at the end of the Term Landlord will refund any portion not applied.
- d. Upon execution of the lease the City will assume payment for all the facility utilities.
- 4. <u>Use</u>. The Premises are to be used for community center and City Government operational services purposes including but not limited to recreation (camps, sports, drop in, afterschool programs and classes), police substation operations, community meetings, celebrations and special events and no part of the Premises shall be used for any different purpose. Tenant shall not do or permit any act to be done that will increase the existing rate or cause cancellation of insurance on the Premises or will cause a substantial increase in utility services normally supplied to the Premises. Tenant shall comply with all statutes, ordinances, regulations, and other requirements of all governmental entities that pertain to the occupancy or use of the Premises, and with all rules and regulations that are adopted by Landlord for the safety, care, and cleanliness of the Premises and the preservation of good order on the Premises. These rules and regulations are expressly made a part of this Lease.
- 5. <u>Alterations</u>. Landlord and Tenant agree that the alterations described on attached Exhibit B, incorporated by reference, shall be completed prior to the commencement of the Term at the expense of the party designated on Exhibit B. Except as described in Exhibit B, any

alteration to the Premises without the prior written consent of Landlord shall be a breach of this Lease and, at the option of Landlord, shall cause a termination of this Lease.

6. <u>Possession</u>. Any delay in delivery of possession to the Tenant shall postpone the commencement of rent accordingly but shall not otherwise affect this Lease.

7. <u>Right of First Refusal to Purchase</u>:

Landlord grants Tenant a right of first refusal to purchase the Property or any portion of the Property in accordance with the terms below ("Right of First Refusal").

- a. If during the period of this Lease, the Landlord receives either a bona fide written offer by a willing third party to purchase all or part of the Property which Landlord intends to accept, or a purchase agreement which Landlord intends to enter into (collectively, "Offer"), Landlord shall give written notice to Purchaser at the address provided below accompanied by a copy of such Offer at least fifteen (15) days before the date of contemplated sale.
- b. Within fifteen (15) business days after receipt of the written notice, Tenant shall have the right to notify Landlord that it is exercising its Right of First Refusal and will purchase the Property pursuant to a purchase agreement which incorporates the terms and conditions of the Offer.
- 8. <u>Insurance</u>. Tenant shall pay for and maintain insurance throughout the life of this Lease with general liability coverage of [\$2,000,000] minimum coverage per occurrence and all risk glass coverage for full cash value. Tenant will furnish Landlord with proof of insurance issued by an insurer approved by Landlord showing the coverage to be in force and showing Landlord as a named insured for all periods of the Term. Landlord and Tenant each waive the rights of subrogation that may arise against the other because of any act covered by insurance.
- 9. <u>Default</u>. Each of the following shall be an Event of Default under this Lease:
 - a. If Tenant fails to make any payment required by the provisions of this Lease, when due;
 - b. If Tenant fails within thirty (30) days after written notice to correct any breach or default of the other covenants, terms, or conditions of this Lease; and
 - c. If Tenant vacates, abandons, or surrenders the Premises prior to the end of the Term.
- **10.** <u>**Remedies**</u>. Upon the occurrence of an Event of Default under this Lease by Tenant, Landlord is entitled at Landlord's option to the following:
 - a. to reenter and take exclusive possession of the Premises;
 - b. to collect immediately the present value of the unpaid rent reserved for the entire term, or to collect each installment of rent as it becomes due;
 - c. to continue this Lease in force or to terminate it at any time;

- d. to relet the Premises for any period on Tenant's account and at Tenant's expense, including real estate commissions actually paid, and to apply the proceeds received during the balance of Term to Tenant's continuing obligations under this Lease;
- e. to take custody of all personal property on the Premises and to dispose of the personal property and to apply the proceeds from any sale of that property to Tenant's obligations under this Lease;
- f. to recover from Tenant the damages described in Civil Code §§1951.2(a)(1), 1951.2(a)(2), 1951.2(a)(3), and 1951.2(a)(4), the provisions of which are expressly made a part of this Lease;
- g. to restore the Premises to the same condition as received by Tenant, or to alter the Premises to make them suitable for reletting, all at Tenant's expense; and
- h. to enforce by suit or otherwise all obligations of Tenant under this Lease and to recover from Tenant all remedies now or later allowed by law.

Any act that Landlord is entitled to do in exercise of Landlord's rights upon an Event of Default may be done at a time and in a manner deemed reasonable by Landlord in Landlord's sole discretion, and Tenant irrevocably authorizes Landlord to act in all things done on Tenant's account.

- 11. <u>Maintenance and Repairs</u>. Tenant acknowledges that the Premises are in good and safe condition and, except for services to be furnished by Landlord, agrees to maintain the Premises in good and safe condition, including all interior surfaces of walls, windows, plate glass, doors, and ceilings, and all fixtures or equipment installed by Tenant. Tenant promises to surrender the Premises at termination of this Lease in the same condition as received, except for normal wear and tear and except for changes authorized by Landlord. Tenant agrees to make no repairs at the expense of Landlord.
- 12. <u>Estoppel Certificate</u>. At any time within ten (10) days after request by Landlord, Tenant shall execute, acknowledge, and deliver to Landlord, without charge, a written statement certifying that this Lease is unmodified and in full force, or if there have been modifications, that it is in full force as modified. The statement shall also contain the date of commencement of this Lease, the dates to which the rent and any other charges have been paid in advance, and any other information Landlord reasonably requests. It is acknowledged by Tenant that any statement is intended to be delivered by Landlord to and relied upon by prospective purchasers, mortgagees, deed of trust beneficiaries, and assignees.
- **13.** <u>Severability</u>. The invalidity of any portion of this Lease shall not affect the remainder, and any invalid portion shall be deemed rewritten to make it valid so as to carry out as near as possible the expressed intention of the parties.
- 14. <u>Assignment or Subletting</u>. The parties agree that the Tenant shall be allowed to manage the space for the community including short rentals of the space for community meetings, classes, celebrations and events. These are intended to be short duration of three days or less. Any assignment or subletting of any portion of the Premises, whether by operation of law or otherwise, without prior written consent of Landlord is void and shall be a breach of this Lease, and at the option of Landlord, shall terminate this Lease.

- **15.** <u>Entry</u>. Landlord reserves the right to enter the Premises at reasonable times to carry out any building management or business purpose in or about the building, without any abatement of rent.
- 16. <u>Signs</u>. Tenant shall not place or permit to be placed in, upon, about, or outside the Premises any sign, notice, drapes, shutters, blinds, or display of any kind, without the prior written consent of Landlord.
- **17.** <u>Holding Over</u>. This Lease shall terminate without further notice at the expiration of the Term. Any holding over shall not constitute a renewal or extension.

18. Destruction and Condemnation.

- a. If the Premises are damaged to an extent that cannot be lawfully repaired within sixty (60) days after the date of damage, this Lease may be terminated by written notice of either party. If the Premises can be repaired within the sixty (60) day period, or if this Lease is not terminated in accordance with this provision, Landlord shall proceed with repairs as necessary, subject to a proportionate reduction in the rent, based on the extent to which the damage and repairs shall interfere with the business of Tenant on the Premises. In case of damage to one-third (1/3) or more of the building in which the Premises are located, Landlord may elect to terminate this Lease, whether the Premises are damaged or not. Tenant waives the benefits of Civil Code §§1932(2) and 1933(4). In case of a dispute between the parties with respect to Section 17, the matter shall be settled by arbitration in a manner as the parties may agree on, or if they cannot agree, in accordance with the rules of the American Arbitration Association.
- b. If all or any portion of the Premises are condemned or are transferred in lieu of condemnation, Landlord or Tenant may, upon written notice given within sixty (60) days after the taking or transfer, terminate this Lease. Tenant shall not be entitled to share in any portion of the award, and Tenant expressly waives any right or claim to any part of the award. Tenant shall, however, have the right to claim and recover, from the condemning authority only, but not from Landlord, any amounts necessary to reimburse Tenant for the cost of removing stock and fixtures.
- **19.** <u>Indemnity</u>. Tenant agrees to indemnify, hold harmless, and defend Landlord from all claims and liability of every kind, including court costs and attorney's fees, arising in any way from any occurrence on the Premises, or related to the use or occupancy of the Premises.
- **20.** <u>Landlord's Right to Perform for Tenant</u>. If Tenant fails to perform any obligation under this Lease, Landlord shall be entitled to make reasonable expenditures to cause proper performance on Tenant's behalf and at Tenant's expense, and Tenant promises to reimburse Landlord for any expenditures within ten (10) days after written notice from Landlord requesting reimbursement, and failure of Tenant to make the reimbursement shall be deemed to be a default the same as a failure to pay an installment of rent when due. All obligations of Tenant to pay money are payable without abatement, deduction, or offset of any kind.</u>
- **21.** <u>Notices</u>. Any notice under this Lease shall be given by mailing the notice, postage prepaid, by certified mail, return receipt requested, to Tenant at the Premises or any other address set forth adjacent to Tenant's signature below and to Landlord at the address set forth adjacent to Landlord's signature below, or to any other place designated in writing by the parties.

- **22.** <u>Attorney Fees</u>. In any action or proceeding by either party to enforce this Lease or any provision of this Lease, the prevailing party shall be entitled to recover reasonable attorney's fees and all other costs incurred.
- **23.** <u>Legal Effect</u>. All obligations of Tenant are expressly made conditions of this Lease, any breach of which shall, at the option of Landlord, terminate this Lease.
- 24. <u>Titles</u>. The titles or headings to sections shall have no effect on interpretation of provisions.
- **25.** <u>Successors</u>. The provisions of this Lease shall apply to and bind the heirs, successors, and assigns of the parties.
- **26.** <u>Waiver</u>. The failure of Landlord to enforce a provision of this Lease shall not be deemed a waiver for any purpose.
- **27.** <u>Janitorial Services</u>. Tenant shall be responsible for janitorial service within the rented space, including payment for the janitorial service.
- **28.** <u>Entire Agreement</u>. This Lease, together with each attached exhibit, shall constitute the entire agreement of the parties, and may be modified only by a writing signed by the parties.
- **29.** <u>Late Charge</u>. If rent is not paid within five (5) days after the due date, Tenant agrees to pay a late charge of [\$100] plus interest at [3%] per annum on the delinquent amount. Tenant further agrees to pay [\$100] for each dishonored check.
- **30.** <u>**Time of the Essence**</u>. Time is of the essence in the performance of Tenant's obligations under this Lease.
- **31.** <u>Subordination</u>. This Lease, at Landlord's option, shall be subordinate to the lien of any first deed of trust or first mortgage subsequently placed upon the real property of which the Premises are a part, and to any advances made on the security of the Premises, and to all renewals, modifications, consolidations, replacements, and extensions; provided, however, that as to the lien of any deed of trust or mortgage, Tenant's right to quiet possession of the Premises shall not be disturbed if Tenant is not in default and so long as tenant pays the rent and observes and performs all of the provisions of this Lease, unless this Lease is otherwise terminated pursuant to its terms. If any mortgage, trustee, or ground landlord elects to have this Lease prior to the lien of a mortgage, deed of trust, or ground lease, and gives written notice to Tenant, this Lease shall be deemed prior to that mortgage, deed of trust, or ground lease, whether this Lease is dated prior or subsequent to the date of that mortgage, deed of trust, or ground lease or the date of recording.
- **32.** <u>Governing Law</u>. This Lease shall be governed by and construed in accordance with California law.
- **33.** <u>Accessibility Requirements</u>. The following requirements are included herein by Landlord to comply with Civil Code §1938.
 - ____ The Premises have not undergone inspection by a Certified Access Specialist ("CASp").
 - ____ The Premises have undergone inspection by a CASp.
 - ____ Attached hereto is a copy of the current disability access inspection certificate.

____ Tenant acknowledges that it has received at least 48 hours prior to the execution of this Lease a copy of the report prepared by the CASp dated [date of report], a copy of which is attached hereto as Exhibit C (the "CASp Report").

Tenant's Initials _____.

__ [Landlord/Tenant] shall bear the cost of any work called for under the CASp Report.

- _____ Tenant hereby agrees to keep and maintain the confidentiality of the CASp Report and will not disclose the contents thereof to any third party without first obtaining the written consent of Landlord, which consent Landlord may grant or withhold in its sole and absolute discretion, except as necessary for Tenant to complete repairs and corrections of violations of construction-related accessibility standards that Tenant agrees to make.
- _____Tenant acknowledges and agrees that a CASp can inspect the Premises and determine whether the Premises comply with all of the applicable construction-related standards under State law. Although State law does not require a CASp inspection of the Premises for the occupancy or potential occupancy of Tenant, if requested by Tenant. The Parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises.

IN WITNESS WHEREOF, the parties have executed this Lease on the date first written above.

Signature: _____

Woodsman Hall Representative Date:_____

Signature: _____

City of Arcata Date:_____





Exhibit B. Description of Equipment to be Removed and Left in Building For City Use

- 1. Movable / Folding tables and chairs
- 2. Conference Room table and chairs
- 3. Existing window shades
- 4. All construction equipment will be removed
- 5. All spaces leased including main rooms, offices, conference room and closets will be emptied.