

A-25-_____

LEASE AGREEMENT BETWEEN THE CITY OF LODI AND THE COUNTY OF SAN JOAQUIN, FOR REAL PROPERTY LOCATED AT 22 SOUTH MAIN STREET, LODI, CA, IN THE STATE OF CALIFORNIA

This lease agreement ("Lease") dated, for reference, this ____ day of _____ 2025, is entered into by and between Landlord and Tenant as defined, respectively, in Sections 1.1 and 1.2. Landlord and Tenant agree as follows:

1. Definitions.

- 1.1. **"Landlord"** means City of Lodi, California, a municipal corporation, and includes a per or persons authorized to act on its behalf
- 1.2. **"Tenant"** means County of San Joaquin, a political subdivision of the State of California.
- 1.3. **"Premises"** means the approximately 10,000 square feet of building space located at 22 South Main Street, Lodi, California.
- 1.4. **"Parties"** means Landlord and Tenant.
- 1.5. **"Commencement Date"** means _____ XX, 2025.
- 1.6. **"Term"** means the ten-year period of time beginning on the Commencement Date.
- 1.7. **"Rent"** means all monetary obligations of Tenant to Landlord for the leasing of the Premises.
- 1.8. **"Option(s)"** means two (2) extensions of the term of this Lease, each for a period of five (5) years at the rates specified in Paragraph 6.

2. **Notices:** Either party may give any notice hereunder to the other party by depositing said notice in the United States Mail, certified and postage prepaid, where recipient must sign to receive such notice, or by a reputable same-day or overnight private courier (such as Federal Express) that maintains a record for delivery, at the addresses listed below in Article 2.1 and 2.2 or to such other person or address as either of the parties may, in writing, from time to time, designate and serve upon the other person. Tenant and Landlord expressly waive personal service of any notice required by law to be personally served on Tenant. Tenant and Landlord agree that service in any of the manners set forth in this Article 2 shall be sufficient and valid service, and in lieu of any personal service otherwise required under the laws of the State of California when such laws are applicable. Any required notice related to this Agreement shall be sent to the following locations and contacts:

To Landlord:
City of Lodi
Attn: City Manager
PO Box 3006
Lodi, CA 95241-1910

To Tenant:
San Joaquin County
General Services Department
ATTN: County Property Manager
44 N. San Joaquin Street, Suite 590
Stockton, CA 95202

- 3. Acknowledgment of Grant Funding:** Landlord utilized funding from the Housing and Homeless Incentive Program ("HHIP"), Regional Early Action Planning ("REAP"), Permanent Local Housing Allocation ("PLHA"), and Community Project Funding ("CPF") for the acquisition and rehabilitation of the Premises. In alignment with HHIP program priorities and performance measures, Tenant shall ensure that all housing and supportive services provided pursuant to this Lease are delivered exclusively to Medi-Cal beneficiaries who are homeless or at risk of homelessness.
- 3.1.** Tenant shall comply with all applicable state and federal regulations associated with the funding sources referenced herein, including but not limited to, the terms and conditions set forth and attached hereto as Exhibit A, which include reporting and performance requirements.
- 3.2.** Tenant and all of its personnel, employees, agents, and subcontractors shall comply with all applicable legal requirements of the HHIP, REAP, PLHA, CPF programs, including the Law, notice of funding availability, any guidelines issued by the State and Federal Governments, and the terms and conditions of the Subrecipient Agreements adjusted to meet the time frames set forth in this Agreement, without limitation.
- 4. Leasing:** Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord, under and upon the terms, provisions, covenants, and conditions set forth in this Lease.
- 5. Rent:** Tenant shall pay Landlord the monthly Rent set forth in Article 4.1.1 without prior written notice or demand from Landlord, and Tenant hereby acknowledges that Landlord is not required to send monthly statements or invoices as a condition of Tenant paying any Rent due under this Lease.
- 5.1. Rent Schedule:** Rent shall be due in advance on the first day of each calendar month beginning at Commencement Date. Any partial month shall be prorated on a per diem distribution based on a 30-day month. The tenant may prepay rent in whole or in part at any time without incurring a penalty or premium. Tenant shall pay monthly Rent to Landlord at the address specified in Article 2.1 or to such other address as Landlord may from time to time designate by written notice to Tenant.
- 5.1.1.** Tenant shall pay Landlord the Rent as set forth in the following Rent Schedule During Term:

RENT SCHEDULE DURNING TERM	
Months 1 – 12 (Year 1)	\$ 3,000/Month
Months 13 – 24 (Year 2)	\$ 3,000/Month
Months 25 – 36 (Year 3)	\$ 3,000/Month
Months 37 – 48 (Year 4)	\$ 3,000/Month
Months 49 – 60 (Year 5)	\$ 3,000/Month
Months 61 – 72 (Year 6)	\$3,000 Month
Months 73 – 84 (Year 7)	\$3,000 Month

Months 85 – 96 (Year 8)	\$3,000 Month
Months 97 – 108 (Year 9)	\$3,000 Month
Months 109 – 120 (Year 10)	\$3,000 Month

6. **Early Termination:** Notwithstanding anything to the contrary, Tenant has the right to terminate this Lease for convenience after month 36 of the initial Term, provided that Tenant gives written notice to Landlord no less than 180 days prior to the Tenant's desired or intended termination date.
7. **Option(s):** Tenant shall have the right to extend the Term for two (2) additional five-year (5-year) terms. Written notice of Tenant's intent to exercise these options shall be given to Landlord no less than ninety (90) days prior to the expiration of the then-current term. The monthly Rent during the option terms shall be as set forth in the following Rent Schedule During Option Terms:

<i>RENT SCHEDULE DURING OPTION TERMS</i>	
OPTION 1 EXTENSION PERIOD	
Months 1 - 60	\$ 3000/Month
OPTION 2 EXTENSION PERIOD	
Months 1 - 60	\$ 3000/Month

All other terms and conditions of this Lease shall remain the same during any option extension period.

8. **Use of Premises:** The leased premises shall be used for the conduct of programs administered by the County of San Joaquin, including the transitional and supportive housing program referenced in Exhibit A. The tenant shall have the right to co-locate multiple San Joaquin County departments on the premises.
- 8.1. **Quiet Enjoyment:** Tenant has the right to quiet enjoyment of the Premises. Upon the observance and performance of all the covenants, terms and conditions on Tenant's part to be observed and performed, Tenant shall peaceably and quietly hold and enjoy the Premises for the Term hereby demised without hindrance or interruption by Landlord, subject, nevertheless, to the terms and conditions of this Lease.
9. **Square Footage:** Except as otherwise provided herein, the square footage set forth in Article 1.3 of this Lease, that may have been used in calculating Rent, is an approximation which the Parties agree is acceptably accurate, and any Rent rate based thereon is not subject to revision whether or not the actual square footage is more or less.
10. **Access:** Tenant shall have exclusive use of any walkways and paved areas in or on the Premises for use by Tenant, Tenant's employees, Tenant's clients, Tenants agents, Tenant's visitors, Tenant's contractors, and persons engaged in delivery activity for Tenant.

11. Parking: Tenant is guaranteed the use of all parking spaces on the Premises for use by Tenant, Tenant's employees, Tenant's clients, Tenants agents, Tenant's visitors, Tenant's contractors, and persons engaged in delivery activity for Tenant.

11.1. Public street parking is often available for use near the Premises and will be used by Tenant in accordance with any applicable statutes or ordinances.

12. Estoppel: From time to time upon written request of Landlord given in the manner described in Article 2, Tenant shall provide to Landlord, within fifteen (15) days after Tenant's receipt of such request, an instrument prepared by Landlord stating the following, as applicable on the date that said instrument is executed:

12.1. The commencement and termination dates of this Lease.

12.2. The date on which rental payments will commence or have commenced.

12.3. That there are no amendments to this Lease, or if there are amendments, stating what amendments are in existence.

12.4. That this Lease is in full force and effect, only when such a statement is true.

12.5. That there are no existential defaults in effect by either Party, only when such a statement is true.

12.6. That Tenant has no knowledge of any facts or circumstances which might reasonably cause Tenant to believe would give rise to a default by either party, as the case may be, and only to the extent that such a statement is true.

13. Right of Landlord's Entry: Landlord reserves the right to enter upon the Premises, with Tenant's consent and attendance (due to the sensitive nature of Tenant's work), forty-eight (48) hours after Tenant's receipt of notice from Landlord requesting entry to the Premises, given in the manner set forth in Article 2, at all reasonable times during Tenant's business hours (or after hours with Tenant's written consent) for the purpose of inspecting the condition of the Premises, showing the Premises to prospective purchasers, encumbrancers or tenants, posting any contractual or statutorily required notices, making repairs which Landlord is obligated or deems necessary to make (with due dispatch and in such manner and at such times as will cause the least possible inconvenience to Tenant in the conduct of its business and in such a manner that will not prevent Tenant from conducting its business), and at any time in the event of an emergency.

14. Tenant Paid Utilities: Tenant shall pay, directly to the appropriate utility company, all charges for utility services supplied to Tenant, including internet, electricity, natural gas, sewer and water, for which there is a separate meter and/or submeter. Landlord, at its own expense, is responsible for ensuring that such separate meter and/or submeter is installed and ready to serve the Premises no later than the Commencement Date.

14.1. Garbage/Trash Collection Service: Tenant shall pay for its own garbage/trash collection service, provided that Landlord provides an adequate and designated area for storage of any dumpsters or containers associated with said service.

- 15. Landlord's Maintenance Obligations:** Landlord, at its own expense, shall maintain in good working order, condition and repair, all building systems, including the structural components, mechanical components, electrical components, plumbing components, operational components, foundations, heating/ventilation/air-conditioning systems (HVAC), sewer lines, common areas, parking lots, paved surfaces, and landscaping, in addition to all repairs necessitated by normal wear and tear. Landlord shall also be responsible for all exterior maintenance, as well as roof maintenance and sealing. Landlord shall maintain the roof of the Premises using the level of accepted building maintenance methods and standards necessary to reasonably expect that such level of maintenance will prevent roof leaks from occurring at the Premises.
- 15.1.** If any repairs or replacements are necessitated by the proven negligence or willfully destructive acts of Tenant, the cost of same shall be the sole responsibility of Tenant.
- 15.2.** Tenant shall notify Landlord of any need for maintenance or repairs that are the Landlord's obligation under Article 15, and upon such notification and proof that repair is Landlord's responsibility, Landlord shall promptly, without unnecessary delay, perform needed repairs.
- 15.3.** Costs of all damages caused by Landlord's failure to perform Landlord's obligations under Articles 15, are the sole responsibility of Landlord.
- 16. Tenant's Maintenance Obligations:** Except for Landlord's obligations set forth in this Lease, including but not limited to Articles 15 and 20, Tenant, at its expense, shall keep the Premises in good working order, repair, and condition, including providing pest control services. Notwithstanding anything to the contrary in this Lease, Tenant is not responsible for the cost of any repairs necessitated by normal wear and tear of the Premises or costs of any repairs caused by defective materials that existed in the Premises before the Commencement Date.
- 17. Alterations:** Tenant, after Commencement Date, shall not make or cause to be made to the Premises any addition, improvement, renovation, alteration, reconstruction, or change, without, in each instance, first obtaining the consent of Landlord. Landlord shall not unreasonably withhold or delay such consent. Upon Landlord's consent, all such work must be performed in a manner consistent with acceptable building or construction standards and diligently executed to completion and all associated costs will be the responsibility of the Tenant.
- 17.1.** The Landlord has fully remodeled the premises. The improvements performed and paid for by Landlord prior to commencement included but were not limited to new flooring, new doors, new casings/baseboard/trim, new paint/wallpaper, and restroom/cabinetry remodel.
- 17.2.** Tenant scope of work and improvements shall include but are not limited to the installation of modular walls/workstations/furniture, the installation of data cabling, and the installation of San Joaquin County voice/data functionality.
- 18. Mechanics Liens:** Tenant agrees to keep the Premises free from all liens and claims of mechanics, laborers, material suppliers, and others for work done, and material furnished, and Tenant shall not create, or suffer to be created, any lien or encumbrance on the Premises.

- 19. Transfer of Landlord's Interest:** If the interest of Landlord in the Premises or the Building shall be transferred at any time hereafter, regardless of the cause thereof and whether or not such transfer or termination is with the consent or due to the act of Landlord, Landlord shall be released from any further obligation or liability to Tenant hereunder, save and except any claim, right, or cause of action that has accrued on or before the date of such transfer; provided, however, that any money then in the hands of Landlord in which Tenant has any interest shall be paid over to such successor and any money then owed by Landlord to Tenant under any provision of this Lease shall be paid to Tenant; and provided, further, that all duties of Tenant hereunder, including, but not limited to, the duty to pay the rent reserved herein, shall therefore inure to the benefit of and be enforceable by said successor. Tenant agrees to accept such successor as Landlord, hereunder, with the same effect as if this Lease had been entered into by such successor as the original Landlord hereunder. Such successor shall be bound by all of the terms, conditions, covenants, obligations of Landlord, and responsibilities of Landlord, hereunder, with the same effect as if this Lease had been entered into by such successor as the original Landlord hereunder.
- 20. ADA Accessibility:** Landlord is responsible for making any structural alterations or improvements in and on the Premises, at Landlord's sole expense, that are necessary to ensure that all accessibility standards are in compliance with existing or future applicable laws and statutes. Tenant, after Commencement Date, is responsible for any non-structural work required to maintain accessibility standards within the Premises up to the interior edge of thresholds of the primary building situated on the Premises.
- 21. Severability:** The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.
- 22. Waivers:** No provisions of this Lease shall be deemed waived by Landlord or Tenant unless such waiver is in writing. No waiver by Landlord or Tenant of any term, covenant, or condition hereof shall be deemed a waiver of any other term, covenant or condition hereof.
- 23. Holdover:** If Tenant (directly or through any assignee, subtenant, transferee or other successor-in-interest of Tenant) remains in possession of the Premises after the expiration or termination of this Lease, Tenant shall continue to comply with or perform all the terms and obligations of Tenant under this Lease, except that the monthly Base Rent during Tenant's holding over shall be one hundred five percent (105%) of the Base Rent payable in the last full month prior to such holding over. Acceptance by Landlord of rent after such termination shall not constitute a renewal of this Lease.
- 24. Force Majeure.** No liability shall result to either Party from such Party's delay in performance or non-performance under this Lease caused by circumstances beyond such Party's control, including but not limited to acts of God, war, terrorism, riot, fire, explosion, accident, flood, sabotage, strike, lockout, injunctions, catastrophic breakage or failure of machinery or apparatus, national defense, or natural disaster requirements or compliance with or change in applicable law. The non-performing Party shall be diligent in attempting to remove any such cause and shall promptly notify the other Party of the extent and probable duration of such cause.
- 25. Choice of Law:** This Lease shall be governed by the laws of the State of California, and any litigation between the Parties hereto concerning this Lease shall be initiated in the County in which the Premises are located.

- 26. Subletting:** Tenant shall have the right to sublease all or any part of the Premises, with the consent of the Landlord, which shall not be unreasonably withheld, with the exception of the 44 individuals who have been approved by the tenant for participation in the program. In the event of such subletting, Tenant remains liable for all terms hereof and shall ensure that the sublessee would only utilize the Premises in accordance with the Parties' agreed purposes, and the Landlord shall not be required to engage in any manner with the sub-tenant. Under such a sublease, sub-tenant shall have all real property use rights provided to Tenant under this Lease.
- 27. Condemnation:** If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power, Tenant has the right to terminate this Lease as of the date the condemning authority takes title or possession, whichever first occurs.
- 28. Broker Commissions:** Tenant shall neither pay nor be responsible to pay any commissions related to or associated with this Lease under any circumstances. Any amount of commission owed to any Broker or charged by any Broker in connection with this Lease, including but not limited to any amount stated in any agreements to which Landlord may be a party to, is the sole responsibility of the Landlord and shall have no force or effect on Tenant.
- 29. Tenant's Insurance and Indemnity:** It is recognized by the Parties that the Tenant is insured by the San Joaquin County Self-Insurance Program. Tenant shall at all times during the Lease Term maintain said self-insurance, under the Tenant's self-insurance program, for public liability including bodily injury and property damage with minimum coverage of \$2,000,000 Aggregate, \$1,000,000 each occurrence. To the maximum extent permitted by insurance policies which may be owned by Tenant or Landlord, Tenant and Landlord waive any and all rights of subrogation which might otherwise exist. A duplicate or certificate of said public liability and property damage insurance policy containing the above stated required endorsements shall be delivered by Tenant to Landlord upon request. Except for when caused by Landlord's negligence and/or Landlord's breach of its obligations hereunder, Tenant agrees to indemnify, defend and hold harmless Landlord from and against all claims of whatever nature arising from any act, omission, or negligence of Tenant or Tenant's agents, servants, employees, or invitees, or arising from any accident, injury, or damage whatsoever caused any person or the property of any person, occurring on the Premises during the Term of this Lease where such accident, damage, or injury, results or is claimed to have resulted, from any act or omission on the part of Tenant or Tenant's agents, servants, employees or invitees.
- 29.1.** Landlord shall also carry insurance, or provide proof of self-insurance, in the minimum coverage amounts described in Article 28, in addition to, and not in lieu of, the insurance required to be maintained by Tenant.
- 30. Events of Tenant's Default:** Events which shall constitute default under this Lease include the following:
- 30.1.** Tenant shall fail or omit to pay any rent or other sum payable hereunder for a period of ten (10) days after the same is due.
- 30.2.** Tenant shall enter into a Transfer, Change of Control or Encumbrance contrary to the provisions of this Lease or shall abandon or vacate the Premises
- 30.3.** Tenant shall fail to observe, keep or perform any of the other terms, covenants, agreements or conditions contained herein and such failure or omission continues for a period of thirty (30) days

after written notice by Landlord, or if such matter reasonably requires more than thirty (30) days to correct, Tenant fails to commence to correct the same promptly upon the giving of said notice and prosecute the same to conclusion with all due diligence.

30.4. Tenant fails to provide any records, documentation, or information reasonably requested by Landlord within ten (30) calendar day of such request, as necessary to ensure compliance with all applicable program guidelines, record-keeping requirement, and grant obligations.

31. Landlord's Remedies: Upon the happening of any event of default, Landlord may, at its option and following Tenant's failure to cure after thirty (30) days' written notice or demand, in addition to any other rights and remedies given hereunder or by law, do any of the following:

31.1. Landlord shall have the right to terminate this Lease by giving written notice of termination to Tenant. In the event of any such termination of this Lease, Landlord may then or at any time thereafter, re-enter the Premises and remove therefrom all persons and property and again repossess the premises. In the event of any such termination of this Lease, and in addition to any other rights and remedies Landlord may have, Landlord shall have all rights and remedies of a Landlord provided by Section 1951.2 of the California Civil Code. The amount of damages which Landlord may recover in the event of such termination shall include the monetary amount of any unpaid rent due under the Lease which had been earned at the time of such termination, the monetary amount by which the unpaid rent due under the Lease which would have been earned after termination until the time of award exceeds the amount of such rental, the monetary amount by which the unpaid rent due under the Lease for the balance of the Term after the time of award exceeds the amount of such rental.

31.2. In the event Tenant breaches this Lease and abandons the Premises and Landlord does not elect to terminate this Lease by reason of such breach and abandonment, this Lease shall continue in full force and effect.

31.3. Tenant noncompliance or interruption in services will be considered a beach of this Lease giving the landlord the right to terminate this Lease by giving written notice of termination to Tenant.

32. Landlord's Default: Landlord shall be in default hereunder if and when Landlord fails to perform the obligations required hereunder of Landlord within a reasonable time, but in no event later than thirty (30) days after notice by Tenant to Landlord provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such 30-day period and thereafter diligently prosecutes the same to completion within sixty (60) days after notice by Tenant to Landlord. Tenant shall have the option to terminate this Lease as a result of Landlord's default, and Tenant's remedies shall be limited to monetary damages; provided however, that in no event shall Landlord be liable under any circumstances for any consequential damages incurred by Tenant including, without limitation, any injury to, or interference with, Tenant's business, arising in connection with this Lease. Tenant is excused from paying rent due hereunder as a result of any default by Landlord.

33. Hazardous Substances: Tenant represents and warrants that it and its agents, servants, employees, contractors, and anyone else acting on Tenant's behalf will not, without Landlord's prior written consent (except in connection with small amounts of office supplies and cleaning supplies) handle,

store, dispose, produce, use, permit the escape or release of, transport or manufacture any hazardous waste, hazardous materials or hazardous substances as defined or regulated by local, state or federal law on the Premises or any portion of the Building. Any necessary clean-up and disposal of hazardous substances on or from the Premises shall be performed by Tenant, Tenant's contractors, Tenant's employees, Tenant's designee(s), Tenant's servants, or Tenant's agents, at Tenant's sole cost and expense and shall be performed in accordance with all applicable laws, rules, regulations and ordinances.

- 34. Signs:** Tenant shall provide, at its own cost, any signs located on the interior or exterior of the Premises and required for the efficient conduct of Tenant's activities. Tenant shall not install any exterior signs without prior consent of Landlord, which shall not be unreasonably withheld.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written and do hereby agree to the full performance of the terms set forth herein.

LANDLORD:

CITY OF LODI, California municipal corporation

TENANT:

COUNTY OF SAN JOAQUIN, a Political Subdivision of the State of California

By: _____

JAMES LINDSAY
Acting City Manager

By: _____

DAN WIRTZ
Director, General Services Department

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____

KATIE LUCCHESI
City Attorney

By: _____

QUENDRITH MACEDO
Deputy County Counsel

ATTEST:

APPROVED AS TO CONTENT:

By: _____

OLIVIA NASHED
City Clerk

By: _____

Matt Garber
Assistant Director Health Care Services

Exhibit A: Tenant Responsibilities and Grant Compliance Requirements

This Exhibit is incorporated into the Lease Agreement between the City (Landlord) and the County (Tenant). The Tenant agrees to comply with the City's obligations as a subrecipient of state and federal grant funds, as set forth in agreements related to the following programs: HHIP, REAP, PLHA, and CPF.

I. Grant Compliance

The Tenant shall:

1. Abide by all applicable programmatic, legal, and regulatory obligations that the City is subject to as a subrecipient under the referenced programs, including but not limited to:
 - 2 CFR Part 200 (Uniform Guidance),
 - HIPAA and HITECH Act provisions (when applicable),
 - Environmental review standards (24 CFR Part 58),
 - Fair housing and civil rights requirements,
 - DHCS All Plan Letters (APLs), Policy Letters (PLs), and guidance,
 - Conflict of interest, debarment, anti-lobbying, and drug-free workplace rules.
2. Support City compliance with federal and state grant terms by implementing any project activities on the leased premises in a manner that aligns with grant-funded objectives, milestones, and use restrictions.

II. Reporting Requirements

Tenant shall provide the City with quarterly reports, in a format and according to a timeline specified by the City, including but not limited to the following data, with additional data required as deemed necessary by the City or the applicable grantor:

- Unduplicated client count and total persons served
- Client demographic information
- Transitions to other housing or services/programs
- Service types and frequency

III. Monitoring and Records

Tenant shall:

- Maintain accurate and complete financial and programmatic records.
- Cooperate with the City and its funders in any audits, site visits, data validation efforts, or monitoring activities.
- Promptly notify the City of any material change in operations, leadership, funding, or compliance status that may affect fulfillment of grant conditions.
- Maintain good standing with the California Department of Health Care Services (DHCS) and all associated program requirements, including those necessary to receive and retain operational support. Upon request, Tenant shall provide the City with written confirmation or evidence of such standing, including any applicable certifications or correspondence with DHCS.

Failure to comply with the terms of this Exhibit may constitute a material breach of the Lease Agreement.