# COUNTY OF SOLANO GROUND LEASE AGREEMENT

This Ground Lease Agreement ("Agreement") is entered into on June \_\_\_\_\_, 2019 (the "Effective Date") between the County of Solano, a political subdivision of the State of California (the "County") and Solano-Napa Habitat for Humanity, Inc., a California nonprofit corporation duly created under section 501(c)(3) of the Internal Revenue Code (the "Lessee"), for the use of a portion of real property located at 610 St. Francis Way, Rio Vista, CA 94571.

#### Recitals

- A. County owns the parcel of land in the City of Rio Vista, identified as Assessor's Parcel Number 0178-200-040 (the "County Parcel").
- B. A portion of the County Parcel is allocated to the sole use of American Legion Post 178, (American Legion) consisting of the Rio Vista Veterans Memorial Building, adjacent site improvements, and the parking lot.
- C. The area of the County Parcel not allocated to the American Legion is vacant (the "Vacant Area").
- D. Lessee desires to lease a portion of the Vacant Parcel (the "Premises") from the County in order to develop a single-family residential building as permanent housing for six (6) qualified, low income veterans (the "Veterans House").
- E. Lessee intends to sell the Veterans House and associated improvements constructed on the Premises upon their completion to Berkeley Food & Housing Project ("BFHP"), a nonprofit public benefit corporation created under section 501(c) (3) of the Internal Revenue Code with a 30-year zero percent interest mortgage equal to the cost to Lessee to construct the Veterans House and associated improvements.
- F. Lessee, concurrent with the sale of the Veterans House and associated improvements to BFHP, intends to assign its rights and responsibilities under this Agreement to BFHP. For purposes of this Agreement "Successor" means BFHP.

NOW, THEREFORE, the undersigned parties agree as follows:

- 1) PREMISES. Lessee leases from the County the Premises, which is approximately 0.30 acres and is described and identified in **Exhibit A** (Premises Description and Plat Map) and incorporated into this Agreement. Upon completion and approval of a Grading Plan for the Premises, but no later than the issuance of a Building Permit, Lessee will prepare a final Premises Description and Plat Map reflecting the Premises. The balance of the Vacant Area will be subject to a separate Operation and Maintenance Agreement between the County and American Legion Post 178.
- 2) <u>PREMISES USE.</u> Lessee will construct on the Premises the Veterans House, a single-family residential house with associated improvements as illustrated in **Exhibit B** (Site Plan and Floor Plan) and incorporated into this Agreement for the purpose of accommodating six (6)

qualified, low income veterans. Lessee agrees that low income veterans will be qualified using the parameters described in **Exhibit C** and incorporated into this Agreement. If during the term of this Agreement there are an insufficient number of qualified veterans occupying the Veterans House and no replacement qualified veterans can be found; Lessee may request written consent by the County to also use the Veterans House for qualifying homeless persons other than veterans, and the County's consent to such request will not be unreasonably withheld or unreasonably conditioned. The County will consult with the American Legion Post 178 regarding the use of the Veterans House for homeless persons other than veterans prior to granting such consent.

#### 3) <u>TERM.</u>

- A. Unless terminated pursuant to Sections 3B or 30 of this Agreement, the term of this Agreement (the "Term") shall be 50 years and shall commence upon execution of this Agreement (the "Commencement Date") and expire on the date that is fifty (50) years following the Commencement Date (the "Expiration Date").
- B. Effective as of the date that is thirty-three (33) years following the Commencement Date, this Agreement may be terminated by either County or Lessee, upon delivery of one (1) year's prior written notice from the terminating party to the other. If neither party provides the required notice by the date that is thirty-two (32) years following the Commencement Date, then the Term will continue until the Expiration Date in 3A above.
- 4) <u>PURCHASE OF IMPROVEMENTS.</u> Upon expiration of this Agreement as specified in Section 3A, County agrees to purchase from BFHP the Veterans House and associated improvements at the original sales price of the Veterans House and its associated improvements to BFHP, less 2% depreciation per year over the term of this Agreement commencing the first year following the sale date. Lessee shall provide copies of executed sales documents to the County evidencing the sales price of the Veterans House to BFHP within 30 days following completion of ownership transfer of the Veterans House and the associated improvements. The County will thereafter prepare a depreciation schedule for use by the County and the Lessee or its Successor

#### 5) TRANSFER OF AGREEMENT.

- A. Lessee plans to assign its rights and responsibilities under this Agreement to BFHP concurrent with the sale of the Veterans House and all improvements associated with the Veterans House to BFHP (the "Assignment"). County shall not withhold its approval of the Assignment of this Agreement to BFHP so long as BFHP, at the time of sale of the Veterans House, provides to the County evidence reasonably satisfactory to the County 1) confirming BFHP's legal status as a 501(c) (3) public benefit corporation; 2) confirming BFHP's financial status and financial ability to remain in good standing with Lessee relative to any associated debt; 3) confirming BHFP's financial ability to own and operate the Veterans House, and maintain the Veterans House and all improvements associated with the Veterans House; and 4) confirming that the tenants of the Veterans House meet the qualifications described in **Exhibit C** attached hereto.
- B. This Agreement is not transferable in any manner by Lessee or its successor without prior written consent by County. Transfer of this Agreement or the rights granted by this Agreement shall be void and of no force without the express written consent of County, which consent shall not be unreasonably withheld.

- C. Any transfer of this Agreement shall require an Assignment of Ground Lease to be executed by the parties and with the County's signed consent.
- D. In the event that BFHP, or any other successor in interest, is no longer able to operate the Veterans House in accordance with Section 2 above, BFHP, or any subsequently County-approved successor in interest, may assign its rights and responsibilities, with the County's prior written approval, to a qualified 501(c) (3) public benefit corporation who has the financial ability and experience to own and operate the Veterans House. Determination of a qualified 501(c) (3) public benefit corporation shall be in the County's sole discretion.

#### 6) RENT PAYMENT TO COUNTY.

- A. Lessee shall pay the County as consideration for its use of the Premises throughout the Term, as described in section 3, above, the one-time sum of \$1.00 upon execution of this Agreement.
- B. Lessee agrees to pay such Rent to County at the following address, or such other address:

County of Solano Director of General Services 675 Texas Street, Suite 2500 Fairfield, CA 94533

- <u>UTILITIES.</u> Lessee (and its Successor, following the Assignment) shall be responsible for and shall pay for all charges for utility services furnished to the Veterans House during the Term, and shall arrange for such services directly with the furnishing utility agency. Lessee (and its Successor, following the Assignment) are responsible for the cost of all utility connections, City of Rio Vista fees, improvements, repairs or services provided to the Veterans House in all respects. County is under no obligation to provide new, or extend existing, utility lines for services to the Veterans House nor to undertake or bear any expense for any improvements to the Veterans House. Lessee (and its Successor, following the Assignment) shall have the right to run utilities to the Veterans House in order to service the Premises provided that in doing so, neither Lessee nor or its Successor (following the Assignment) shall interfere with County's, or other permitted parties' uses of the American Legion Post 178 portion the parcel or facilities.
- 8) <u>CONDITION OF PREMISES.</u> Lessee acknowledges and agrees that Lessee is accepting the Premises in an "as-is" condition and that the County has not agreed to undertake or provide any improvements to the Premises for the Lessee. Lessee and its Successor, however, will be held harmless and under no obligation to mitigate any pre-existing hazardous or negative environmental condition on the Premises discovered or identified during site investigations, soils work, grading or construction. Upon any discovery or identification of a pre-existing hazardous or negative environmental condition, Lessee (or its Successor, following the Assignment) shall have the right to terminate this Ground Lease in such party's sole discretion without penalty.

#### 9) TIMELY INSTALLATION AND OPERATION.

A. County understands that construction of the Veterans House and associated improvements is dependent upon Lessee obtaining donated funds, grants and/or loans. Lessee will operate in good faith to obtain these funds in a timely manner and will take

action as necessary to fulfill this obligation. Lessee will provide the County with Quarterly Reports on the status of its fund raising efforts, commencing at the end of the first full quarter of the calendar year after execution of this Agreement. The Lessee agrees to complete the Veterans House and associated improvements, as evidenced by a Certificate of Occupancy issued by the County, within 30 months from the Commencement Date of this Agreement. If Lessee does not complete the Veterans House and associated improvements as specified by this section, Lessee may submit to County in writing a letter stating the reasons for failure to complete the Veterans House and improvements and requesting additional time to complete for the County's consideration. Following consideration of the request, the County may extend the time to complete the Veterans house and improvements or to terminate this Agreement at its sole discretion upon written notice to Lessee.

B. All improvements to be installed on the Premises shall be constructed at Lessee's sole cost and expense and in good quality manner by a licensed contractor, including Lessee, or by volunteers under the strict supervision and guidance of Lessee in accordance with building, fire, health and safety codes; and with permitted construction plans as approved by the County and City of Rio Vista. The proposed Veterans House, together with all associated improvements as illustrated in **Exhibit B**.

#### 10) MAINTENANCE.

- A. Lessee (or its Successor, following the Assignment) is obligated to maintain the Veterans House and all associated improvements on the Premises, including, but not limited to, buildings, fixtures and landscaping in a reasonably professional, clean and attractive condition at all times, normal wear and tear excepted. In the event Lessee (or its Successor, following the Assignment) fails to maintain the Veterans House and associated improvements on the Premises in the condition required in this section 11(A), the County shall deliver written notice to Lessee (or its Successor, following the Assignment) specifying in detail the nature of such deficiency. Lessee shall cure the deficiencies subject to Section 30 of this Agreement.
- B. In the event Lessee (or its Successor, following the Assignment) fails to cure the deficiency following written notice as set forth in section 11A above, the County shall have the right to perform such maintenance or repairs, and Lessee (or its Successor, following the Assignment) shall reimburse the County within 30 days after receipt of an invoice from the County for the cost of such maintenance or repair.
- 11) <u>REPAIRS</u>. With the exception of negligence by the County resulting in damage to the Veterans House or Premises, the County shall not be responsible for or obligated to make any repairs to the Veterans House or Premises during the Term. Lessee (or its Successor, following the Assignment) covenants and agrees, at its own cost and expense during the Term, to repair any damage to the Veterans House or Premises caused by Lessee (or its Successor, following the Assignment), its agents, or contractors and maintain the Veterans House and Premises in good condition and repair.
- 12) <u>ALTERATIONS.</u> Lessee (or its Successor, following the Assignment) shall not make or permit any other person to make alterations to the Veterans House or Premises outside of the scope of this Agreement without the prior written consent of County. Such consent shall not be unreasonably withheld.

- 13) FAILURE TO OBTAIN PERMITS. Lessee represents that Lessee has obtained or will apply for and obtain all of the necessary construction permits and/or governmental approvals for Lessee's development and improvement of the Veterans House. Execution of this Agreement in no way constitutes a permit to alter the Premises or construct the Veterans House or associated improvements. Lessee will have the option to terminate this Agreement because of the denial by the appropriate government agency of any necessary construction permits and/or approvals. Such option must be exercised, if at all, by Lessee's delivery to County of written notice of such termination within 30 days after Lessee's receipt of notice of denial. This Agreement shall terminate 30 days after County receives written notice of Lessee's intent to terminate under this provision and neither County nor Lessee shall have any further rights, obligations, duties or liabilities to each other, except to the extent same accrued prior to the date of termination.
- 14) PERFORMANCE GUARANTEE. Lessee ensures the County and further agrees that construction on the Premises and of the Veterans House shall not commence until the Lessee's funding is assured and that the Veterans House in its entirety will be completed as required by Section 10.A of this Agreement. In the event subcontractors or material suppliers are used for the project with contracts in excess of \$100,000, Lessee shall furnish to County a performance bond as described below prior to commencement of development and construction activities on the Vacant Parcel. The bond shall be issued by a surety company licensed to do business in the State of California and be acceptable to the County in an amount not less than the amount of the construction contract. The bond shall remain in effect until the entire cost of the contract is paid in full and the new improvements have been insured as provided in this Agreement. The bond shall have the following provisions:
  - A. That it is conditioned to secure the completion of the proposed construction, free from all liens and claims of contractors, Subcontractors, mechanics, laborers and materialmen for 36 months after commencement of construction.
  - B. That the construction work shall be completed by Lessee, the general contractor or, on their default, the surety company.
  - C. That in default of such completion of payment, such part of the amount of the bond as shall be required to complete the work shall be paid to County as liquidated and agreed damages for the nonperformance of Lessee's agreements, it being agreed that the exact amount of County's damages is difficult and impractical to ascertain.
  - D. That the surety company will defend and indemnify County against all loss, cost, damage, expense and liability arising out of or connected with the work of improvement.
- 15) PROTECTION OF COUNTY AGAINST COST OR CLAIM. Lessee shall pay or cause to be paid the total cost and expense of any and all work of improvement on the Premises, as that phrase is defined in the Mechanic's Lien Law in effect in the State of California when the work begins. Lessee shall not suffer or permit to be enforced against the Premises any mechanic's, materialmen, contractor's or subcontractor's lien arising from any work of improvement however occurring. Lessee may post a bond against such lien and dispute the validity of the lien. Lessee will defend and indemnify County against all liability and loss of any type arising out of work performed on the Premises together with reasonable attorney's fees and all costs and expenses incurred by County in negotiating, settling, defending or otherwise protecting against such claims.

- 16) <u>ACCESS BY LESSEE.</u> For the entire Term of this Agreement, Lessee (or its Successor, following the Assignment), its agents and contractors shall have reasonable access to the Veterans House and Premises during normal business hours.
- 17) ACCESS BY COUNTY. Lessee (or its Successor, following the Assignment) agrees to accommodate access to the Veterans House and Premises by County officials, upon not less than ten (10) days' prior written request, for the purpose of periodic fire and safety code inspections and compliance with the terms and conditions of this Agreement.
- 18) OWNERSHIP OF VETERANS HOUSE AND ASSOCIATED IMPROVEMENTS AT TERMINATION REVERSION TO COUNTY. The Veterans House and associated improvements, upon the Expiration Date of this Agreement shall be subject to Section 4 of this Agreement. The Veterans House and associated improvements shall be free and clear from all security interest(s) and claims granted to Lessee's lender(s) or lenders of its Successor and be free and clear of all claims to or against the lenders by Lessee or its Successor or any third person, and Lessee or its Successor shall defend and indemnify County to the extent of any loss arising from such claims.

#### 19) NONENCUMBRANCE OF FEE INTEREST.

- A. No encumbrance, whether deed of trust, mortgage or other instrument incurred by Lessee shall, nor shall Lessee have the power to, incur an encumbrance that will constitute in any way a lien or encumbrance on the fee of the Premises or any interest of County in the Premises.
- B. Encumbrances of the leasehold estate shall not merge with the fee estate in the Premises merely because both estates have been acquired or become vested in the same person or entity.
- C. The mortgage and all rights acquired under it shall be subject to each and all of the covenants, restrictions and conditions of this Agreement and to all rights and interests of County except as otherwise provided in this Agreement.
- D. Lessee shall give County prior written notice of any such mortgage and shall accompany the notice with a true copy of the note and mortgage. The mortgage document shall contain provisions that all notices of default under the note and mortgage must be sent to County and Lessee, and that County shall have the right to cure any default of Lessee if Lessee fails to do so.
- 20) <u>INDEMNIFICATION.</u> Lessee (and its Successor, following the Assignment) indemnifies, agrees to defend and hold harmless County, its employees, agents and officers from and against any liability, damages, injuries, or claims for damages by reason of injury to any person or persons, including Lessee or its Successor, or property of any kind whatsoever and to whomsoever belonging, including Lessee or its Successor, arising from the operations and/or use of the Veterans House and/or Premises, by Lessee or its Successor, its agents, customers, business invitees and/or any persons acting on Lessee's or its Successor's behalf, except for those damages arising out of the negligence or willful misconduct of the County. Lessee (or its Successor, following the Assignment) shall defend, indemnify and save harmless County and all officers and employees, thereof, from all liability, suits or actions of every name, kind and description brought for or on account of injuries to or death of any person or damage to the

Veterans House and/or Premises arising from or relating to Lessee's (or its Successor's, following the Assignment) use of the Veterans House and/or Premises. County shall indemnify Lessee and its Successor from and against any liability for personal injury or property damage arising out of the negligence or willful misconduct of the County in connection with the Veterans House and/or Premises.

County shall not be held responsible or liable for any subsurface soil conditions existing at, on, or under the Premises on the effective date of this Agreement, except to the extent arising out of the willful misconduct or negligence of County, its officers, agents, or employees. Notwithstanding anything to the contrary contained in this Agreement, County and Lessee acknowledge that as a material inducement for County entering into this Agreement, County shall not be liable under any circumstances for punitive damages or consequential damages (including, without limitation, lost profits or customer losses of Lessee).

The discovery by Lessee (or its Successor, following the Assignment) of any pre-existing subsurface soil condition under the Premises impacting Lessee's ability to construct the Veterans House or other improvements shall be immediately disclosed to County and be grounds for termination of this Agreement by Lessee (or its Successor, following the Assignment) without penalty.

- DAMAGE TO PREMISES OR PERSON. County will not be liable for the following: (i) any loss or damage to property of Lessee, its Successor, or tenants of the Veterans House including the improvements, or of others located in or on the Premises, by theft or otherwise, (ii) any injury or damage to persons or property within the Veterans House or Premises resulting from fire, explosion, falling sheetrock, gas, electricity, water, rain, snow or leaks from any part of the Veterans House and/or Premises, or from the pipes, appliances or plumbing works, street or subsurface, or from any other place or by dampness or by any other cause of whatsoever nature, (iii) any injury or damage caused by tenants of the Veterans House, or any person(s) in or on the Veterans House and/or Premises, or by occupants of property adjacent to the Veterans House or common areas, or by the public, or by the construction of any private, public or quasi-public work, or (iv) any latent defect in construction of the Veterans House and associated improvements.
- 22) <u>INSURANCE.</u> Lessee (or its Successor, following the Assignment) shall, at its sole cost and expense, procure and maintain during the entire term of this Agreement public liability and property damage insurance in accordance with the requirements of <u>Exhibit D</u>, which is attached and incorporated into this Agreement. Proof of insurance shall be submitted to County prior to the Commencement Date of the Term.
- 23) HAZARD AND HAZARDOUS MATERIALS. Hazardous materials are those substances listed in the Comprehensive Environmental Response, Compensation and Liability Act, 42, U.S.C. section 9601, et seq. ("CERCLA") and the California Hazardous Waste Control Act, Health and Safety Code section 25100 et. seq., or those which meet the toxicity, reactivity, corrosivity or flammability criteria of the above regulations, as well as any other substance which poses a hazard to human health or to the environment.

Except as otherwise permitted in this Agreement, Lessee (or its Successor, following the Assignment) shall not use, create, store or allow any such substances on the Premises except those household products normally associated with and stored within a single-family house.

Lessee agrees not to use or permit the use of the Veterans House and/or Premises for any other purpose, or for any purpose which is illegal, dangerous to life, limb or property, or which, in County's reasonable opinion, creates a nuisance or which would increase the cost of insurance coverage with respect to the Veterans House and/or Premises. In particular, no semiconductors or other electronic equipment containing polychlorinated biphenyls (PCB's) or other environmentally hazardous materials will either be used or stored in or around the Veterans House and/or Premises, and no such materials will be used in any of the equipment operated by Lessee or its Successor on the Veterans House and/or Premises.

- 24) <u>POSSESSORY INTEREST.</u> Lessee (or its Successor, following the Assignment) understands and acknowledges that its interest may be subject to a possessory interest tax or property tax that may be levied on Lessee (or its Successor, following the Assignment) by the County of Solano pursuant to section 107 of the Revenue & Taxation Code, section 33673 of the Health and Safety Code, or other provision of state or local law. Lessee (or its Successor, following the Assignment) agrees to pay any such tax directly to the County Tax Collector which is billed separately and directly to Lessee (or its Successor, following the Assignment).
- 25) <u>NOTICES.</u> All notices required by this Agreement shall be in writing and given to the party as follows:

Lessee:

Solano-Napa Habitat for Humanity

5130 Fulton Dr. Suite R Fairfield, CA 94534

Attention: Executive Director

County:

County of Solano

675 Texas Street, Suite 2500

Fairfield, CA 94533

Attn: Real Estate Manager

Any notice or demand required to be given shall be made by certified or registered mail, return receipt requested, or reliable overnight courier. County or Lessee or its Successor may from time to time designate any other address for this purpose by written notice to the other party.

- 26) <u>SEVERABILITY/WAIVER.</u> If any provision of this Agreement shall be determined to be invalid by any court of competent jurisdiction, the remaining portions of this Agreement shall remain in full force and effect. Waiver by either party of any of its rights under this Agreement must be in writing and shall not constitute a waiver of any other rights such party may have.
- 27) <u>AMENDMENT.</u> The terms of this Agreement may be amended only in a writing signed by County and Lessee (or its Successor, following the Assignment).

#### 28) DEFAULT.

The occurrence of any of the following will constitute a default under this Agreement by Lessee (or its Successor, following the Assignment):

A. Failure to comply with any term or condition of this Agreement by the County or the Lessee (or its Successor, following the Assignment), which failure has not been cured within sixty (60) days following delivery of written notice of such failure.

B. Failure by Lessee (or its Successor, following the Assignment) to own and operate the home for veterans in accordance with Section 2 above.

### 29) TERMINATION OF AGREEMENT.

- A. In the event of default by Lessee (or its Successor, following the Assignment), County shall have the right to terminate this Agreement and all rights of Lessee or its Successor by giving a 60 day prior written notice to Lessee (or its Successor, following the Assignment) to cure the default, provided, however, if such cure would reasonably require more than 60 days to cure, then the defaulting party shall have such additional time as is reasonably necessary to cure such default at the discretion of the County. If Lessee (or its Successor, following the Assignment) fails to cure the default, no further notice by County will be required and this Agreement shall terminate. If this Agreement is terminated by either party as a result of default and as provided for by this Agreement, prior to the Expiration Date, the County shall not be obligated to purchase the Veterans House or associated improvements as required by Section 4 of this Agreement, and the Veterans House and associated improvements shall revert to the County's ownership.
  - B. This Agreement may be terminated by Lessee without further liability on 30 days prior written notice as follows: (i) upon a default of any covenant, condition, or term hereof by County, which default is not cured within 30 days of receipt of written notice of default (or such longer period as is reasonably necessary, in accordance with this section); (ii) prior to the Lessee's receipt of a Certificate of Occupancy from Solano County marking completion of the Veterans House; or (iii) at such time as the Veterans House ceases to provide permanent housing for qualifying veterans, unless otherwise provided for by this Agreement.
- 30) <u>SUCCESSORS APPLICABLE LAW.</u> This Agreement shall be binding on and inure to the benefit of the successors and permitted assignees of the respective parties. The laws of the State of California shall govern this Agreement.
- <u>DAMAGE.</u> If the Veterans House or Premises are damaged, destroyed or condemned, Lessee (or its Successor, following the Assignment) may elect to terminate this Agreement as of the date of the damage, destruction or condemnation by giving notice to County no more than forty-five (45) days following the date of such damage, destruction or condemnation. If Lessee (or its Successor, following the Assignment) chooses not to terminate this Agreement, no action by Lessee or its Successor needs take place.
- 32) <u>RECORDATION</u>. Lessee (or its Successor, following the Assignment) agrees not to record this Agreement or any memorandum thereof unless required by governmental action.
- 33) <u>FORCE MAJEURE</u>. Whenever a period of time is prescribed for the taking of any action by either party, that party shall not be liable or responsible for, and there shall be excluded from the computation of such period of time, any delays due to strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations or restrictions, or any other cause whatsoever beyond the control of said party.
- 34) <u>TIME OF PERFORMANCE</u>. Except as expressly otherwise provided, with respect to all required acts of Lessee or its Successor, time is of the essence of this Agreement.

- 35) TRANSFERS BY COUNTY. County shall have the right to transfer and assign, in whole or in part, all its rights and obligations hereunder and in the Veterans House and Premises referred to in this Agreement, and in such event and upon such transfer, County shall be released from any further obligations hereunder, and Lessee (or its Successor, following the Assignment) agrees to look solely to such successor in interest of County for the performance of such obligations.
- 36) <u>COMMISSIONS</u>. Lessee indemnifies and holds County harmless against any loss, claim, expense or liability with respect to any commissions or brokerage fees claimed on account of the execution and/or renewal of this Agreement.
- 37) <u>ENTIRE AGREEMENT</u>. This Agreement embodies the entire agreement between County and Lessee (or its Successor, following the Assignment) with relation to the contemplated transaction, and there have been and are no covenants, agreements, representations, warranties, or restrictions between County and Lessee (or its Successor, following the Assignment) with regard to this Agreement other than those specifically set forth in this Agreement.
- 38) <u>COMMENCEMENT OF OPERATIONS.</u> The commencement of operations on the Premises by Lessee shall constitute the acknowledgment and agreement of Lessee that Lessee is fully familiar with the physical condition of the Premises, and that Lessee has accepted the same in good order and condition, and that the Premises complies in all respects with the requirements of this Agreement and is suitable for the purposes for which the Premises is leased. In that regard, County disclaims, and Lessee waives, any express or implied warranty of suitability with respect to the Premises and any express or implied warranty of fitness for a particular purpose.
- 39) <u>NO PARTNERSHIP</u>. Nothing in this Agreement shall be construed to create a partnership or joint venture between County and Lessee or its Successor or any other relationship other than as County and Lessee or its Successor; nor shall Lessee or its Successor in any manner act or indicate to any third party that it is acting as agent of County.
- 40) <u>CALENDAR DAYS.</u> All time periods and days referred to in this Agreement shall mean calendar days and not business days, unless specifically written as business days.
- 41) <u>TITLE AND AUTHORITY.</u> County and Lessee (or its Successor, following the Assignment) each warrant to the other that it has full right, power and authority to execute this Agreement. County further warrants that it has no knowledge that this Agreement will violate any existing covenant, condition or agreement affecting the Premises.

[no further text on this page]

The parties, as duly authorized to do so, have executed this Agreement as of the date first written above.

COUNTY: County of Solano, a political subdivision of the State of California

LESSEE: Solano-Napa Habitat for Humanity, a California nonprofit corporation (Duly created under section 501(c) (3) of the Internal Revenue Code)

Code)

BY:

Birgitta E. Corsello, County Administrator

BY:

Andrew Killeen, Executive Director

APPROVED AS TO FORM

county Counsel

# EXHIBIT A Premises Description and Plat Map

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#### LEGAL DESCRIPTION

#### Veterans Residence Lease Area

All that certain real property situate in the City of Rio Vista, County of Solano, State of California, being a portion of the lands granted to the County of Solano by deed filed for record October 14, 1970 in Book 1648 of Official Records at Page 19, in the office of the Solano County Recorder, more particularly described as follows:

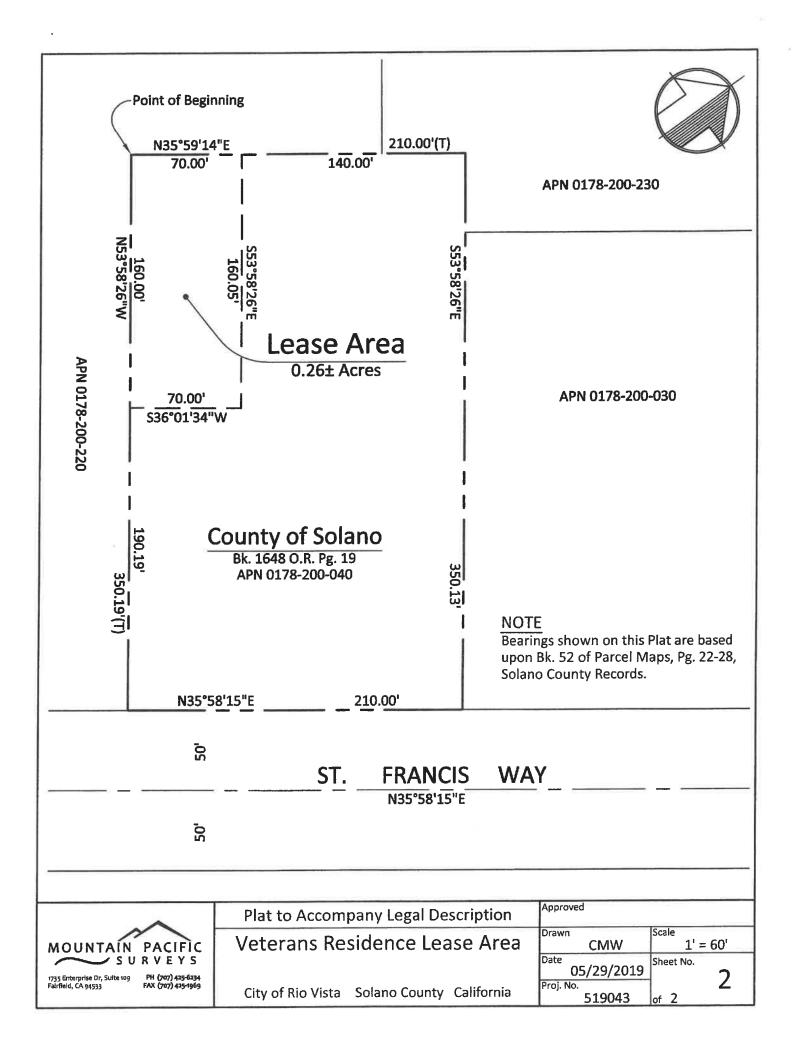
Beginning at the most westerly corner of said Lands of Solano County, thence along the northwest line of said lands North 35°59′14″ East, 70.00 feet to a point 70.00 feet northeasterly of, when measured at a right angle thereto, the southwest line of said lands; thence lying parallel with said southwest line, South 53°58′26″ East, 160.05 feet; thence, lying perpendicular to said southwest line, South 36°01′34″ West, 70.00 feet to the intersection with said southwest line, distant thereon 160.00 feet from the Point of Beginning; thence along said southwest line North 53°58′26″ West, 160.00 feet to the Point of Beginning.

Containing 0.26 acres, more or less.

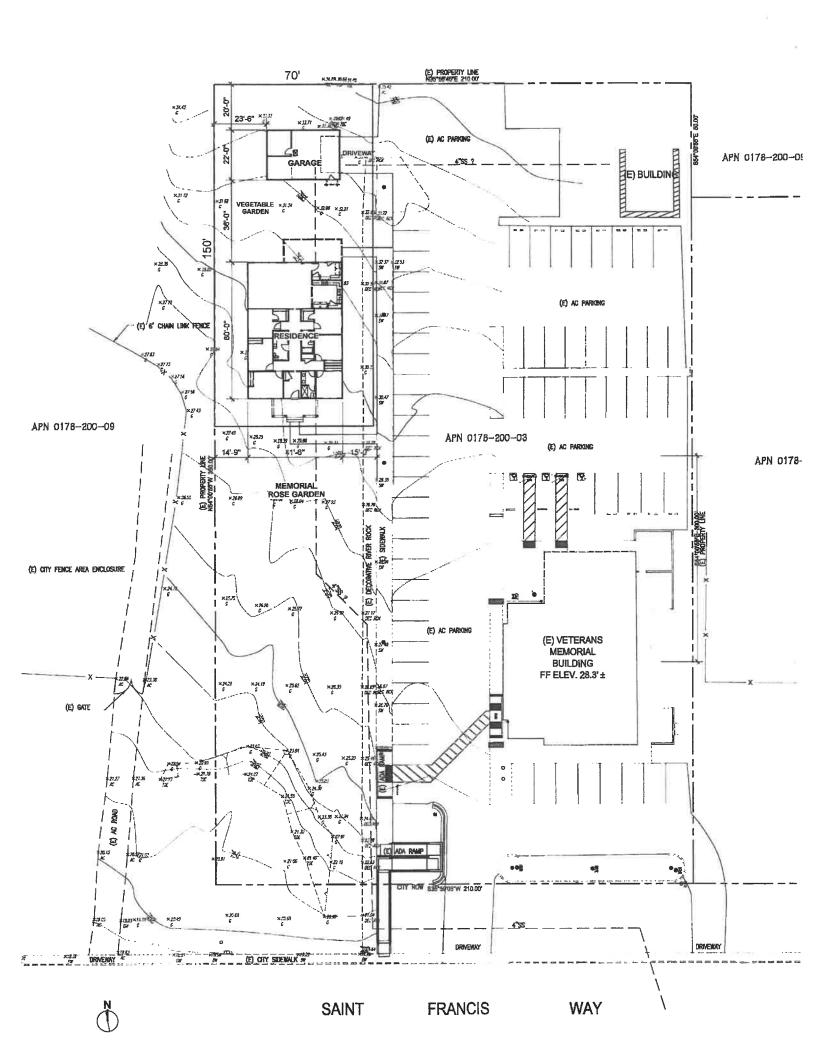
Bearings used in this description are based upon Book 52 of Parcel Maps, Page 22, Solano County Records.

See Plat attached hereto, which by reference is made a part hereof.





# EXHIBIT B Site Plan and Floor Plan







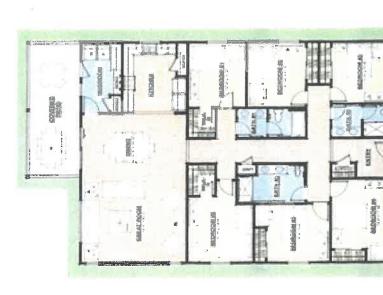
























# EXHIBIT C Qualification Parameters for Eligible Veterans

#### **EXHIBIT C**



### ELIGIBILITY REQUIREMENTS FOR TENANCY CONSIDERATION RIO VISTA VETERANS RESIDENCE

The following criteria will be used to qualify individuals for consideration of a lease agreement for permanent occupancy of the Rio Vista Veterans Residence, 610 St. Francis Way, Rio Vista.

Failure to meet any one of these criterion may preclude an applicant from further consideration.

- A. Veteran of any branch of United States military service as evidenced by a valid DD-214.
- B. Name is on the Solano County Coordinated Entry "Veterans by Name" list. (Preference).
- C. Income at or below 80% of Area Median Income.

An eligible applicant subsequently will be evaluated for his or her ability to live independently and willingness/capacity to live in a shared setting.

## **EXHIBIT D Insurance Requirements**

- A. Without limiting Contractor's obligation to indemnify County, Contractor must procure and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work under this Contract and the results of that work by Contractor, Contractor's agents, representatives, employees or subcontractors.
- B. Minimum Scope of Insurance Coverage must be at least as broad as:
  - (1) Insurance Services Office Commercial General Liability coverage (occurrence Form CG 00 01).
  - (2) Insurance Services Office Form Number CA 00 01 covering Automobile Liability, code1 (any auto).
  - (3) Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
- C. Minimum Limits of Insurance
  Contractor must maintain limits no less than:

(1) General Liability: (Including operations, products and completed operations.)

\$5,000,000

per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

(2) Automobile Liability:

\$5,000,000

per accident for bodily injury and property damage with an MCS-90 endorsement

(3) Workers' Compensation:

As required by the State of California.

(4) Pollution Legal Liability:

\$5,000,000

per occurrence covering claims for on-site, under-site or off-site bodily injury and property damage as a result of pollution conditions arising out of its operations.

- D. If Contractor maintains higher limits than the minimums shown above, County is entitled to coverage for the higher limits maintained by Contractor.
- E. At the option of the County, Contractor shall provide a financial guarantee reasonably satisfactory to County guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

#### F. Other Insurance Provisions

The general liability and automobile liability policies must contain, or be endorsed to contain, the following provisions:

- (1) The County of Solano, its officers, officials, agents, employees, and volunteers must be included as additional insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of Contractor; and with respect to liability arising out of work or operations performed by or on behalf of Contractor including materials, parts or equipment furnished in connection with such work or operations. General Liability coverage shall be provided in the form of an Additional Insured endorsement (CG 20 10 11 85 or equivalent) to Contractor's insurance policy, or as a separate owner's policy. Automobile coverage shall include an MCS90 Endorsement and ISO Form CA 99 48 03 06 Pollution Liability-Broadened Coverage for Covered Autos.
- (2) For any claims related to work performed under this Contract, Contractor's insurance coverage must be primary insurance with respect to the County of Solano, its officers, officials, agents, employees, and volunteers. Any insurance or self-insurance maintained by County, its officers, officials, agents, employees, or volunteers is excess of Contractor's insurance and shall not contribute to it.
- (3) Should any of the above-described policies (except for worker's compensation coverage) be cancelled prior to the policies' expiration date, Contractor agrees that notice of cancellation will be delivered in accordance with the policy provisions.

#### G. Waiver of Subrogation

- (1) Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation.
- (2) The Workers' Compensation policy must be endorsed with a waiver of subrogation in favor of County for all work performed by Contractor, its employees, agents and subcontractors.

#### H. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII unless otherwise acceptable to County.

#### I. Verification of Coverage

- (1) Contractor must furnish County with original certificates and endorsements effecting coverage required by this Contract.
- (2) The endorsements should be on forms provided by County or, if on other than County's forms, must conform to County's requirements and be acceptable to County.
- (3) County must receive and approve all certificates and endorsements before work commences.
- (4) However, failure to do so shall not operate as a waiver of these insurance requirements.
- (5) County reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

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