

July 13, 1998

**Lease Agreement between Kensington Fire Protection District and
Kensington Police Protection and Community Service District for Occupancy of
Kensington Public Safety Building**

The purpose of this document is to define a lease agreement between the Kensington Fire Protection District (KFPD), "lessor" and the Kensington Police Protection and Community Services District (KCSD), "lessee" for office space in the public safety building located at 215/217 Arlington Avenue, Kensington, California.

Description of Leased Area

1. The "leased area" is defined as that area designated for the lessee's use described as "Police Department" or "Police Department Assigned" in the Schematic Design dated April 2, 1998, submitted by Marcy Li Wong, Architects (attachment #1). Additional areas included in this lease for nonexclusive use are the exterior common areas of the parking lot, the driveway and the front entrance of the building and the interior common areas described in the Schematic Design.

Dedicated Parking Spaces

2. There are currently nine (9) parking spaces in the rear parking lot. Five (5) spaces shall be dedicated for use by the lessee and its employees; three (3) shall be dedicated for use by the lessor and its employees, and one (1) shall be used in common.

Term of Lease

3. The term of this lease shall be ten (10) years, from July 1, 1999 to June 30, 2009.

Annual Cost of the Lease

4. The annual cost of the lease to the lessee shall be \$16,300; this amount is divided between renovation cost and maintenance fee.

The annual cost of renovation to the lessee shall be \$12,700 (\$127,000 over ten years).

The annual maintenance fee shall be \$3,600 adjusted in accordance with *Section 5*. This fee shall be used exclusively for the costs of maintenance and capital improvements to common areas of the property and building, both interior and exterior (as defined in *Section 8* of this document). The KFPD shall deposit the maintenance fee into a separate bank account to be known as "Kensington Public Safety Building Maintenance and Capital Improvement Fund" (MCI Fund) and shall provide a separate annual accounting of all transactions to the KCSD.

Two equal payments of \$8,150 adjusted in accordance with *Section 5* shall be due in advance and payable on January 1st and July 1st of each year for the duration of the lease. The first

*Lease agreement between KFPD and KCSD for occupancy of Kensington Public Safety building
July 13, 1998*

payment shall be due on July 1, 1999 for the period July 1 to December 31, 1999 provided renovation work has been completed.

During the period if any between the end of renovation work and the start of FY 1999-2000, the maintenance portion of the lease shall be prorated at \$300 per month and shall be the only payment required.

If renovation is not complete by the beginning of FY 1999-2000, the maintenance portion of the lease, during the period between the date occupancy takes place and the date of the next six month remittance, shall be prorated at \$300 per month. However, the renovation payment of \$6,350 (one half [$\frac{1}{2}$] the annual renovation cost) shall be due on July 1, 1999 as stated in this section.

Annual Lease Cost Accelerator

5. Beginning July 1, 2000 and continuing for the remaining life of the lease, the maintenance fee shall be adjusted annually by any change in the Bay Area Consumer Price Index as established by the United States Department of Labor in March of each year. The adjustment shall be effective for the ensuing July 1st - June 30th fiscal year.

Termination of Lease Agreement

6. This agreement may be terminated for cause by either lessor or lessee, in writing, with twelve (12) months advance notice of intent. Should the lessor terminate the lease, the balance of the KCSD renovation obligation shall be forgiven. Should the lessee terminate the lease, the balance of KCSD's renovation obligation, as specified in *Section 4*, would immediately become due and payable.

Provisions for Maintenance of Interior Leased Area

7. The lessee agrees to make tenant improvements to and to maintain the interior features of the KCSD leased space; the MCI Fund shall not be used for such purpose. Any improvements to the leased space must be approved by the Board of Directors of both Districts.

Costs of Capital Improvements and Maintenance of Common Areas

8. The lessee agrees to pay one half ($\frac{1}{2}$) the cost of capital improvements to any portion of the interior or exterior of the building and property that is common in nature. Capital improvements are defined as having at least a five year life and cost of at least \$5,000. The lessee also agrees to share one half ($\frac{1}{2}$) the cost of maintaining the interior and exterior common areas of the building and property. The MCI Fund may be used for such purposes as are described in this section.

The costs referred to in this section include, but are not limited to, exterior painting; the repair or replacement of the roof, parking lot, driveway; the repair or replacement of common area electrical, sewer, water services; the repair or replacement of common area air conditioning, heating, emergency generator.

The KFPD shall submit a copy of its most recently updated Capital Improvement Budget to KCSD on or before May 15th each year. Barring an emergency, the amount that may be asked of the KCSD in any year for such expenses as defined in this section shall be limited to \$10,000 adjusted by the CPI as described in *Section 5*.

If no payment is received 90 days after the date on the invoice, the KFPD may withdraw the invoiced amount from the MCI Fund. If sufficient funds are not available, the KFPD shall bill the KCSD for any remaining balance.

The lessor and lessee shall endeavor to agree on methods to achieve proper resolution of common area maintenance and capital improvement needs taking into consideration the existing balance in the MCI Fund.

Shared Cost of Utilities

9. The lessee shall pay to the lessor the cost of one half (½) the monthly cost of utilities such as gas, electricity, and water, except when such utilities are separately metered. In the case of separate meters for a particular utility, the party served by the meter will pay the entire bill. Lessee shall pay one half (½) the yearly sewer charge. Each party shall pay its own telephone bills. A copy of the applicable invoice shall be presented to the lessee upon receipt, and payment by the lessee shall be made on that invoice within thirty (30) calendar days.

Use of Public Safety Building

10. Use of the Public Safety building, other than by police and fire personnel or for their respective business and operations, shall be subject to the approval of the Police Chief and the Fire Chief.

Insurance

11. The lessor and lessee shall each maintain a minimum of \$1 million liability insurance coverage for their respective portions of the building and the interior and exterior common areas of the building and property. The lessor shall be endorsed as an "additional insured" on the lessee's liability policy, and the lessee shall be endorsed as an "additional insured" on the lessor's liability policy. Both parties to this agreement shall maintain adequate coverage for their respective personal and business activity and property. Both parties to this agreement shall provide the other with a certificate of insurance that indicates the insurance will not be canceled without 30 days notice. Neither party shall be responsible to the other for any property damage or loss, unless such damage or loss results from the sole negligence of the other party.

Lessee shall pay one half (½) the cost of insurance for the real property at 215/217 Arlington Avenue, Kensington should the KFPD become liable for such insurance. A copy of the invoice shall be presented to the lessee upon receipt, and payment by the lessee shall be made on that invoice within thirty (30) calendar days.

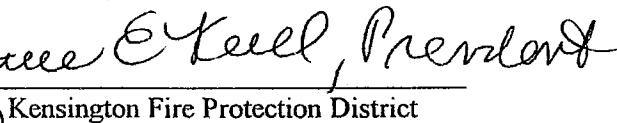
Indemnification

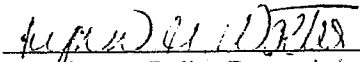
12. Lessee shall indemnify and hold harmless lessor from any and all claims or liability for any injury, or damage to any person or property whatsoever, including reasonable attorneys fees for defense thereof: (1) occurring in, on or about the leased area, or (2) occurring in, or about any common area inside or outside the property or building, when such injury or damage is caused in whole or in part by the act, neglect, fault of or omission of any duty with respect to the same by the lessee, its employees, officers, agents, volunteers, or its visitors. Lessor shall indemnify and hold harmless lessee from any and all claims or liability for any injury, or damage to any person or property whatsoever, including reasonable attorneys fees for defense thereof: (1) occurring outside the leased area either on the property or in the building, or (2) occurring in, or about any common area inside or outside the property or building, when such injury or damage is caused in whole or in part by the act, neglect, fault of or omission of any duty with respect to the same by the lessor, its employees, officers, agents, volunteers, or its visitors.

Dispute Resolution

12. Should any disagreement arise regarding any part of this agreement, both boards shall attempt to solve the dispute through negotiations. Should negotiations fail, the two parties agree to mediation and to share costs. Should mediation fail, the two parties agree to binding arbitration by American Arbitration Association. The losing party shall pay the costs incurred with such action.

Dated 7-15-98


Kensington Fire Protection District


Kensington Police Protection and CSD




5/12/09

Distribution: Chuck Toombs, KPPCSD Director
Fr: Brenda Navellier, KFPD Administrator
Re: KFPD/KPPCSD Lease

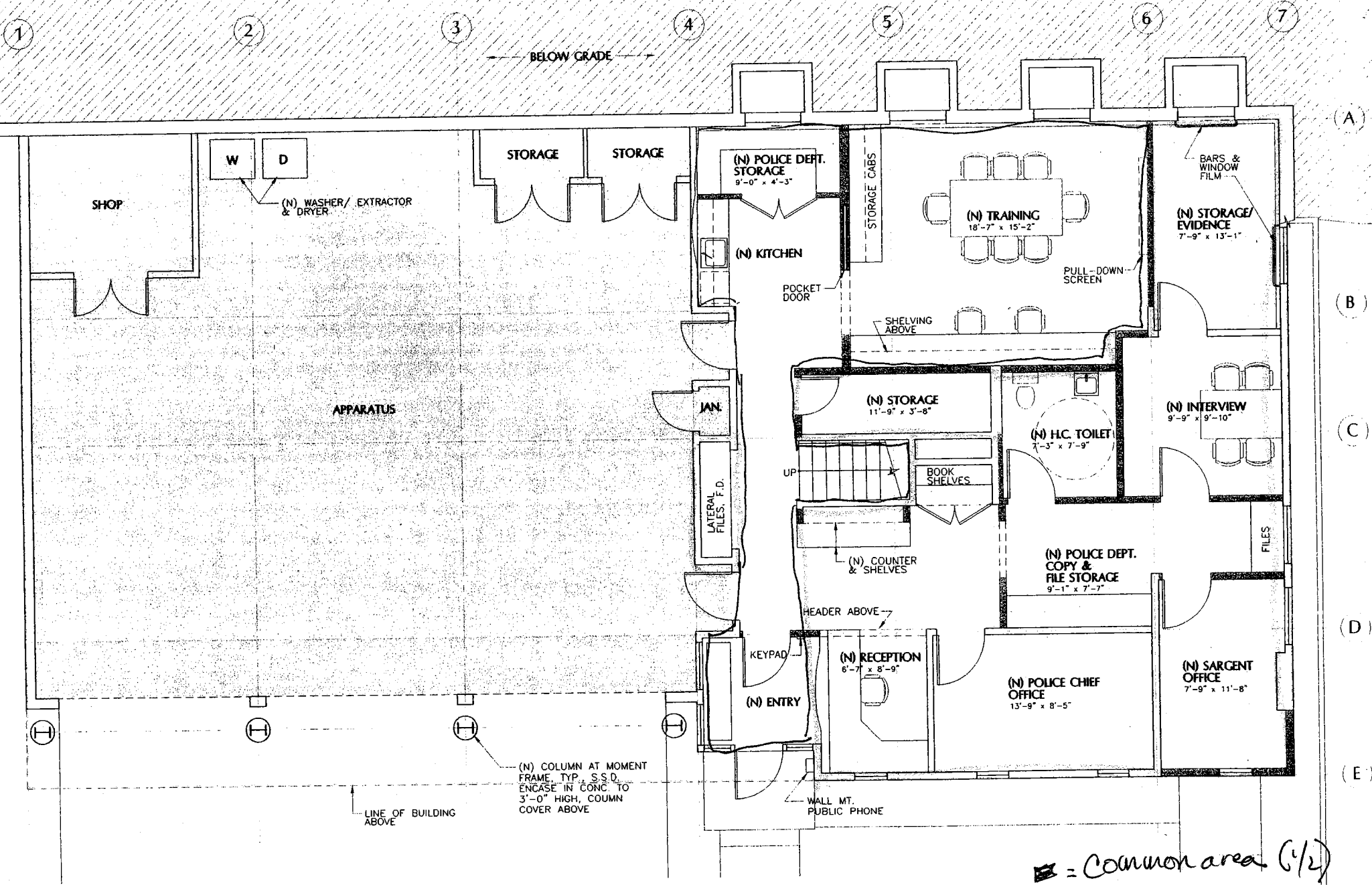
Chuck,

Enclosed are the schematic drawings referred to in the lease (not the final layout), a copy of the Board's April 14, 2009 letter to KPPCSD in case of you, a schedule of our insurance coverages with the Contra Costa County Fire Districts JPA, and a first draft of our FY09-10 budget.








Enclosure

RECEIVED
MAY 18 2009
McINERNEY & DILLON, P.C.

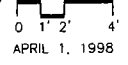
COPY



KEY

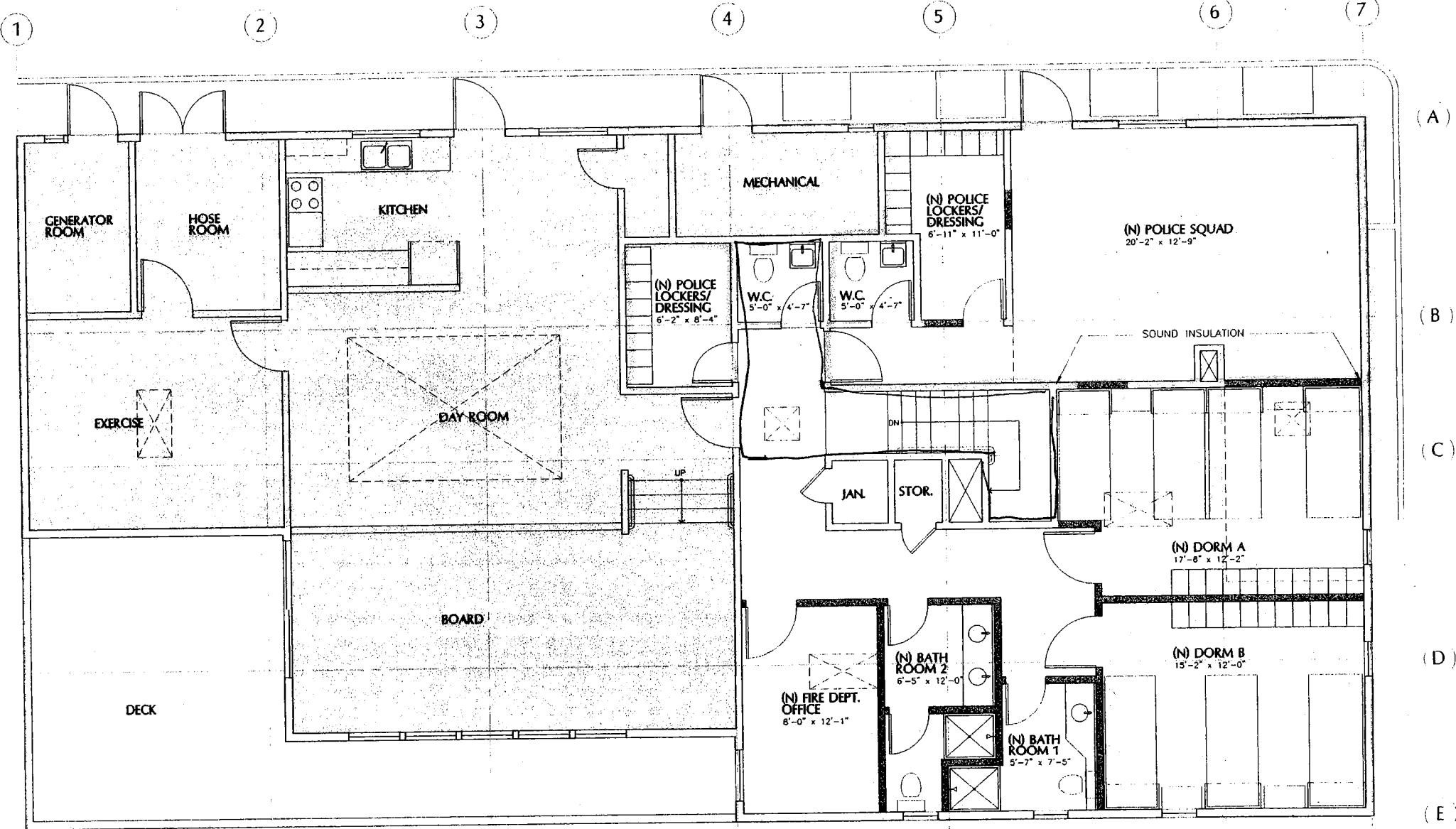
	NEW PARTITION		FIRE DEPARTMENT	14 SF
	EXISTING WALL		POLICE DEPARTMENT	566 SF
			COMMON AREA	800 SF
			UNTOUCHED AREA	1,474 SF

1 FIRST FLOOR PLAN



hatched = Common area (1/2)
stippled = Police Dept

MARCY LI WONG
 ARCHITECTS
 2251 Fifth Street
 Berkeley, CA 94710
 TEL: (510) 843-0916
 FAX: (510) 843-0949



= Common area (1/2)
 = Police Dept.

KEY	
	NEW PARTITION
	EXISTING WALL
	FIRE DEPARTMENT 729 SF
	POLICE DEPARTMENT 509 SF
	COMMON AREA 168 SF
	UNTOUCHED AREA 1,252 SF

2 SECOND FLOOR PLAN N

APRIL 1, 1998

MARCY LI WONG
 ARCHITECTS
 2251 Fifth Street
 Berkeley, CA 94710
 TEL: (510) 843-0916
 FAX: (510) 843-0949

Lease Agreement between Kensington Fire Protection District and Kensington Police Protection and Community Services District for Occupancy of Kensington Public Safety Building

This Lease ("Lease") is made and entered into, as of 12-14, 2009, by and between the Kensington Fire Protection District ("KFPD" or "Landlord") and the Kensington Police Protection and Community Services District ("KPPCSD" or "Tenant"), who agree as follows:

Lease Provisions

1. Landlord leases to Tenant and Tenant leases from Landlord the Premises, as defined below, within the public safety building located at 215/217 Arlington Avenue, Kensington, California ("the Building"). The "Premises" is defined as that area within the Building designated for the Tenant's use and described as "Police Department" or "Police Department Assigned" in the Schematic Design dated April 2, 1998, submitted by Marcy Li Wong, Architects, which is attached hereto as Exhibit A. Additional areas included in this lease for nonexclusive use are the exterior common areas of the parking lot, the driveway and the front entrance of the building and the interior common areas described in the Schematic Design. Landlord, however, has the sole discretion to determine the manner in which those public and common areas are maintained, operated and used. Tenant acknowledges that the Landlord has made no representation or warranty regarding the condition of the Real Property except as specifically stated in this Lease.

Dedicated Parking Spaces

2. There are currently ten (10) parking spaces in the rear parking lot. Six (6) spaces shall be dedicated for use by the Tenant and its employees, and four (4) shall be dedicated for use by the Landlord and its employees and agents. Use of the apparatus bay apron for parking is prohibited.

Term of Lease

3. The term of this Lease shall be five (5) years commencing on July 1, 2009 ("the Commencement Date") and expiring on June 30, 2014, unless this Lease is sooner terminated as provided in this Lease ("the Lease Term").

Rent

4. Beginning with the Commencement Date, Tenant shall pay to Landlord annual rent of \$28,000 in semiannual installments due in advance and payable on January 1st and July 1st of each year for the duration of the Lease Term, without any prior demand, abatement, setoff, or deduction. Concurrently with its execution of this Lease, Tenant has made the semiannual installment payment of \$14,000 that would have been payable on July 1, 2009 had the Lease then been effective.

5. Beginning on the first anniversary of the Lease Commencement Date and on each successive anniversary thereafter during the Lease Term, the annual rent shall be adjusted by the percentage change, if any, in the Consumer Price Index for All Urban Consumers, All Items (base years 1982-1984 = 100) for the San Francisco-Oakland-San Jose CMSA, published by the United States Department of Labor, for the month of March as compared with the month of March in the immediately preceding calendar year. Notwithstanding the foregoing, each annual adjustment shall result in an increase of not less than three percent (3%) and not greater than six percent (6%).

Permitted Use

6. Tenant shall use the Premises solely as administrative offices for the provision of the governmental

services provided by Tenant, including those customarily associated with a police station. Tenant shall not use or permit the Premises to be used for any other purpose without Landlord's prior written consent, which may be granted or withheld in Landlord's sole discretion.

The parties further agree that use of the Building, other than by police and fire personnel or for their respective business and operations, shall be subject to the approval of the Police Chief and the Fire Chief.

Repair and Maintenance Obligations

7. *Landlord's Obligations.* Landlord shall repair and maintain in good order and condition (reasonable wear and tear excepted) (a) the structural portions of the Premises; (b) the Building; (c) The Base Building Systems (as defined below) located outside the Premises; (d) the exterior portions of the Building and Real Property; and (e) All other common areas located in the Building, or in or on the Real Property, including the parking facilities serving the Building. "Base Building Systems" means all systems and equipment (including plumbing, HVAC, electrical, fire/life-safety, elevator, and security systems) that serve the entire Building or portions of the Building other than simply the Premises, excluding all Premises Systems. "Premises Systems" means all systems and equipment that serve only the Premises, regardless of whether such systems or equipment are located within or outside the Premises.

8. *Tenant's Obligations.* Tenant shall, at Tenant's sole expense and in accordance with the terms of this Lease, keep the Premises (including all tenant improvements, Alterations, fixtures, and furnishings) in good order, repair, and condition at all times during the Lease Term. Under Landlord's supervision, subject to Landlord's prior approval, and within any reasonable period specified by Landlord, Tenant shall, at Tenant's sole expense and in accordance with the terms of this Lease promptly and adequately repair all damage to the Premises and replace or repair all damaged or broken fixtures and other leasehold improvements. At Landlord's option or if Tenant fails to make such repairs, Landlord may, but need not, make the repairs and replacements. On receipt of an invoice from Landlord, Tenant shall pay Landlord Landlord's out-of-pocket costs incurred in connection with such repairs and replacements. Tenant waives and releases its rights, including its right to make repairs at Landlord's expense, under California Civil Code sections 1941-1942 or any similar law, statute, or ordinance now or hereafter in effect.

Alterations and Additions

9. Tenant may not make any improvements, alterations, additions, or changes to the Premises ("Alterations") without first obtaining Landlord's prior written consent.

Damage and Destruction

10. Tenant agrees to notify Landlord in writing promptly of any damage to the Premises resulting from fire, earthquake, or any other identifiable event of a sudden, unexpected, or unusual nature ("Casualty"). If the Premises are damaged by a Casualty or any common areas of the Building providing access to the Premises are damaged to the extent that Tenant does not have reasonable access to the Premises, the Parties shall as soon as reasonably possible meet and confer to determine whether the Premises should be repaired or whether the Lease should be terminated. In the event of such a Casualty, either party shall have the right to terminate the Lease upon the giving of notice to the other party, which notice shall be given within 10 days of the meeting required by the preceding sentence. The determination of whether the Premises are repaired shall be within the Landlord's sole discretion, after conferring with Tenant, but among the factors that Landlord shall consider are whether the estimated repair cost exceeds the insurance proceeds, if any, available for such repair (not including the deductible, if any, on Landlord's property insurance), plus any amount that Tenant is obligated or elects to pay for such repair; whether the estimated repair cost of the Premises or the Building, even though covered by insurance, exceeds fifty percent (50%) of the full replacement cost; or whether the Building cannot be restored except in a substantially different structural or architectural form than existed before the Casualty.

Shared Cost of Utilities

11. The Tenant shall pay to the Landlord one half (1/2) the monthly cost of utilities such as gas, electricity, and water, except when such utilities are separately metered. In the case of separate meters for a particular utility, the party served by the meter will pay the entire bill. Tenant shall pay one half (1/2) the yearly sewer charge. Each party shall pay its own telephone bills. A copy of the applicable invoice shall be presented to the Tenant upon receipt, and payment by the Tenant shall be made on that invoice within thirty (30) calendar days.

Insurance

12. The Tenant shall procure, at its sole expense, and maintain in full force and effect during the term of this lease, the following insurance naming the Landlord as additional insured and/or loss payee: Comprehensive General Liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the lease of the Premises with a policy limit of at least One Million Dollars (\$1,000,000) per occurrence.

The Tenant shall provide the Landlord with a certificate of insurance that indicates the insurance will not be canceled without 30 days written notice. Neither party shall be responsible to the other for any property damage or loss, unless such damage or loss results from the sole negligence of the other party.

13. Landlord and Tenant agree to cause the insurance companies issuing their respective property (first party) insurance to waive any subrogation rights that those companies may have against Tenant or Landlord, respectively, as long as the insurance is not invalidated by the waiver. If the waivers of subrogation are contained in their respective insurance policies, Landlord and Tenant waive any right that either may have against the other on account of any loss or damage to their respective property to the extent that the loss or damage is insured under their respective insurance policies.

Indemnification

14. Tenant shall indemnify and hold harmless Landlord from any and all claims or liability for any injury, or damage to any person or property whatsoever, including reasonable attorneys fees for defense thereof: (1) occurring in, on or about the Premises, or (2) occurring in, or about any common area inside or outside the property or building, when such injury or damage is caused in whole or in part by the act, neglect, fault of or omission of any duty with respect to the same by the Tenant, its employees, officers, agents, volunteers, or its visitors. Landlord shall indemnify and hold harmless Tenant from any and all claims or liability for any injury, or damage to any person or property whatsoever, including reasonable attorneys fees for defense thereof: (1) occurring outside the Premises either on the property or in the building, or (2) occurring in, or about any common area inside or outside the property or building, when such injury or damage is caused in whole or in part by the act, neglect, fault of or omission of any duty with respect to the same by the Landlord, its employees, officers, agents, volunteers, or its visitors.

Assignment and Subleasing

15. Tenant shall obtain the Landlord's written consent before entered into or permitting any Transfer. A Transfer ("Transfer") consists of any of the following, whether voluntary or involuntary and whether effected by death, operation of law, or otherwise:

- (a) Any assignment, mortgage, pledge, encumbrance, or other transfer of any interest in this Lease;
- (b) Any sublease or occupancy of any portion of the Premises by any persons other than Tenant and its employees; and

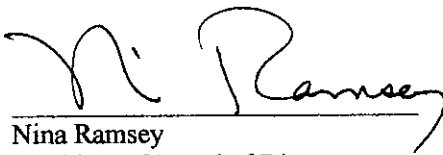
(c) Any of change of organization, under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code sections 56000 et seq.), that substantially changes the corporate nature of Tenant.

Dispute Resolution

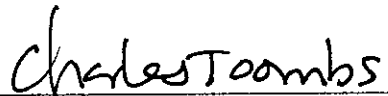
16. Should any disagreement arise regarding any part of this agreement, both boards shall attempt to solve the dispute through negotiations. Should negotiations fail, the two parties agree to mediation, and to share the costs of the mediation. Each party further agrees to be responsible for its own legal costs associated with the mediation.

Should mediation fail, the two parties agree to binding arbitration by the American Arbitration Association. The losing party shall pay the costs incurred in such action, including the legal costs of the other party.

KENSINGTON FIRE PROTECTION DISTRICT, a California special district

by: 
Nina Ramsey
President of Board of Directors

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT, a California special district

by: 
Charles Toombs
President of Board of Directors

**Lease Agreement between Kensington Fire Protection District and Kensington Police Protection and
Community Services District for Occupancy of Kensington Public Safety Building**

This Lease ("Lease") is made and entered into, as of _____ June, 2014, by and between the Kensington Fire Protection District ("KFPD" or "Landlord") and the Kensington Police Protection and Community Services District ("KPPCSD" or "Tenant"), who agree as follows:

Lease Provisions

1. Landlord leases to Tenant and Tenant leases from Landlord the Premises, as defined below, within the public safety building located at 215/217 Arlington Avenue, Kensington, California ("the Building"). The "Premises" is defined as that area within the Building designated for the Tenant's use and described as "Police Department" or "Police Department Assigned" in the Schematic Design dated April 2, 1998, submitted by Marcy Li Wong, Architects, which is attached hereto as Exhibit A. Additional areas included in this lease for nonexclusive use are the exterior common areas of the parking lot, the driveway and the front entrance of the building and the interior common areas described in the Schematic Design. Landlord, however, has the sole discretion to determine the manner in which those public and common areas are maintained, operated and used. Tenant acknowledges that the Landlord has made no representation or warranty regarding the condition of the Real Property except as specifically stated in this Lease.

Dedicated Parking Spaces

2. There are currently ten (10) parking spaces in the rear parking lot. Six (6) spaces shall be dedicated for use by the Tenant and its employees, and four (4) shall be dedicated for use by the Landlord and its employees and agents. Use of the apparatus bay apron for parking is prohibited.

Term of Lease

3. The term of this Lease shall be three (3) years commencing on July 1, 2014 ("the Commencement Date") and expiring on June 30, 2017, unless this Lease is sooner terminated as provided in this Lease ("the Lease Term").

Rent

4. Beginning with the Commencement Date, Tenant shall pay to Landlord annual rent of \$1.00 in one installment due in advance and payable on July 1st of each year for the duration of the Lease Term, without any prior demand, abatement, setoff, or deduction.

Permitted Use

5. Tenant shall use the Premises solely as administrative offices for the provision of the governmental services provided by Tenant, including those customarily associated with a police station. Tenant shall not use or permit the Premises to be used for any other purpose without Landlord's prior written consent, which may be granted or withheld in Landlord's sole discretion.

The parties further agree that use of the Building, other than by police and fire personnel or for their respective business and operations, shall be subject to the approval of the Police Chief and the Fire Chief.

Repair and Maintenance Obligations

6. *Landlord's Obligations.* Landlord shall repair and maintain in good order and condition (reasonable wear and tear excepted) (a) the structural portions of the Premises; (b) the Building; (c) The Base Building Systems (as defined below) located outside the Premises; (d) the exterior portions of the Building and Real Property; and (e) All other common areas located in the Building, or in or on the Real Property, including the parking facilities serving the Building. "Base Building Systems" means all systems and equipment (including plumbing, HVAC, electrical, fire/life-safety, elevator, and security systems) that serve the entire Building or portions of the Building other than simply the Premises, excluding all Premises Systems. "Premises Systems" means all systems and equipment that serve only the Premises, regardless of whether such systems or equipment are located within or outside the Premises.

7. *Tenant's Obligations.* Tenant shall, at Tenant's sole expense and in accordance with the terms of this Lease, keep the Premises (including all tenant improvements, Alterations, fixtures, and furnishings) in good order, repair, and condition at all times during the Lease Term. Under Landlord's supervision, subject to Landlord's prior approval, and within any reasonable period specified by Landlord, Tenant shall, at Tenant's sole expense and in accordance with the terms of this Lease promptly and adequately repair all damage to the Premises and replace or repair all damaged or broken fixtures and other leasehold improvements. At Landlord's option or if Tenant fails to make such repairs, Landlord may, but need not, make the repairs and replacements. On receipt of an invoice from Landlord, Tenant shall pay Landlord Landlord's out-of-pocket costs incurred in connection with such repairs and replacements. Tenant waives and releases its rights, including its right to make repairs at Landlord's expense, under California Civil Code sections 1941-1942 or any similar law, statute, or ordinance now or hereafter in effect.

Alterations and Additions

8. Tenant may not make any improvements, alterations, additions, or changes to the Premises ("Alterations") without first obtaining Landlord's prior written consent.

Damage and Destruction

9. Tenant agrees to notify Landlord in writing promptly of any damage to the Premises resulting from fire, earthquake, or any other identifiable event of a sudden, unexpected, or unusual nature ("Casualty"). If the Premises are damaged by a Casualty or any common areas of the Building providing access to the Premises are damaged to the extent that Tenant does not have reasonable access to the Premises, the Parties shall as soon as reasonably possible meet and confer to determine whether the Premises should be repaired or whether the Lease should be terminated. In the event of such a Casualty, either party shall have the right to terminate the Lease upon the giving of notice to the other party, which notice shall be given within 10 days of the meeting required by the preceding sentence. The determination of whether the Premises are repaired shall be within the Landlord's sole discretion, after conferring with Tenant, but among the factors that Landlord shall consider are whether the estimated repair cost exceeds the insurance proceeds, if any, available for such repair (not including the deductible, if any, on Landlord's property insurance), plus any amount that Tenant is obligated or elects to pay for such repair; whether the estimated repair cost of the Premises or the Building, even though covered by insurance, exceeds fifty percent (50%) of the full replacement cost; or whether the Building cannot be restored except in a substantially different structural or architectural form than existed before the Casualty.

Shared Cost of Utilities

10. The Tenant shall pay to the Landlord one half (1/2) the monthly cost of utilities such as gas, electricity, and water, except when such utilities are separately metered. In the case of separate meters for a particular utility, the party served by the meter will pay the entire bill. Tenant shall pay one half (1/2) the yearly sewer charge. Each party shall pay its own telephone bills. A copy of the applicable invoice shall be presented to the Tenant upon receipt, and payment by the Tenant shall be made on that invoice within thirty (30) calendar days.

Insurance

11. The Tenant shall procure, at its sole expense, and maintain in full force and effect during the term of this lease, the following insurance naming the Landlord as additional insured and/or loss payee: Comprehensive General Liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the lease of the Premises with a policy limit of at least One Million Dollars (\$1,000,000) per occurrence.

The Tenant shall provide the Landlord with a certificate of insurance that indicates the insurance will not be canceled without 30 days written notice. Neither party shall be responsible to the other for any property damage or loss, unless such damage or loss results from the sole negligence of the other party.

12. Landlord and Tenant agree to cause the insurance companies issuing their respective property (first party) insurance to waive any subrogation rights that those companies may have against Tenant or Landlord, respectively, as long as the insurance is not invalidated by the waiver. If the waivers of subrogation are contained in their respective insurance policies, Landlord and Tenant waive any right that either may have against the other on account of any loss or damage to their respective property to the extent that the loss or damage is insured under their respective insurance policies.

Indemnification

13. Tenant shall indemnify and hold harmless Landlord from any and all claims or liability for any injury, or damage to any person or property whatsoever, including reasonable attorneys fees for defense thereof: (1) occurring in, on or about the Premises, or (2) occurring in, or about any common area inside or outside the property or building, when such injury or damage is caused in whole or in part by the act, neglect, fault of or omission of any duty with respect to the same by the Tenant, its employees, officers, agents, volunteers, or its visitors. Landlord shall indemnify and hold harmless Tenant from any and all claims or liability for any injury, or damage to any person or property whatsoever, including reasonable attorneys fees for defense thereof: (1) occurring outside the Premises either on the property or in the building, or (2) occurring in, or about any common area inside or outside the property or building, when such injury or damage is caused in whole or in part by the act, neglect, fault of or omission of any duty with respect to the same by the Landlord, its employees, officers, agents, volunteers, or its visitors.

Assignment and Subleasing

14. Tenant shall obtain the Landlord's written consent before entered into or permitting any Transfer. A Transfer ("Transfer") consists of any of the following, whether voluntary or involuntary and whether effected by death, operation of law, or otherwise:

- (a) Any assignment, mortgage, pledge, encumbrance, or other transfer of any interest in this Lease;
- (b) Any sublease or occupancy of any portion of the Premises by any persons other than Tenant and its employees; and
- (c) Any of change of organization, under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code sections 56000 et seq.), that substantially changes the corporate nature of Tenant.

Dispute Resolution

15. Should any disagreement arise regarding any part of this agreement, both boards shall attempt to solve the dispute through negotiations. Should negotiations fail, the two parties agree to mediation, and to share the costs of the mediation. Each party further agrees to be responsible for its own legal costs associated with the mediation.

Should mediation fail, the two parties agree to binding arbitration by the American Arbitration Association. The losing party shall pay the costs incurred in such action, including the legal costs of the other party.

KENSINGTON FIRE PROTECTION DISTRICT, a California special district

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT, a California special district

by: _____
Janice Kosel
President of Board of Directors

by: _____
Len Welsh
President of Board of Directors

Lease Agreement between Kensington Fire Protection District and Kensington Police Protection and Community Services District for Occupancy of Kensington Public Safety Building

This Lease ("Lease") is made and entered into, as of 28 July, 2017, by and between the Kensington Fire Protection District ("**KFPD**" or "**Landlord**") and the Kensington Police Protection and Community Services District ("**KPPCSD**" or "**Tenant**"), who agree as follows:

Lease Provisions

1. Landlord leases to Tenant and Tenant leases from Landlord the Premises, as defined below, within the public safety building located at 215/217 Arlington Avenue, Kensington, California ("the Building"). The "Premises" is defined as that area within the Building designated for the Tenant's use and described as "Police Department" or "Police Department Assigned" in the Schematic Design dated April 2, 1998, submitted by Marcy Li Wong, Architects, which is attached hereto as Exhibit A. Additional areas included in this lease for nonexclusive use are the exterior common areas of the parking lot, the driveway and the front entrance of the building and the interior common areas described in the Schematic Design. Landlord, however, has the sole discretion to determine the manner in which those public and common areas are maintained, operated and used. Tenant acknowledges that the Landlord has made no representation or warranty regarding the condition of the Real Property except as specifically stated in this Lease.

Dedicated Parking Spaces

2. There are currently ten (10) parking spaces in the rear parking lot. Six (6) spaces shall be dedicated for use by the Tenant and its employees, and four (4) shall be dedicated for use by the Landlord and its employees and agents. Use of the apparatus bay apron for parking is prohibited.

Term of Lease

3. The term of this Lease shall be for eighteen months commencing on July 1, 2017 ("the Commencement Date") and expiring on December 31, 2018, unless this Lease is sooner terminated as provided in this Lease ("the Lease Term"). The lease may be terminated by Landlord or Tenant with ninety (90) days written notice.

Rent

4. Beginning with the Commencement Date, Tenant shall pay to Landlord monthly rent of \$2,955.67 in monthly installments, payable on the 1st of each month for the duration of the Lease Term, without any prior demand, abatement, setoff, or deduction.

Permitted Use

5. Tenant shall use the Premises solely as administrative offices for the provision of the governmental services provided by Tenant, including those customarily associated with a police station. Tenant shall not use or permit the Premises to be used for any other purpose without Landlord's prior written consent, which may be granted or withheld in Landlord's sole discretion.

The parties further agree that use of the Building, other than by police and fire personnel or for their respective business and operations, shall be subject to the approval of the Police Chief and the Fire Chief.

Repair and Maintenance Obligations

6. *Landlord's Obligations.* Landlord shall repair and maintain in good order and condition (reasonable wear and tear excepted) (a) the structural portions of the Premises; (b) the Building; (c) The Base Building Systems (as defined below) located outside the Premises; (d) the exterior portions of the Building and Real Property; and (e) All other common areas located in the Building, or in or on the Real Property, including the parking facilities serving the Building. "Base Building Systems" means all systems and equipment (including plumbing, HVAC, electrical, fire/life-safety, elevator, and security systems) that serve the entire Building or portions of the Building other than simply the Premises, excluding all Premises Systems. "Premises Systems" means all systems and equipment that serve only the Premises, regardless of whether such systems or equipment are located within or outside the Premises.

7. *Tenant's Obligations.* Tenant shall, at Tenant's sole expense and in accordance with the terms of this Lease, keep the Premises (including all tenant improvements, Alterations, fixtures, and furnishings) in good order, repair, and condition at all times during the Lease Term. Under Landlord's supervision, subject to Landlord's prior approval, and within any reasonable period specified by Landlord, Tenant shall, at Tenant's sole expense and in accordance with the terms of this Lease promptly and adequately repair all damage to the Premises and replace or repair all damaged or broken fixtures and other leasehold improvements. At Landlord's option or if Tenant fails to make such repairs, Landlord may, but need not, make the repairs and replacements. On receipt of an invoice from Landlord, Tenant shall pay Landlord Landlord's out-of-pocket costs incurred in connection with such repairs and replacements. Tenant waives and releases its rights, including its right to make repairs at Landlord's expense, under California Civil Code sections 1941-1942 or any similar law, statute, or ordinance now or hereafter in effect.

Alterations and Additions

8. Tenant may not make any improvements, alterations, additions, or changes to the Premises ("Alterations") without first obtaining Landlord's prior written consent.

Damage and Destruction

9. Tenant agrees to notify Landlord in writing promptly of any damage to the Premises resulting from fire, earthquake, or any other identifiable event of a sudden, unexpected, or unusual nature ("Casualty"). If the Premises are damaged by a Casualty or any common areas of the Building providing access to the Premises are damaged to the extent that Tenant does not have reasonable access to the Premises, the Parties shall as soon as reasonably possible meet and confer to determine whether the Premises should be repaired or whether the Lease should be terminated. In the event of such a Casualty, either party shall have the right to terminate the Lease upon the giving of notice to the other party, which notice shall be given within 10 days of the meeting required by the preceding sentence. The determination of whether the Premises are repaired shall be within the Landlord's sole discretion, after conferring with Tenant, but among the factors that Landlord shall consider are whether the estimated repair cost exceeds the insurance proceeds, if any, available for such repair (not including the deductible, if any, on Landlord's property insurance), plus any amount that Tenant is obligated or elects to pay for such repair; whether the estimated repair cost of the Premises or the Building, even though covered by insurance, exceeds fifty percent (50%) of the full replacement cost; or whether the Building cannot be restored except in a substantially different structural or architectural form than existed before the Casualty.

Shared Cost of Utilities

10. The Tenant shall pay to the Landlord one half (1/2) the monthly cost of utilities such as gas, electricity, and water, except when such utilities are separately metered. In the case of separate meters for a particular utility, the party served by the meter will pay the entire bill. Tenant shall pay one half (1/2) the yearly sewer charge. Each party shall pay its own telephone bills. A copy of the applicable invoice shall be presented to the Tenant upon receipt, and payment by the Tenant shall be made on that invoice within thirty (30) calendar days.

Insurance

11. The Tenant shall procure, at its sole expense, and maintain in full force and effect during the term of this lease, the following insurance naming the Landlord as additional insured and/or loss payee: Comprehensive General Liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the lease of the Premises with a policy limit of at least One Million Dollars (\$1,000,000) per occurrence.

The Tenant shall provide the Landlord with a certificate of insurance that indicates the insurance will not be canceled without 30 days written notice. Neither party shall be responsible to the other for any property damage or loss, unless such damage or loss results from the sole negligence of the other party.

12. Landlord and Tenant agree to cause the insurance companies issuing their respective property (first party) insurance to waive any subrogation rights that those companies may have against Tenant or Landlord, respectively, as long as the insurance is not invalidated by the waiver. If the waivers of subrogation are contained in their respective insurance policies, Landlord and Tenant waive any right that either may have against the other on account of any loss or damage to their respective property to the extent that the loss or damage is insured under their respective insurance policies.

Indemnification

13. Tenant shall indemnify and hold harmless Landlord from any and all claims or liability for any injury, or damage to any person or property whatsoever, including reasonable attorneys fees for defense thereof: (1) occurring in, on or about the Premises, or (2) occurring in, or about any common area inside or outside the property or building, when such injury or damage is caused in whole or in part by the act, neglect, fault of or omission of any duty with respect to the same by the Tenant, its employees, officers, agents, volunteers, or its visitors. Landlord shall indemnify and hold harmless Tenant from any and all claims or liability for any injury, or damage to any person or property whatsoever, including reasonable attorneys fees for defense thereof: (1) occurring outside the Premises either on the property or in the building, or (2) occurring in, or about any common area inside or outside the property or building, when such injury or damage is caused in whole or in part by the act, neglect, fault of or omission of any duty with respect to the same by the Landlord, its employees, officers, agents, volunteers, or its visitors.

Assignment and Subleasing

14. Tenant shall obtain the Landlord's written consent before entered into or permitting any Transfer. A Transfer ("Transfer") consists of any of the following, whether voluntary or involuntary and whether effected by death, operation of law, or otherwise:

- (a) Any assignment, mortgage, pledge, encumbrance, or other transfer of any interest in this Lease;
- (b) Any sublease or occupancy of any portion of the Premises by any persons other than Tenant and its employees; and
- (c) Any of change of organization, under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code sections 56000 et seq.), that substantially changes the corporate nature of Tenant.

Dispute Resolution

15. Should any disagreement arise regarding any part of this agreement, both boards shall attempt to solve the dispute through negotiations. Should negotiations fail, the two parties agree to mediation, and to share the costs of the mediation. Each party further agrees to be responsible for its own legal costs associated with the mediation.

Should mediation fail, the two parties agree to binding arbitration by the American Arbitration Association. The losing party shall pay the costs incurred in such action, including the legal costs of the other party.

KENSINGTON FIRE PROTECTION DISTRICT, a California special district

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT, a California special district

by: _____
Don Dommer
President of Board of Directors

by: _____
Rachelle Sherris-Watt
President of Board of Directors

Lease Agreement between Kensington Fire Protection District and Kensington Police Protection and Community Services District for Occupancy of Kensington Public Safety Building

This Lease ("Lease") is made and entered into, as of 25th October, 2018, by and between the Kensington Fire Protection District ("KFPD" or "Landlord") and the Kensington Police Protection and Community Services District ("KPPCSD" or "Tenant"), who agree as follows:

Lease Provisions

1. Landlord leases to Tenant and Tenant leases from Landlord the Premises, as defined below, within the public safety building located at 215/217 Arlington Avenue, Kensington, California ("the Building"). The "Premises" is defined as that area within the Building designated for the Tenant's use and highlighted in the Permit Submittal dated September 10, 1998, submitted by Marcy Li Wong, Architects, which is attached hereto as Exhibit A. Additional areas included in this lease for nonexclusive use are the exterior common areas of the parking lot, the driveway and the front entrance of the building and the interior common areas as highlighted in the Permit Submittal. Landlord, however, has the sole discretion to determine the manner in which those public and common areas are maintained, operated and used. Tenant acknowledges that the Landlord has made no representation or warranty regarding the condition of the Real Property except as specifically stated in this Lease.

Dedicated Parking Spaces

2. There are currently ten (10) parking spaces in the rear parking lot. Six (6) spaces shall be dedicated for use by the Tenant and its employees, and four (4) shall be dedicated for use by the Landlord and its employees and agents. Use of the apparatus bay apron for parking is prohibited.

Term of Lease

3. The term of this Lease shall be for eighteen months commencing on January 1, 2019 ("the Commencement Date") and expiring on June 30, 2020, unless this Lease is sooner terminated as provided in this Lease ("the Lease Term"). The lease may be terminated by Landlord or Tenant with ninety (90) days written notice.

Rent

4. Beginning with the Commencement Date, Tenant shall pay to Landlord monthly rent of \$3,050.25 in monthly installations, payable on the 1st of each month for the duration of the Lease Term, without any prior demand, abatement, setoff, or deduction.

Permitted Use

5. Tenant shall use the Premises solely as administrative offices for the provision of the governmental services provided by Tenant, including those customarily associated with a police station. Tenant shall not use or permit the Premises to be used for any other purpose without Landlord's prior written consent, which may be granted or withheld in Landlord's sole discretion.

The parties further agree that use of the Building, other than by police and fire personnel or for their respective business and operations, shall be subject to the approval of the Police Chief and the Fire Chief.

Repair and Maintenance Obligations

6. *Landlord's Obligations.* Landlord shall repair and maintain in good order and condition (reasonable wear and tear excepted) (a) the structural portions of the Premises; (b) the Building; (c) The Base Building Systems (as defined below) located outside the Premises; (d) the exterior portions of the Building and Real Property; and (e) All other common areas located in the Building, or in or on the Real Property, including the parking facilities serving the Building. "Base Building Systems" means all systems and equipment (including plumbing, HVAC, electrical, fire/life-safety, elevator, and security systems) that serve the entire Building or portions of the Building other than simply the Premises, excluding all Premises Systems. "Premises Systems" means all systems and equipment that serve only the Premises, regardless of whether such systems or equipment are located within or outside the Premises.

7. *Tenant's Obligations.* Tenant shall, at Tenant's sole expense and in accordance with the terms of this Lease, keep the Premises (including all tenant improvements, Alterations, fixtures, and furnishings) in good order, repair, and condition at all times during the Lease Term. Under Landlord's supervision, subject to Landlord's prior approval, and within any reasonable period specified by Landlord, Tenant shall, at Tenant's sole expense and in accordance with the terms of this Lease promptly and adequately repair all damage to the Premises and replace or repair all damaged or broken fixtures and other leasehold improvements. At Landlord's option or if Tenant fails to make such repairs, Landlord may, but need not, make the repairs and replacements. On receipt of an invoice from Landlord, Tenant shall pay Landlord Landlord's out-of-pocket costs incurred in connection with such repairs and replacements. Tenant waives and releases its rights, including its right to make repairs at Landlord's expense, under California Civil Code sections 1941-1942 or any similar law, statute, or ordinance now or hereafter in effect.

Alterations and Additions

8. Tenant may not make any improvements, alterations, additions, or changes to the Premises ("Alterations") without first obtaining Landlord's prior written consent.

Damage and Destruction

9. Tenant agrees to notify Landlord in writing promptly of any damage to the Premises resulting from fire, earthquake, or any other identifiable event of a sudden, unexpected, or unusual nature ("Casualty"). If the Premises are damaged by a Casualty or any common areas of the Building providing access to the Premises are damaged to the extent that Tenant does not have reasonable access to the Premises, the Parties shall as soon as reasonably possible meet and confer to determine whether the Premises should be repaired or whether the Lease should be terminated. In the event of such a Casualty, either party shall have the right to terminate the Lease upon the giving of notice to the other party, which notice shall be given within 10 days of the meeting required by the preceding sentence. The determination of whether the Premises are repaired shall be within the Landlord's sole discretion, after conferring with Tenant, but among the factors that Landlord shall consider are whether the estimated repair cost exceeds the insurance proceeds, if any, available for such repair (not including the deductible, if any, on Landlord's property insurance), plus any amount that Tenant is obligated or elects to pay for such repair; whether the estimated repair cost of the Premises or the Building, even though covered by insurance, exceeds fifty percent (50%) of the full replacement cost; or whether the Building cannot be restored except in a substantially different structural or architectural form than existed before the Casualty.

Shared Cost of Utilities

10. The Tenant shall pay to the Landlord one half (1/2) the monthly cost of utilities such as gas, electricity, and water, except when such utilities are separately metered. In the case of separate meters for a particular utility, the party served by the meter will pay the entire bill. Tenant shall pay one half (1/2) the yearly sewer charge. Each party shall pay its own telephone bills. A copy of the applicable invoice shall be presented to the Tenant upon receipt, and payment by the Tenant shall be made on that invoice within thirty (30) calendar days.

Insurance

11. The Tenant shall procure, at its sole expense, and maintain in full force and effect during the term of this lease, the following insurance naming the Landlord as additional insured and/or loss payee: Comprehensive General Liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the lease of the Premises with a policy limit of at least One Million Dollars (\$1,000,000) per occurrence.

The Tenant shall provide the Landlord with a certificate of insurance that indicates the insurance will not be canceled without 30 days written notice. Neither party shall be responsible to the other for any property damage or loss, unless such damage or loss results from the sole negligence of the other party.

12. Landlord and Tenant agree to cause the insurance companies issuing their respective property (first party) insurance to waive any subrogation rights that those companies may have against Tenant or Landlord, respectively, as long as the insurance is not invalidated by the waiver. If the waivers of subrogation are contained in their respective insurance policies, Landlord and Tenant waive any right that either may have against the other on account of any loss or damage to their respective property to the extent that the loss or damage is insured under their respective insurance policies.

Indemnification

13. Tenant shall indemnify and hold harmless Landlord from any and all claims or liability for any injury, or damage to any person or property whatsoever, including reasonable attorneys fees for defense thereof: (1) occurring in, on or about the Premises, or (2) occurring in, or about any common area inside or outside the property or building, when such injury or damage is caused in whole or in part by the act, neglect, fault of or omission of any duty with respect to the same by the Tenant, its employees, officers, agents, volunteers, or its visitors. Landlord shall indemnify and hold harmless Tenant from any and all claims or liability for any injury, or damage to any person or property whatsoever, including reasonable attorneys fees for defense thereof: (1) occurring outside the Premises either on the property or in the building, or (2) occurring in, or about any common area inside or outside the property or building, when such injury or damage is caused in whole or in part by the act, neglect, fault of or omission of any duty with respect to the same by the Landlord, its employees, officers, agents, volunteers, or its visitors.

Assignment and Subleasing

14. Tenant shall obtain the Landlord's written consent before entered into or permitting any Transfer. A Transfer ("Transfer") consists of any of the following, whether voluntary or involuntary and whether effected by death, operation of law, or otherwise:

(a) Any assignment, mortgage, pledge, encumbrance, or other transfer of any interest in this Lease;

(b) Any sublease or occupancy of any portion of the Premises by any persons other than Tenant and its employees; and

(c) Any of change of organization, under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code sections 56000 et seq.), that substantially changes the corporate nature of Tenant.


Dispute Resolution

15. Should any disagreement arise regarding any part of this agreement, both boards shall attempt to solve the dispute through negotiations. Should negotiations fail, the two parties agree to mediation, and to share the costs of the mediation. Each party further agrees to be responsible for its own legal costs associated with the mediation.

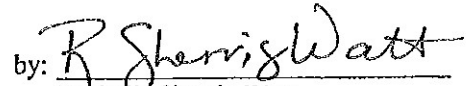
Should mediation fail, the two parties agree to binding arbitration by the American Arbitration Association. The losing party shall pay the costs incurred in such action, including the legal costs of the other party.

KENSINGTON FIRE PROTECTION DISTRICT, a California special district

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT, a California special district

by: 

Janice E. Kosei
President of Board of Directors

by: 

Raphelle Sherris-Watt
President of Board of Directors

**FIRST AMENDMENT TO LEASE AGREEMENT BETWEEN
KENSINGTON FIRE PROTECTION DISTRICT AND
KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
FOR OCCUPANCY OF KENSINGTON PUBLIC SAFETY BUILDING**

THIS FIRST AMENDMENT is hereby entered into this 11th day of June, 2020 by and between the Kensington Police Protection and Community Services District, a public agency (“KPPCSD”), and Kensington Fire Protection District, a public agency (“KFPD”).

RECITALS

A. KPPCSD and KFPD are parties to a Lease Agreement dated October 25, 2018 (“the Lease”) regarding that certain Premises within the public safety building located at 215/217 Arlington Avenue, Kensington, California.

B. The current term of the Lease ends on June 30, 2020.

C. The parties desire to extend the term of the Lease until September 30, 2020, after which the Lease will continue as a month-to-month tenancy until notice of non-renewal is timely given, subject to the terms and conditions set forth below.

NOW, THEREFORE, KPPCSD and KFPD hereby agree as follows:

1. Recitals. The Recitals are incorporated into this First Amendment as if fully set forth in this Section 1.

2. Definitions. Any and all capitalized terms used herein, unless otherwise specified, shall have the meanings ascribed to them in the Lease.

3. Extension of Lease Term. The Lease Term is hereby extended through to and including September 30, 2020, under the same terms and conditions as set forth in the Lease, except as otherwise provided in this First Amendment. On October 1, 2020, the Lease Term will be month-to-month until either party delivers thirty (30) days advance written notice of termination. Any such termination shall be effective at the end of the month following the delivery of the notice.

4. Other Provisions. All other provisions of the Lease shall remain in effect.

5. Severability. The parties hereto intend and believe that each provision in this First Amendment comports with all applicable local, state and federal laws and judicial decisions. However, if any provision in this First Amendment is found by a court of law to be in violation of any applicable ordinance, statute, law, administrative or judicial decision, or public policy, and if such court should declare such provision to be illegal, void or unenforceable as

First Amendment to Lease Agreement between
Kensington Fire Protection District and
Kensington Police Protection and Community Services District for
Occupancy of Kensington Public Safety Building

written, then such provision shall be given force to the fullest possible extent that the same is legal, valid and enforceable and the remainder of this First Amendment shall be construed as if such provision was not contained therein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first above written.

KENSINGTON FIRE PROTECTION
DISTRICT

KENSINGTON POLICE PROTECTION
AND COMMUNITY SERVICES DISTRICT

DocuSigned by:
Mary Morris-Mayorga
3BEA9E6763934A6...
Mary Morris-Mayorga, Interim General
Manager

DocuSigned by:
William A. Lindsay
B5C9ED880F154E8...
Bill Lindsay, General Manager

Approved as to form:
DISTRICT COUNSEL

DocuSigned by:
[Signature]
4D338DE7E6D8453...
John Bakker

First Amendment to Lease Agreement between
Kensington Fire Protection District and
Kensington Police Protection and Community Services District for
Occupancy of Kensington Public Safety Building