

LEASE AGREEMENT BETWEEN  
THE CITY OF SALINAS AND SALINAS  
POLICE ACTIVITIES LEAGUE, INC.



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## **LEASE AGREEMENT**

**100 Howard Street, Salinas, California**

THIS LEASE AGREEMENT ("Lease") is made and entered into this \_\_\_\_ day of January 2023, by and between the **City of Salinas**, a California charter city and municipal corporation, hereinafter called the "City," and the **Salinas Police Activities League, Inc.**, a California non-profit corporation, hereinafter called "Tenant."

### **RECITALS**

WHEREAS, the City is the owner of that real property (the "Property") located at 100 Howard Avenue in the City of Salinas, California, County of Monterey, (APN 002-244-099-000) which is improved with a 27,553 square foot building commonly known as the Salinas Armory; and

WHEREAS, the City desires to lease a portion of the Property, said portion being more particularly shown on Exhibit A, attached hereto and incorporated herein by reference (the "Leased Premises") to the Tenant for the term hereinafter provided and the Tenant desires to accept such Lease upon the terms and subject to the conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Lease, the parties agree as follows:

### **AGREEMENT**

**1. LEASED PREMISES.** The City hereby leases the Leased Premises to the Tenant and the Tenant hereby leases the Leased Premises from the City, upon the terms and conditions herein set forth. The Tenant shall accept the Leased Premises "as-is, where-is" following an inspection of the Leased Premises and execution of the "Acceptance of the Leased Premises" provided in Exhibit B to this Agreement.

**2. TERM.** This Lease shall be for a term of ten (10) years, commencing on January 10, 2023 ("Commencement Date"), and ending on January 31, 2033 (the "Initial Term"), unless terminated earlier pursuant to the provision of this Lease. The Tenant may request a renewal of the Lease for an additional five (5) year period by submitting a written request to the City at least sixty (60) days prior to the expiration of the Initial Term. The terms and conditions of a renewed lease shall be subject to the negotiation of the parties to this Lease.

Upon the expiration or the earlier termination of this Lease, Tenant shall peaceably vacate the Leased Premises and any and all improvements located thereon and deliver the same to the City in at least as good a condition as it was delivered to Tenant on the Commencement Date, reasonable wear and tear and casualty excepted.

Any holding over after the expiration of the term, or any renewal thereof, with the consent, express or implied, of the City, shall be construed to be a tenancy from month to month, and shall otherwise be on the terms and conditions herein specified, as far as applicable. This Lease may only be extended upon then mutual written agreement of the parties.

**3. RENT.** As consideration for the use of the Leased Premises, Lessee agrees to make capital improvements (collectively the "Improvements") to the Leased Premises, as defined below. Each and all of the Improvements is considered to be a material term of this Lease. Lessee can change the order of which improvements are completed but must be of equal or greater value.

(a) Within the first thirty-six (36) months of the Initial Term Lessee agrees to complete the following capital improvements (which are considered to be among the Improvements):

- 1) Paint the exterior of the building;
- 2) Provide additional drought-tolerant landscaping within the existing planter area, install drip irrigation systems to serve said landscaping, and remove all non-decorative items from the landscape planter;

- 3) Replace all roofing materials on the northern section of the Salinas Armory building, including around existing skylight;
- 4) Repair the roof over the main (center) section of the Salinas Armory building;
- 5) Repair/replace any broken windows;
- 6) Repair or replace the existing asphalt and base in the existing parking lot and install landscape planters and parking stalls in accordance with City standards upon completion;
- 7) Reconstruct ADA curb ramps along Howard St and construct raised sidewalks along frontages; and
- 8) Install street trees in empty tree wells and water along Lincoln St (excluding tree well adjacent to bus stop);

(b) Within the first seventy-two (72) months of the Initial Term, Lessee agrees to complete the following capital improvements (which are considered to be among the Improvements):

- 1) Restore the kitchen, including installation of energy-efficient appliances, counters, cabinetry, room finishes, and applicable utilities;
- 2) Remove any remaining knob-and-tube wiring and replace with electrical cable;
- 3) Repair any damaged interior flooring consistent with existing flooring; and
- 4) Repair holes in concrete balcony floor in a manner approved by structural engineer.

(c) All of the Improvements will be completed in accordance with all applicable laws, rules, and regulations, including obtaining any required permits, remediation and disposal of hazardous materials, or other approvals from the City or any other governmental agency with jurisdiction. This includes, but is not limited to, the following:

- 1) All design work shall be performed by a licensed professional (architect, engineer, or landscape architect) and approved plans shall be provided to the City Engineer and the Facilities Manager;
- 2) All work shall be performed by licensed contractors, licensed for their specific responsibilities;
- 3) All work shall be consistent with the building's status as an historic building and shall be approved by the Historic Resource Board prior to the commencement of any work; and
- 4) City reserves the right to apply additional reasonable standards to the work being done, such as requiring specific colors, materials, construction methods, or qualifications of those performing the work.

All costs of compliance with such rules, including costs of permits and hazardous material remediation and disposal, shall be the responsibility of Lessee. Improvements are subject to compliance monitoring and enforcement by the Department of Industrial Relations (DIR). All contractors engaging in the performance of Improvements shall be registered and qualified to perform work pursuant to Section 1771.1 and 1725.5 of the CA Labor Code. All wage scales shall be in accordance with applicable determinations made by the DIR, as provided by Article 2, Chapter 1, Division 2, Part 7 of the Labor Code of the State of California, commencing with Section 1771. It shall be mandatory for any Contractor performing Improvements, to pay not less than the applicable prevailing wage rate to all workers employed for the execution of the work and employ apprentices pursuant to Section 1777.5 of the California Labor Code.

(d) Improvements shall become a part of the Leased Premises upon completion and may be used by Tenant as provided under the terms of this Lease. All Improvements shall be the property of the City and may not be removed from the Leased Premises unless Tenant is directed to do so by City.

**4. USE.** Tenant shall use the Leased Premises for providing recreational and other services programs to youth and members of the community and uses listed in "**Exhibit C**". Tenant may alter said use to any lawful purpose, upon the written consent of the City, which consent shall not be unreasonably withheld. Use of Facility for Political fundraising is prohibited and shall include any activity for which the purpose is to raise money for a political candidate, campaign, ballot measure, or the like.

**5. COOPERATION WITH THE CITY.** PAL agrees to work cooperatively with the City with regard to the use of the Leased Premises for City sponsored programs and activities, including youth recreational programs and activities. No City-sponsored program activity shall, however, engage in fundraising activities. PAL shall allow the City to use the Leased Premises no more than eight (8) times per calendar year, with no facility rental charge; however,

the City shall pay PAL's standard costs for all other services related to the use of the Leased Premises and shall enter into a Facility Use Agreement. The City's right to use the Leased Premises shall be subject to its availability. PAL shall not be required to remove or to reschedule any planned event or to decline a reservation by a rental paying customer to accommodate the City. The city clerk or the city manager/designee shall jointly authorize any and all City use of the Facility upon a finding of public purpose. A public purpose shall be one that is directly connected with official business of the city or that is an event, project or other activity organized, sponsored, or supported by the city.

**6. COMPLIANCE WITH LAWS.** Tenant shall comply with all statutes, ordinances, regulations, and requirements of all governmental entities, both federal and state and county or municipal relating to Tenant's use and occupancy of the Leased Premises whether those statutes, ordinances, regulations, and requirements are now in force or are subsequently enacted.

**7. TAXES AND ASSESSMENTS.** This Lease may create a taxable possessory interest, the timely payment of which, together with any other taxes or assessments imposed against Tenant or the activities of Tenant shall be paid by Tenant before they become delinquent. Tenant shall be responsible for the payment of all real property taxes and assessments imposed on the Leased Premises by any improvement district or special taxing authority. During the lease term, all real estate taxes for the Leased Premises shall be paid by the City and reimbursed by the Tenant.

**8. UTILITIES.** The Tenant shall pay, and hold the City free and harmless from, all charges for the furnishing of gas, water, electricity, telephone/communications service, garbage pickup and disposal, and other utilities to the Leased Premises during the term of this Lease.

**9. ALTERATIONS AND IMPROVEMENTS.** Prior to occupancy, Tenant acknowledges personal inspection of the Leased Premises and of the surrounding areas and evaluation of the extent to which the physical condition of the Leased Premises and of the surrounding area will or may affect the operation of the Leased Premises. By signing the "Acceptance" provided in Exhibit B and attached hereto, the Tenant has completed its evaluation, and accepts the Leased Premises in "As-is, Where-is" condition. Tenant shall, at its sole cost and expense, make any and all alterations necessary to use the Leased Premises for Tenant's business purposes. The City has made no other representations or warranties as to the condition of the Leased Premises or to its fitness for the uses intended by the Tenant. Tenant shall make no demand upon the City for any improvements, rehabilitation, repairs or alterations of the Leased Premises.

Any alterations, remodeling or utility installations by Tenant during the term of the Lease shall be performed only upon the City's written approval and shall be done in a good and workmanlike manner, with good and sufficient materials, and in compliance with all applicable laws, regulations, and building codes. Tenant further understands and acknowledges the historical nature of the Salinas Armory building and prior to the commencement of any improvement or alteration or other work shall notify the City, which may place such requirements as it deems necessary upon the improvement or alteration in order to preserve the building's historic integrity.

Tenant understands and acknowledges that lead-based paint and asbestos and other environmental hazards have been identified within the Leased Premises. Tenant agrees to take all action necessary, at its sole cost and expense and in full compliance with all applicable laws, rules, and regulations, to remediate and properly dispose of lead-based paint, asbestos, or other environmental hazards as may be required by law and/or to make and keep the Leased Premises safe for use and occupancy. Tenant shall not call upon the City to make any repairs or take any action with regards to the remediation of lead-based paint, asbestos, or other environmental hazards. To the extent any liability may now exist or may later arise as a result of the presence of asbestos within or on the Leased Premises, the City agrees to indemnify, defend, and hold Tenant harmless from any and all liability or claims which may arise following the Commencement Date of this Lease Agreement. City and Tenant acknowledge that City shall have no obligation to indemnify, defend, or to hold Tenant harmless as set forth in this Section from any asbestos-related liability or claim which may arise following Tenant's remediation of asbestos from the Leased Premises as required by this Section.

**10. MAINTENANCE AND REPAIRS.** Tenant, at its sole cost, shall keep and maintain the Leased Premises and every part thereof, both inside and outside, including all windows, doors, glazing, and landscaping clean and in good repair, and including, but not limited to, the repair of all appurtenances to the same condition or better as when received, damages by fire, act of God, or by the elements excepted, and to remove all of Tenant's signs from

the Leased Premises upon termination or expiration of this agreement. Further, Tenant shall provide its own custodial services for said Leased Premises.

**11. INDEMNIFICATION.** Tenant shall defend, hold harmless, and indemnify City and its officers, officials, employees, and volunteers from and against any and all liability, loss, damage, expense, and costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with this Lease, Tenant's performance of work hereunder, or Tenant's failure to comply with any of its obligations contained in this Lease, except such loss or damage which was caused by the sole negligence or willful misconduct of the City.

**12. INSURANCE.** Tenant shall, at its own cost and expense, maintain the insurance specified and required at Exhibit D hereto.

**13. HAZARDOUS SUBSTANCES.** Tenant shall not use any portion of the building or parking lot for the storage or use of flammable or hazardous substances. The City understands and acknowledges that vehicles parked at the parking spaces will use hazardous substances in order to operate, including gasoline and oil. Tenant shall be solely responsible for the clean-up and remediation of any spill or discharge or any hazardous substances including, but not limited to, gasoline and oil from such vehicles. As required by law, Tenant shall immediately notify the City in writing of any material release of hazardous substances and of any hazardous substances that have come to be located on or beneath the Leased Premises.

**14. ENTRY AND INSPECTION.** The City shall have the right to enter the Leased Premises at all reasonable times for the purpose of inspection, posting notices, or other lawful purposes.

**15. REMOVAL OF PERSONAL PROPERTY; RESTORATION OF PROPERTY.** No later than the expiration or the earlier termination of this Lease, Tenant shall at its sole cost and expense remove all items of personal property placed in the Leased Premises by Tenant and shall clean the Leased Premises. Upon expiration or earlier termination of this Lease, Tenant shall surrender the Leased Premises, including all Improvements, to City in reasonably good condition and repair, ordinary wear and tear excepted.

**16. ASSIGNMENT AND SUBLETTING.** Tenant shall not encumber, assign, or otherwise transfer this Lease, any right or interest in this Lease, or any right or interest in the Leased Premises or any improvements that may now or hereafter be constructed or installed on the Leased Premises to any other person or entity without first obtaining the express written consent of the City. The Tenant shall ensure that the terms and the conditions of this Lease are incorporated into the terms and the conditions of any sublease or assignment, including the sublease from the Tenant.

**17. DEFAULT AND REENTRY.** In the event of any breach of any obligation to be performed by Tenant hereunder, including failure to complete the Improvements within the timeframes specified herein, which is not cured within thirty (30) days of the date upon which notice of such breach is given to Tenant, or upon the abandonment or vacation of the Leased Premises by Tenant, the City, in addition to any other rights or remedies as may be provided by law, shall have the right to terminate this Lease, immediately reenter the Leased Premises, without notice, and remove all persons and property from the Leased Premises.

**18. FORCE MAJEURE.** If either party is unable to perform its duties under this Lease due to acts of God, strikes, lockouts, labor disputes, inability to obtain labor, governmental restrictions, regulations or controls, civil commotion, fire or other casualty, emergency, or any other cause beyond the reasonable control of the party, such non-performing party shall be excused from performance by the other party, and shall not be in breach of this Lease, for a period equal to any such prevention, delay or stoppage.

**19. SUCCESSORS AND ASSIGNS.** Except as otherwise provided for herein, the parties expressly agree that, subject to the terms of this Lease, all terms and conditions of this Lease shall extend to and be binding upon or inure to the benefit of the heirs, executors, administrators, personal representative, assigns and successors in interest of both the respective parties hereto.

**20. ENTIRE AGREEMENT.** This Lease expresses the whole contract between the parties, there being no representations, warranties, or other understandings not here expressly set forth or provided. This Lease may be executed in duplicate, each of which when so executed and delivered shall be deemed an original, but such duplicate

together shall constitute but one and the same instrument.

**21. AMENDMENTS.** This Lease may be amended at any time and from time to time, provided that no amendment to this Lease shall be legally enforceable against the City or Tenant unless it is in writing, executed and acknowledged by both parties.

**22. NOTICES.** All notices herein provided to be given, or which may be given, by either party to the other, shall be deemed to have been given fully, when made in writing and personally delivered as shown below, or deposited in the United States mail, certified, return receipt requested, postage prepaid, and addressed as follows:

**City:** City of Salinas  
200 Lincoln Avenue  
Salinas, CA 93901  
Attn: City Manager

**Tenant:** Salinas Police Activities League  
P.O Box 88  
Salinas, CA 93902  
Attn: Jeff Lamb, Executive Director

w/copy to: City Attorney

**23. WARRANTY OF TITLE.** The City warrants and represents that it has the sole and the exclusive title to the Leased Premises such that it may enter into this Lease. The City further warrants and represents that the execution, delivery, or performance of this Lease will not conflict with or violation any other agreements by which the City is bound, or any law, rules, regulation, or ordinance by which the City is bound.

**24. NON-DISCRIMINATION IN USE AND AVAILABILITY.** Tenant shall not discriminate on the basis of a person's place of residence, their race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any participant in, recipient of, or applicant for any services or programs provided by at the Leased Premises. Tenant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and non-discrimination in the provision of any services or programs offered at the Leased Premises.

**25. ACCIDENT REPORTS.** Tenant shall immediately report to the City in writing any accident causing or reasonably estimated to have caused more than one thousand dollars (\$1,000) worth of property damage or any serious injury to person or to property that occurs on or in connection with the Leased Premises. This written report shall contain the names and addresses of the parties involved, a statement of the circumstances, the date and the hour, the names and the addresses of any witnesses, and any other pertinent information.

**26. AMERICANS WITH DISABILITIES ACT AND TITLE 24 COMPLIANCE.** Tenant shall ensure and shall be responsible for ensuring that all building improvements and other improvements on the Leased Premises are compliant with the Americans with Disabilities Act and Title 24 of the California Code of Regulations and Tenant shall be solely responsible for making any repairs or improvements necessary to bring such buildings, structures, and other facilities into compliance. Consistent with the provisions of Section 8 of this agreement, (Alterations and Improvements), the Tenant shall be responsible for compliance with the Americans with Disabilities Act and Title 24 of the California Code of Regulations for those changes to the Leased Premises occurring after occupancy by the Tenant.

**27. SIGNS AND ADVERTISING.** Tenant shall not place or erect any temporary or permanent signs or advertising upon the Leased Premises which will cause damage or which will otherwise alter the physical structure of any structure or building located on the Leased Premises. The placement or erection of any sign or advertising upon the Leased Premises shall be in accordance with the requirements of the Salinas City Code in effect at the time such sign is proposed to be placed or erected.

**28. LIENS AND ENCUMBRANCES.** Tenant shall keep the Leased Premises free and clear of any liens or encumbrances of any kind whatsoever created by Tenant or any of its acts or omissions.

**29. JURISDICTION.** This Lease shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Lease shall be in the State of California, in the County of Monterey, or in the appropriate federal court with jurisdiction over the matter. In case suit shall be brought to interpret or to enforce this Lease, or because of the breach of any other covenant or provision herein contained, the

prevailing party in such action shall be entitled to recover their reasonable attorney fees in addition to such costs as may be allowed by the court. City's attorney fees, if awarded, shall be calculated at the market rate.

**30. COUNTERPARTS.** This Lease may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute a single agreement.

**31. FURTHER ASSURANCES.** Both parties agree to take whatever action may be necessary to perform their respective and their mutual obligations under this Lease.

**32. RIGHTS AND OBLIGATIONS UNDER THIS LEASE.** By entering into this Lease, the Parties do not intend to create any obligations express or implied other than those set out herein; further, this Lease shall not create any rights in any party not a signatory hereto.

**33. INVALIDITY.** The invalidity or unenforceability of any provisions of this Lease shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

**34. SURVIVAL.** In no way shall the insurance requirements herein limit Tenant's indemnification obligations hereunder, and Tenant's indemnification obligations shall survive termination of this Lease.

IN WITNESS WHEREOF, the undersigned, as authorized representatives of the parties, have entered into this Lease as of the date first written above.

**CITY OF SALINAS**

**SALINAS POLICE ACTIVITIES LEAGUE, INC.**

\_\_\_\_\_  
Steven S. Carrigan, City Manager

\_\_\_\_\_  
Jeff Lamb, Executive Director

APPROVED AS FORM:

\_\_\_\_\_  
☐ Christopher A. Callihan, City Attorney or  
☐ Rhonda Combs, Assistant City Attorney

ATTEST:

\_\_\_\_\_  
Patricia Barajas, City Clerk



**EXHIBIT A**



**EXHIBIT B**

**ACCEPTANCE OF THE LEASED PREMISES**

I \_\_\_\_\_ (NAME), the \_\_\_\_\_ (POSITION OR TITLE),  
representing the Salinas Police Activities League have inspected the offices and common grounds  
at 100 Howard Street, Salinas California, owned by the City of Salinas. I have determined that this  
building and property will be suitable for my business practices, and I hereby accept the Leased  
Premises in “as-is, where-is” condition.

Signature: \_\_\_\_\_ Date \_\_\_\_\_

## **Exhibit C**

### **Salinas PAL Youth Center projected Events throughout the coming years**

- Quinceaneras
- Galas for PAL Fundraising and other Non-profit Organizations for Fundraising
- Music Classes and Recital Events for Parents and the Community
- Ballet Classes and Recital Events for Parents and the Community including local talent
- Community Tryouts for Sports, Local Community Schools and Award Banquets
- Wedding Celebrations
- Children's Holiday Fund Raising Events including Toy Drives and Holiday Gift Giving
- Police Explorer Recognition Events and Police Explorer Training and Practice
- Rotary Fundraising Events for Steinbeck Rotary, Alisal Rotary, Santa Lucia & Downtown Rotary
- Veterans Events, Meetings and Non-profit Fundraising
- Toy Show Weekend Fundraiser Events at least four times per calendar year for Children
- Celebration of Life Events for departed
- Non-profit Benefit Dances for Schools and the Community
- Salinas Senior Center Events
- Jazz Symphony Events for the Community
- After School Events for Children including Awards and Presentations for Achievements
- Police Department Self Defense Training, K-9 Training and Drone Training
- Community Events and Gatherings throughout the year
- Zumba Classes for the elderly and three fundraisers per year
- Religious Celebrations of all denominations including the Annual Mayors Breakfast
- Pot-lucks for Community Children who represent several Soccer Leagues bringing kids together
- Orientation for High School/Grade School in Sports and Cheer
- Anti-bullying Events for Junior Giants Players and the Community
- City of Salinas Public Works Appreciation Events and Code Enforcement Recognition
- Community Programs for Underprivileged Families and Children
- Junior Giant Players, Parents, Coaches, Volunteers, Commissioners, training and Mentorship
- Downtown Streets Team meetings and Appreciation Events for their Contributions to Salinas
- Support of multiple events throughout the year with multiple organizations that help contribute to many local events in support of children throughout the local community no matter of income level, nationality, abilities, gender or status.

## **EXHIBIT D**

### **INSURANCE REQUIREMENTS**

Tenant shall 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 hereunder and the results of that work by the Tenant, his agents, representatives, employees or subcontractors.

#### ***MINIMUM SCOPE AND LIMIT OF INSURANCE***

*Coverage shall be at least as broad as:*

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (**ISO CG 25 03 or 25 04**) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if Tenant has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.
4. **Property insurance:** against all risks of loss to any tenant personal property, improvements, or betterments at full replacement cost with no coinsurance penalty provision.

If the Tenant maintains **broader coverage and/or** higher limits than the minimums shown above, the Entity requires and shall be entitled to **the broader coverage and/or** the higher limits maintained by the Tenant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Entity.

#### **Other Insurance Provisions**

The insurance policies are to contain, or be endorsed to contain, the following provisions:

##### ***Additional Insured Status***

The Entity, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Tenant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Tenant's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10, **CG 20 26, CG 20 33, or CG 20 38; and** CG 20 37 if a later edition is used).

##### ***Primary Coverage***

For any claims related to this contract, the Tenant's insurance coverage shall be primary coverage at least as broad as **ISO CG 20 01 04 13** as respects the Entity, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Entity, its officers, officials, employees, or volunteers shall be excess of the Tenant's insurance and shall not contribute with it.

##### ***Notice of Cancellation***

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the Entity.

***Waiver of Subrogation***

Tenant hereby grants to Entity a waiver of any right to subrogation which any insurer of said Tenant may acquire against the Entity by virtue of the payment of any loss under such insurance. Tenant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Entity has received a waiver of subrogation endorsement from the insurer.

***Self-Insured Retentions***

Self-insured retentions must be declared to and approved by the Entity. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or Entity.

***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 the Entity.

***Verification of Coverage***

Tenant shall furnish the Entity with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Entity before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Tenant's obligation to provide them. The Entity reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

**EXHIBIT E**

**MEMORANDUM OF LEASE**

This Memorandum of Lease ( the “Memorandum”) is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the Salinas Police Activities League, Inc., a California non-profit corporation, hereinafter called “Tenant.” And City of Salinas (the “City”), owners of 100 Howard Avenue in the City of Salinas, California, County of Monterey, (APN 002-244-099-000) with respect to that certain Lease (the “Lease”) dated \_\_\_\_\_, 2022, between the City and the Tenant.

Pursuant to the Lease, the tenant hereby leases from the City and the City hereby leases to the Tenant the real property commonly known as 100 Howard Avenue in the City of Salinas, California, County of Monterey, (APN 002-244-099-000.) The Lease is for a term commencing on January 10, 2023 and ending on January 31, 2033 (the “Term”), or as may be extended pursuant to Section 2 of the Lease.

This Memorandum is solely for recording purposes and shall not be construed to alter, modify, amend or supplement the Lease of which this is a memorandum.

IN WITNESS WHEREOF, the City and the Tenant have executed this Memorandum by proper persons thereunto duly authorized as of the date first hereinabove written.

CITY OF SALINAS  
a public body corporate and politic

By: \_\_\_\_\_  
KIMBLEY CRAIG  
MAYOR

ATTEST:

\_\_\_\_\_  
PATRICIA BARAJAS, CITY CLERK

APPROVED AS TO FORM:  
CITY ATTORNEY

\_\_\_\_\_  
CHRISTOPHER A. CALLIHAN

TENANT:

By: \_\_\_\_\_  
JEFF LAMB  
EXECUTIVE DIRECTOR