DATE October 12, 2016

TO GCTD Board of Directors

FROM Reed C. Caldwell Director of Engineering & Construction

SUBJECT Consider Approval of a New Ten Year Lease with the City of Oxnard for the Customer Service Center at the Oxnard Transit Center

SUMMARY

Gold Coast Transit District has leased space at the Oxnard Transit Center, 201 East Fourth Street, Oxnard, CA since 2001. GCTD has operated a customer service center (CSC) to support bus patrons for over fifteen years. The CSC is located in the north end of the Oxnard Transit Center. Its purpose is to provide assistance to the public regarding bus routes, service, purchasing bus passes, and the myriad of questions transit users have as they navigate public transit. The CSC is currently staffed with bilingual customer service assistants and is open Monday through Friday, 7:00 am to 7:00 pm.

It is recommended, GCTD sign a ten year tenant lease with the City of Oxnard for the Customer Service Center located at the Oxnard Transit Center, 201 East Fourth Street, Suite 103A, Oxnard, CA.

BACKGROUND

To maintain the district’s high standard for customer service, within the past year, GCTD upgraded the CSC to increase functionality and safety. The improvements included adding three new sales windows, replacement of obsolete electronic systems, reorganized interior space, improved security systems including surveillance cameras, and reconstruction of the interior restroom to meet ADA standards. In addition, the project upgraded the electrical system and provided CALGreen compliant lighting fixtures. All lighting in both the CSC and adjacent restroom are low energy LED type.

GCTD’s intentions are to maintain a customer outlet at the Oxnard Transit Center for the long-term. Customers enjoy the easy access to GCTD staff at the service center. GCTD’s recent financial investment to upgrade the CSC shows the district’s commitment to customer service.

The new lease term is 10 years with no option to renew. The City’s project manager has
indicated to GCTD that Oxnard does not provide long-term leases and reviewed the new lease term with the Oxnard City Attorney.

The proposed lease is attached.

RECOMMENDATION

It is recommended that the Board of Directors authorize the General Manager to enter into a ten-year tenant lease with the City of Oxnard for the Customer Service Center located at the Oxnard Transit Center, 201 East Fourth Street, Suite 103A, Oxnard, CA subject to legal counsel review.

GENERAL MANAGER’S CONCURRENCE

Steven P. Brown
General Manager
LEASE

This Lease ("Lease") is made as of ____ day of ____________, 2016, by and between the CITY OF OXNARD, ("Landlord") and Gold Coast Transit District, ("Tenant"). Each of Landlord and Tenant are sometimes hereinafter referred to as a "Party" and collectively as the "Parties."

1. Leased Premises

Landlord hereby leases to Tenant, and Tenant leases from Landlord for the term, at the rental, and pursuant to the covenants, provisions and conditions set forth herein, that certain space (the "Leased Premises") situated at 201 E. Fourth Street, Suite 103A in the Oxnard Transit Center ("Building"). The Leased Premises are outlined and depicted in Exhibit "A" attached hereto and incorporated by this reference in full herein.

2. Term

2.1 Term. The term of this Lease ("Term") shall commence on October 1, 2016 (the "Commencement Date") and shall expire on September 30, 2026 (the "Expiration Date"), subject to earlier termination as provided herein.

3. Rent

3.1 Base Rent. During the Term, Tenant agrees to pay Landlord as "Base Rent" for the Leased Premises, the sum of $997.14 per month, (subject to adjustment as hereinafter provided). The Base Rent shall be due and payable to the Landlord on the first day of each and every calendar month during the Term. Base Rent for the first month of the Term, or portion thereof, shall be paid concurrent with the execution of this Lease. If the Commencement Date is not the first day of a calendar month, or if the Term ends on a day other than the last day of a calendar month, then the rental for such partial month(s) shall be prorated based on a 30-day month.

3.2 Annual Adjustment of Base Rent. The Base Rent shall be increased every twelve (12) months after the Commencement Date ("Adjustment Date(s)") during the Term in an amount equal to two percent (2%) for each new twelve (12) month period until September 30, 2019. Beginning on October 1, 2019, the Base Rent shall be increased during the Term in an amount equal to the Consumer Price Index for All Urban Consumers (CPI-U) for the Los Angeles-Riverside-Orange County California area published by the United States Department of Labor, Bureau of Labor Statistics for each new twelve (12) month period provided, however, that no annual increase will be greater than three percent (3%).

3.3 Additional Rent. All amounts due from Tenant to Landlord under this Lease other than Base Rent shall constitute "Additional Rent." The Base Rent and Additional Rent are sometimes collectively referred to hereinafter as "Rent." Rent shall be paid to Landlord, without deduction or offset, in lawful money of the United States of America, which shall be legal tender
at the time of payment, at the office of Landlord or to such other person or at such other place as Landlord may from time to time designate in writing.

3.4 Interest; Late Charges. All amounts due and unpaid under this Lease shall accrue interest from the date due until paid at the lesser of the prime or reference rate charged by the Bank of America, N.A. plus three percent (3%) or the highest rate permitted by law (the “Default Rate”). It is also agreed between the Parties that if any installment of Base Rent shall be due hereunder and unpaid as of the fifth (5th) day of any month, a five percent (5%) late/administrative charge shall be immediately added to the amount owing and shall also be due and payable, the Parties recognizing that they cannot establish with certainty the damage and additional administrative expense Landlord will suffer in the event Tenant fails to pay such amount when due and the Parties agreeing that such late charge represents the reasonable estimate of the Parties as to the amount of such damage and additional administrative expense.

INITIAL

Tenant: ___________________________       Landlord: _______________________

3.5 Additional Expenses Payable by Tenant. Tenant shall pay a reasonable charge determined by Landlord for any use of utilities or services in excess of utilities or services customarily provided for Tenant or in addition to those set out in Section 10, which Section covers normal utility charges. Tenant shall pay for any additional or unusual janitorial or security guard services required by reason of Tenant’s use of the Premise or by reason of improvements in the Premises other than improvements made by Landlord.

4. Security Deposit

Concurrent with the execution of this Lease, Tenant shall deposit with Landlord $1,300.00 as a security deposit for the performance by Tenant of the provisions of this Lease. If Tenant is in default under this Lease, Landlord may use the security deposit, or any portion of it, to cure the default or to compensate Landlord for all damage sustained by Landlord resulting from such default. Tenant shall immediately on demand pay to Landlord a sum equal to the portion of the security deposit expended or applied by Landlord as provided in this Section so as to maintain the security deposit in the sum initially deposited with Landlord. If Tenant is not in default and has vacated the Leased Premises by the Expiration Date, Landlord shall return the security deposit to Tenant. Landlord’s obligations with respect to the security deposit are those of a debtor and not a trustee. Landlord may maintain the security deposit separate and apart from Landlord’s general funds or can commingle the security deposit with Landlord’s general and other funds. Landlord shall not be required to pay Tenant interest on the security deposit.

5. Delivery and Condition of Leased Premises

5.1 Landlord shall deliver physical possession of the Leased Premises to Tenant upon the execution of this Lease by both Parties. Tenant hereby accepts the Leased Premises in its existing “AS IS” condition as of the date hereof subject to all applicable zoning, municipal, county
and state laws, ordinances and regulations governing the use of the Leased Premises, and any easements, licenses, covenants, conditions or restrictions of record, including without limitation any Declaration of Covenants, Conditions and Restrictions, executed by Landlord, and accepts this Lease subject thereto and subject to all matters disclosed thereby.

5.2 Tenant acknowledges that Landlord has not made any representation or warranty whatsoever as to the condition of the Leased Premises including, but not limited to, the condition of the existing building or the electrical, plumbing, fire sprinkler pressure (if there are any fire sprinklers), lighting, air conditioning and heating therein, or the present or future suitability of the Leased Premises for the conduct of Tenant’s business.

5.3 Landlord shall not be liable for any latent or patent defects in or about the Leased Premises. Tenant hereby waives all other express or implied warranties or representations regarding any latent or patent defects in the Leased Premises.

5.4 Tenant shall, upon taking possession of the Leased Premises, and with Landlord’s prior written approval, prepare plans (“Plans”) and obtain all necessary permits for, and commence construction upon the Leased Premises of, any and all improvements necessary to open and operate Tenant’s business (the “Improvements”).

6. Use of Leased Premises

6.1 Limitation on Use. Tenant shall use the Leased Premises solely for a customer service center and administrative offices, including storage of system information and fare instruments for transit operation.

6.2 Tenant’s Operation of Business. Tenant shall continuously and uninterruptedly during the entire Lease Term:

6.2.1 At a minimum, remain open for business during usual business hours Monday through Friday, except customary federal and state holidays;

6.2.2 Adequately staff its business with sufficient employees;

6.2.3 Conduct Tenant’s business at all times in a first-class manner consistent with reputable business standards and practices, in good faith and in such a manner that the high reputation of the Landlord and the Premises is maintained; and

6.2.4 Warehouse, store or stock only such items as Tenant requires to conduct its business.

6.3 Anti-discrimination and Equal Opportunity. Tenant shall, throughout the Term, comply with the provisions set forth in Exhibit “B” attached hereto and incorporated herein by this reference.
6.4 Prohibited Uses; Alterations. Tenant shall not do or permit anything to be done in or about the Leased Premises that in any way increases the existing rate of any fire or other insurance on the Building or any of its contents, or that causes a cancellation of any insurance policy covering the Building, the Leased Premises or any part of them or any of the contents thereof, or which constitutes an activity specifically excluded from the Landlord’s insurance policy or any insurance Tenant is required by Landlord to obtain, which policies are described in Section 8 of this Lease. Tenant shall not commit or cause to be committed any nuisance or waste in or on the Leased Premises or permit anything to be done in or about the Leased Premises that will in any way conflict with the CC&Rs or any law, statute, ordinance or governmental rule or regulation now in force or hereafter in force. Tenant shall not display, store, or sell merchandise or allow carts, portable signs, devices or any other objects to be stored or to remain outside the exterior walls and permanent doorways of the Leased Premises without Landlord’s prior written consent. Tenant shall not, without the prior written consent of Landlord, sell merchandise from vending machines or allow any coin operated vending or gaming machines on the Leased Premises. Except as otherwise provided herein, Tenant shall not make or cause to be made any alterations, repairs, additions or improvements to any part of the Leased Premises, without the prior written consent of Landlord, which consent may be withheld in Landlord’s sole and absolute discretion.

7. Insurance

Tenant shall deliver to the Landlord copies of policies of insurance and certificates evidencing the existence and amounts of the insurance described herein below with loss payable clauses and additional insured endorsements in favor of Landlord and cross-liability endorsements. Each policy shall provide that such policy shall not be cancelable or subject to reduction of coverage or other modification during the Term except after thirty (30) days prior written notice to Landlord. All insurance required to be carried by Tenant hereunder shall be issued by responsible insurance companies, qualified to do business in the State of California and reasonably acceptable to Landlord. All public liability and property damage policies shall contain a provision that Landlord, although named as an insured, shall nevertheless be entitled to recovery under said policies for any loss occasioned to it, its servants, agents, and employees by reason of the negligence of Tenant. All public liability, property damages and other casualty policies shall be written as primary policies, not contributing with, and not in excess of coverage which Landlord may carry. Executed copies of all policies, or certificates evidencing the existence and amounts of such insurance, shall be delivered to Landlord by Tenant no later than ten (10) days after Commencement Date, and thereafter, executed copies of renewal policies or certificates thereof shall be delivered to Landlord thirty (30) days prior to the expiration of any such policy. In the event Tenant fails to maintain any of the insurance set forth herein below, Landlord may, but shall not be required to, obtain such insurance on behalf of Tenant and, in such event, Tenant shall reimburse Landlord as Additional Rent and immediately on demand, for the cost incurred by Landlord together with interest on such cost at the Default Rate from the date the cost is incurred by Landlord to the date same is reimbursed to Landlord by Tenant. Tenant shall, at Tenant’s sole expense, obtain and keep in force during the Term, the following coverages:
7.1 Liability Insurance. A liability insurance policy insuring Landlord and Tenant against any liability for bodily injury and property damage arising out of the ownership, use, occupancy or maintenance of the Leased Premises, Building, and/or the Premises by Tenant, its guests and/or invitees. Such insurance shall be a combined single limit policy in an amount not less than $1,000,000.00 per occurrence. The policy shall insure performance by Tenant of the indemnity provisions of Section 13. The limits of said insurance shall not, however, limit the liability of Tenant hereunder;

7.2 Insurance of Improvements and Contents. A policy or policies of insurance against damage (by fire, theft, vandalism, malicious mischief, all risks normally insured against by extended coverage, and if the Building has sprinklers, the added perils of sprinkler leakage and earthquake sprinkler leakage) to the Improvements, any other improvements made to the Leased Premises by Tenant, and Tenant’s stock in trade, furniture, personal property, fixtures and equipment on the Leased Premises, with coverage in an amount equal to the actual cash value thereof. Tenant may, with Landlord’s prior written consent, elect to have a reasonable deductible in connection with such insurance;

7.3 Worker’s Compensation Insurance. Tenant shall, during the Term, keep in full force and effect a policy or policies of worker’s compensation insurance, with coverage not less than the minimum required by the State of California. Landlord and Tenant hereby waive their rights (and, to the extent permitted by law, the subrogation rights of their respective insurers) against each other and any other tenant of space in the Building (as well as the officers, employees, agents, authorized representatives, and invitees of same) with respect to any claims (including, but not limited to claims for injury to any person(s), and/or damage to the Leased Premises or any other part of the Landlord’s Premises, and/or any fixtures, equipment, personal property, furniture, improvements and/or alterations in or to the Leased Premises or the Building) which are caused by or result from risks insured against under any valid and collectible insurance contract or policy carried by Landlord or Tenant (whichever the case may be) and in force at the time of any such injury and/or damage. However, the above waiver shall apply only to the extent that such claim is covered by such insurance contracts or policies. Tenant shall obtain (for Landlord) from its insurer(s) under each policy required to be obtained pursuant to Sections 7.1 and 7.2 above, a waiver of all rights of subrogation which such insurer(s) of Tenant might have against Landlord.

8. Damage

8.1 Partial Damage-Insured. In the event the Leased Premises or the Building are damaged by any casualty which is covered under fire and extended coverage insurance carried by Landlord, then Landlord shall restore such damage provided sufficient insurance proceeds are available to pay for the cost of restoration and provided such restoration can be completed within one hundred and eighty (180) days after the commencement of the work in the opinion of a registered architect or engineer appointed by Landlord. In such event this Lease shall continue in full force and effect, and Tenant shall not be entitled to any abatement or reduction of Rent.

8.2 Partial Damage-Uninsured. In the event the Leased Premises or the Building are damaged by a risk not covered by Landlord’s insurance or the proceeds of available insurance
are less than the cost of restoration, or if the restoration cannot be completed within one hundred and eighty (180) days after the commencement of work in the opinion of the registered architect or engineer appointed by Landlord, then Landlord shall have the option either to (1) repair or restore such damage, this Lease continuing in full force and effect and Tenant shall not be entitled to any abatement or reduction of Rent, or (2) give notice to Tenant at any time within thirty (30) days after such damage terminating this Lease as of a date to be specified in such notice, which date shall be not less than thirty (30) nor more than sixty (60) days after giving such notice. In the event of the giving of such notice, this Lease shall expire and all interest of Tenant in the Leased Premises shall terminate on such date so specified in such notice and all Rent shall be paid to the date of such termination; provided, however, that Landlord agrees to refund to the Tenant any Base Rent theretofore paid in advance for any period of time subsequent to such date.

8.3 Total Destruction. In the event the Leased Premises are totally destroyed or the Leased Premises cannot be restored as required herein under applicable laws and regulations, notwithstanding the availability of insurance proceeds, this Lease shall be terminated effective the date of the damage.

8.4 Landlord’s Obligations. The Landlord shall not be required to repair any injury or damage by fire or other cause, or to make any restoration or replacement of any decorations, partitions, floor covering or any other improvements or property installed in the Leased Premises by Tenant or at the direct or indirect expense of Tenant. Tenant shall be required to restore or replace same in the event of damage. Tenant shall have no claim against Landlord for any damage suffered by reason of any such damage, destruction, repair or restoration; nor shall Tenant have the right to terminate this Lease as the result of any statutory provision now or hereafter in effect pertaining to the damage and destruction of the Leased Premises or the Building including Sections 1932(2) and 1933(4) of the Civil Code of the State of California, except as expressly provided herein.

9. Condemnation

If all or any part of the Leased Premises shall be taken or appropriated for public or quasi-public use by right of eminent domain with or without litigation or transferred by agreement in connection with such public or quasi-public use, either Party hereto shall have the right at its option exercisable within thirty (30) days of receipt of notice of such taking to terminate this Lease as of the date possession is taken by the condemning authority; provided, however, that before Tenant may terminate this Lease by reason of taking or appropriation as provided hereinabove, such taking or appropriation shall be of such an extent and nature as to substantially handicap, impede or impair Tenant’s use of the Leased Premises. If any part of the Building other than the Leased Premises shall be so taken or appropriated, Landlord shall have the right at its option to terminate this Lease. No award for any partial or entire taking shall be apportioned, and Tenant hereby assigns to Landlord any award which may be made in such taking or condemnation, together with any and all rights of Tenant now or hereafter arising in or to the same or any part thereof; provided, however, that nothing contained herein shall be deemed to give Landlord any interest in or to require Tenant to assign to Landlord any award made to Tenant for the taking of personal property and fixtures belonging to Tenant and/or for the interruption of or damage to Tenant’s business.
10. Utilities

Tenant shall pay for its pro-rata share of all water, sewer, gas, heat, and electricity services supplied to the Leased Premises, based upon the ratio of the rentable floor area of the Leased Premises of 331 square feet as compared to all space that is rentable in the Building, which is 6,784 square feet. For purposes of implementing the provisions of this Section 10, Landlord and Tenant hereby agree that Tenant shall pay its pro-rata share four point nine percent (4.9%), which is calculated as follows, 331 square feet divided by 6,784 square-feet, of all such utility services supplied to the Leased Premises. Tenant shall also pay for Tenant’s own telephone service and all other services and/or utilities supplied to the Leased Premises. Notwithstanding the foregoing, Landlord shall not be liable in damages or otherwise for any failure, interruption or unavailability of any utility service being furnished to the Leased Premises and no such failure or interruption shall entitle Tenant to terminate this Lease or receive any abatement of Rent hereunder.

11. Taxes

Tenant shall pay at least ten (10) days before due, and before any fine, penalty, interest or cost shall be charged thereon, directly to the appropriate taxing or other governmental authority, all:

(i) Real estate and other ad valorem taxes and assessments of every kind and nature levied and assessed upon the Leased Premises and the underlying realty including, but not limited to, possessory interest taxes assessed against the leasehold interest created hereby and general and special assessments, whether foreseen or unforeseen, and

(ii) Taxes, assessments, license fees and public charges levied, assessed or imposed upon its business operation on the Leased Premises, (collectively, “Taxes”) and Tenant shall deliver to Landlord copies of receipted bills for such Taxes within fifteen (15) days after receipt of such bills by Tenant.

If any taxes on Tenant’s personal property are levied against Landlord or Landlord’s property, or if the assessed value of the Building is increased by the inclusion of a value placed on Tenant’s personal property, and if Landlord pays the taxes on any of these items or the taxes based on the increased assessment caused by these items, Tenant, on demand, shall immediately reimburse Landlord for the sum of the taxes levied against Landlord, or the proportion of the taxes resulting from the increase in Landlord’s assessment. Landlord shall have the right to pay these taxes regardless of the validity of the levy.

11.1 Possessory Interest Tax: Landlord and Tenant agree that this Lease may create a possessory property interest which is subject to property taxation, in which event that party in whom such interest is vested may be subject to and shall pay such property taxes.
12. **Compliance with Laws**

Tenant agrees to comply with all applicable zoning, municipal, county and state laws, ordinances and regulations governing the use of the Leased Premises, the CC&R’s and any other covenants or restrictions of record. Tenant agrees to secure any federal, state or local licenses or permits required in order to use the Leased Premises for the purposes specified hereinabove. Tenant shall secure such licenses and permits before the Commencement Date of this Lease.

13. **Indemnity and Exculpation**

13.1 **Indemnity.** Tenant shall indemnify, defend and hold harmless Landlord, and its officers, officials, employees, volunteers and agents against any and all claims, liabilities, losses, costs, expenses, including without limitation attorneys’ fees and costs (“Claims or Liabilities”) including without limitation those resulting from theft, vandalism, personal injury, disability or death, and even if caused in whole or in part by the passive negligence of Landlord, its agents, staff or employees (e.g., failure to supervise or control, or warn of or remove a condition on or about the Leased Premises) arising from:

(i) The condition of the Leased Premises and surrounding areas which are used by Tenant and Tenant’s employees, staff, consultants, agents, contractors, suppliers, invitees, guests, patrons, licensees, successors and assigns (collectively, “Tenant’s Representatives”),

(ii) Tenant’s and Tenant’s Representatives’ use of the Leased Premises, Building and/or other areas of the Landlord’s Premises including without limitation the construction of the Improvements and any other work performed therein,

(iii) Any breach or default in the performance of any obligation on Tenant’s part to be performed under the terms of this Lease, or

(iv) The conduct of Tenant’s business operated on or about the Leased Premises or any act or negligence of Tenant, or any of Tenant’s Representatives, except that Tenant shall not indemnify, defend and hold harmless Landlord from and against any claims to the extent they result solely from the active negligence or willful misconduct of Landlord or Landlord’s agents, staff, employees, consultants, officers, successors and assigns (collectively, “Landlord’s Representatives”).

In case any action or proceeding be brought against Landlord, and/or its officers, officials, employees, volunteers and agents by reason of any such claim, Tenant, upon notice from any such party, shall defend the same at Tenant’s expense by counsel reasonably satisfactory to such party.
Tenant, as a material part of the consideration given to Landlord, hereby (i) assumes all risk of damage to property or injury to persons in, upon or about the Leased Premises arising from any cause including, but not limited to, any theft, vandalism, damage, injury to person or death resulting from the condition of the Leased Premises during the Term hereof but excluding any claims (except for those claims arising from Landlord’s alleged failure to supervise or control Tenant’s actions or Tenant’s use of the Leased Premises) arising from the active negligence or willful misconduct of Landlord, and (ii) waives all claims in respect thereof against Landlord, and its officers, officials, employees, volunteers and agents.

13.2 Exemption of Landlord From Liability. It is hereby agreed that Landlord shall not be liable for any injury or damage which may be sustained by the person, goods, wares, merchandise or property of Tenant, its employees, invitees or customers, or by any other person in or about the Leased Premises caused by or resulting from fire, steam, electricity, gas, water or rain which may leak or flow from or into any part of the Leased Premises, or from the breakage, leakage, obstruction or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, whether said damage or injury results from conditions arising upon the Leased Premises or from other sources. It is hereby agreed that Landlord shall not be liable for any damages arising from any act or neglect of any other tenant of the Building.

14. Default and Remedies

14.1 Default. The occurrence of any of the following shall constitute a material default and breach of this Lease by Tenant:

14.1.1 Any failure by Tenant to pay any Rent at the time said payment is due:

14.1.2 The abandonment or vacation (defined to be ten (10) or more days of continuous absence from the Leased Premises) of the Leased Premises by Tenant;

14.1.3 The failure by Tenant to observe and perform any other provision of this Lease to be observed or performed by Tenant, where such failure continues for fifteen (15) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of the default is such that the same cannot reasonably be cured within said fifteen (15) day period, Tenant shall not be deemed to be in default if Tenant shall within such period commence such cure and thereafter diligently prosecute the same to completion;

14.1.4 The making by Tenant of any general assignment or general arrangement for the benefit of creditors; the appointment of a trustee or receiver to take possession of substantially all of Tenant’s assets located at the Leased Premises or Tenant’s interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Tenant’s assets located at the Leased Premises or of Tenant’s interest in this Lease, where such seizure is not discharged within thirty (30) days.
14.2 Termination. In the event of any such default by Tenant, then in addition to any other remedies available to Landlord at law or in equity, Landlord shall have the immediate option to terminate this Lease and all rights of Tenant hereunder by giving written notice of such termination. In the event that Landlord shall elect to so terminate this Lease then Landlord may recover from Tenant:

14.2.1 The worth at the time of award of any unpaid Rent which had been earned at the time of such termination; plus

14.2.2 The worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

14.2.3 The worth at the time of award of the amount by which the unpaid Rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; plus

14.2.4 Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant’s failure to perform his obligations under this Lease or which in the ordinary course of events would be likely to result therefrom; plus

14.2.5 At Landlord’s election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable California law.

As used in subparagraphs 14.2.1 and 14.2.2 above, the “worth at the time of award” is computed by allowing interest at the Default Rate. As used in subparagraph 14.2.3 above, the “worth at the time of award” is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

14.3 Additional Remedies

14.3.1 In the event of the vacation or abandonment of the Leased Premises by Tenant (as defined in Section 14.1.2 above), and if Landlord does not elect to terminate this Lease and Tenant’s right to possession of the Leased Premises by electing the remedy provided in Section 14.2 above, then Landlord may, pursuant to Section 1951.4 of the Civil Code of the State of California, recover all Rent as it becomes due.

14.3.2 Landlord entry into the Leased Premises for maintenance purposes or in an attempt to relet the Leased Premises shall not be considered to terminate Tenant’s right to possession of the Leased Premises and no entry of the Leased Premises by Landlord shall be construed as an election to terminate this Lease unless a written notice of such intention be given to Tenant or unless the termination thereof be decreed by a court of competent jurisdiction. Landlord may at any time after any default by Tenant elect to terminate this Lease pursuant to Section 14.2 above.
14.3.3 The rights of Landlord under this Lease shall be cumulative to all other rights or remedies now or hereafter available to Landlord at law or in equity.

15. Maintenance

15.1 Landlord’s Obligation. Landlord shall maintain in good order, condition and repair all portions of the Building not the obligation of Tenant or any other tenant in the Building to maintain and repair, such as Common Areas, except for any repair necessitated by the wrongful act of Tenant or any of Tenant’s Representatives.

15.2 Tenant’s Obligations. Tenant, at its sole cost and expense, shall keep, maintain and, if necessary, repair all portions of the Leased Premises as well as all improvements on the Leased Premises and all facilities appurtenant to the Leased Premises in good order and repair and in a safe and clean condition, including without limitation the interior surface of exterior walls, windows, window frames, doors, door frames, locks, plate or other glass, floor covering, interior ceiling and walls, all electrical equipment, all heating, ventilation, exhaust, make-up and air conditioning equipment, all plumbing, sewage and sprinkler systems, if any, and all other equipment installed in or located outside of the Leased Premises but otherwise exclusively serving the Leased Premises. In the event Tenant fails to make repairs and/or maintain the Leased Premises or any part thereof in good order, condition and repair, Landlord may give Tenant ten (10) days notice to do such acts as are reasonably required to so repair or maintain the Leased Premises. In the event Tenant fails to promptly commence such work within said ten (10) day period and diligently prosecute same to completion, then Landlord shall have the right, but not the obligation, to do such acts and expend such funds at the expense of Tenant as are reasonably required to perform such work. Any amount so expended, together with interest thereon at the Default Rate from the date of payment by Landlord until the date of repayment by Tenant shall be paid by Tenant as Additional Rent hereunder. Landlord may, but shall not be required to, recover such expenditures from the security deposit established pursuant to Section 4 of this Lease. Landlord shall have no liability to Tenant for any damage, inconvenience or interference with the use of the Leased Premises by Tenant as a result of performing any such work. In the event of emergency repairs, Tenant hereby grants to Landlord the right to enter upon the Leased Premises at any time.

15.3 Maintenance of Glass. Notwithstanding anything which may be or appear to be herein to the contrary, Tenant shall, at its own cost and expense, repair and replace any plate or other glass in any window on the Leased Premises that is broken for any reason. Should Tenant fail to repair or replace any broken glass within two (2) days after same is broken, Landlord may, without notice to Tenant, replace or repair such glass and Tenant shall immediately reimburse Landlord as Additional Rent for the cost thereof together with interest on such cost at the Default Rate from the date the cost is incurred by Landlord to the date same is reimbursed to Landlord by Tenant.

15.4 Waiver by Tenant. Landlord shall have no obligation to repair or maintain the Leased Premises or improvements constructed therein except as provided in this Lease. Tenant hereby waives all right to make repairs at the expense of Landlord as provided for in any statute or law in effect at the time of execution of this Lease (including Section 1942 of the Civil
16. **Landlord’s Right of Entry**

Tenant shall permit Landlord or Landlord’s Representatives to enter the Leased Premises at all reasonable times for the purpose of inspecting the Leased Premises to determine whether Tenant is complying with the terms of this Lease and for the purpose of doing other lawful acts that may be necessary to protect Landlord’s interest in the Leased Premises under this Lease or to perform Landlord’s duties under this Lease. Landlord also reserves and shall at any and all times have the right to enter the Leased Premises in connection with any utilities to be provided by Landlord to Tenant hereunder, to submit said Leased Premises to inspection by prospective purchasers or tenants or prospective or existing mortgagees, to post notices of non-responsibility and “for lease” signs, and to alter, improve or repair the Leased Premises and any portion of the Building without abatement of rent. Tenant hereby waives any claim for damages for any injury or inconvenience to or interference with Tenant’s business, any loss of occupancy or quiet enjoyment of the Leased Premises, and any other loss occasioned thereby. For each of the aforesaid purposes, Landlord shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Leased Premises, excluding Tenant’s vaults and safes, and Landlord shall have the right to use any and all means which Landlord may deem proper to open said doors in an emergency, the existence of which shall be determined by Landlord in its sole discretion, in order to obtain entry to the Leased Premises. Any entry to the Leased Premises obtained by Landlord by any of said means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Leased Premises, or an eviction of Tenant from the Leased Premises or any portion thereof.

17. **Transfers**

17.1 **Assignment and Subletting.** Tenant shall not voluntarily or by operation of law assign, license, franchise, transfer, mortgage or otherwise encumber all or any part of Tenant’s interest in this Lease or in the Leased Premises, and shall not sublet, franchise, or license all or any part of the Leased Premises, without the prior written consent of Landlord in each instance, which consent shall not be unreasonably withheld, and any attempted assignment, license, franchise, transfer, mortgage, encumbrance or subletting without such consent shall be wholly void. Without in any way limiting Landlord’s right to refuse to give such consent for any other reason or reasons, Landlord reserves the right to refuse to give such consent if in Landlord’s discretion and opinion the quality or character of the business operation conducted on the Leased Premises or throughout any other portion of the Building is or may be in any way adversely affected during the term of the Lease by such proposed assignment, license, franchise, transfer, mortgage, encumbrance or subletting, or if the financial worth, capability and/or liquidity of the proposed new tenant is less than that of Tenant at the time of the execution of this Lease or if the proposed new tenant has less experience in operating a business of the specific type as Tenant’s than does Tenant.

17.2 **Bankruptcy.** In the event that Tenant files any type of petition in bankruptcy or has same filed against it and Landlord does not elect to terminate this Lease or is deemed to have waived its right to terminate this Lease, and in the event that the trustee or receiver appointed
by the bankruptcy court attempts to assume this Lease and thereupon or otherwise assign it to a third party, then:

(i) Such assignee shall have a net worth at least equal to that of the Tenant at the time of execution of this Lease,

(ii) The business of the assuming third party shall be consistent with the character and concept of the Project, and

(iii) All other provisions of 11 U.S.C. 365, as well as other applicable Bankruptcy Law provisions for Landlord’s protection, shall be satisfied before any assignment of Tenant’s rights, or assumption of Tenant’s obligations under this Lease. This subparagraph shall not be deemed to waive any of Landlord’s rights under Bankruptcy Law or otherwise.

17.3 Management. In the event Tenant fails to exercise such management and control of the business hereunder permitted to be conducted in the Leased Premises, as is ordinarily exercised by an owner of such a business, then Landlord shall have the right to approve the manager, franchisee, independent contractor, employee or other person or entity selected by Tenant to operate and conduct such business on the Leased Premises. The preceding sentence shall not be deemed to restrict Tenant from delegating day to day management of the Tenant’s business, or taking vacations, but shall restrict Tenant from surrendering authority for setting general policy and business practices of the business. If Tenant makes such restricted selection or appointment without first securing Landlord’s consent thereto, then Landlord, upon thirty (30) days’ written notice to Tenant, shall have the right to terminate this Lease. Landlord shall not unreasonably withhold such consent.

17.4 Effect of Assignment. No approved subletting or assignment shall relieve Tenant of its obligation to pay all Rent and to perform all of the other obligations to be performed by Tenant hereunder. Tenant shall pay Landlord for Landlord’s attorneys’ fees for the review of any proposed assignment or sublease as provided herein. The acceptance of rent by Landlord from any other person shall not be deemed to be a waiver by Landlord of any provision of this Lease or to be a consent to any assignment, subletting or other transfer shall not be deemed to constitute consent to any subsequent assignment, subletting or other transfer.

18. Rules and Regulations

Tenant and its employees, agents and visitors shall observe faithfully the Rules and Regulations as set forth in Exhibit “C” attached hereto and incorporated by this reference in full herein, and such other and further reasonable Rules and Regulations as Landlord may from time to time adopt. Landlord shall not be liable for violation of any Rules and Regulations or the breach of any provision of any lease by any other tenant or other party in the Landlord’s premises.
19. **Attorneys’ Fees**

In case of any action or proceeding brought by either Party against the other under this Lease, the prevailing Party shall be entitled to recover reasonable attorneys’ fees and costs incurred.

20. **Notices**

All communications, notices and demands of any kind that either Party may be required or desires to give to or serve on the other Party shall be made in writing and delivered personally or sent by registered or certified mail or Federal Express (or other like overnight delivery service) to the following addresses:

**To Landlord:**
City of Oxnard, Development Services Department  
ATTN: Project Manager, Transit Services  
214 South C Street  
Oxnard, CA  93030

With a copy to:  
City Attorney’s Office  
300 W. Third Street  
Oxnard, CA  93030

**Tenant:**
Gold Coast Transit District  
ATTN: Director of Engineering  
301 East Third Street  
Oxnard, CA  93030

Any such notice shall be presumed to have been received on the earlier of:

(i) Personal delivery to the address(es) shown above,

(ii) One (1) day after delivery to Federal Express or other like overnight delivery service, or

(iii) Forty-eight (48) hours after posting in the United States mail. Either Party may change its address by giving the other Party written notice of its new address.

21. **Subordination; Attornment**

21.1 Upon request of Landlord or any mortgagee or beneficiary of Landlord, Tenant shall, in a writing provided by Landlord or any mortgagee or beneficiary of Landlord,
subordinate its rights hereunder to the lien of any mortgage or deed of trust or ground lease ("Mortgage"), now or hereafter in force against the land, Leased Premises and Building, and to all advances made or hereafter to be made upon the security thereof, provided that such Mortgage shall not materially impair Tenant’s rights under this Lease, or impose any additional obligations upon Tenant. Tenant further agrees, upon request of Landlord or any mortgagee or beneficiary of Landlord, to provide to Landlord and/or any such mortgagee or beneficiary, financial statements of Tenant and the principal owners of Tenant within ten (10) days after request therefor.

21.2 The provisions of this Section 21 to the contrary notwithstanding, and so long as Tenant is not in default hereunder, this Lease shall remain in full force and effect for the full term hereof.

22. Surrender

By entry hereunder, Tenant accepts the premises as being in good and sanitary order, condition and repair and agrees on the last day of the said Term, or sooner termination of this Lease, to surrender unto Landlord the Leased Premises with said appurtenances in the same condition as when received, reasonable use and wear excepted, and to remove all of the Tenant’s personal property from the Leased Premises. Tenant shall, upon the request of Landlord, remove from the Leased Premises those trade fixtures and other improvements identified by Landlord and installed in the Leased Premises by or at the direction of Tenant, and Tenant shall repair any damage occasioned by such removal.

23. Holding Over

If Tenant, with Landlord’s express written consent, remains in possession of the Leased Premises after expiration of this Lease, such possession by Tenant shall be deemed to be a tenancy from month-to-month at a Base Rent determined in accordance with Sections 3.1 and 3.2 above (with the commencement date of such tenancy constituting an Adjustment Date) and upon all provisions of this Lease applicable to such a month-to-month tenancy. If Tenant remains in possession of the Leased Premises after expiration or earlier termination of this Lease without the express written consent of Landlord, such possession by Tenant shall be deemed a tenancy at sufferance at a rental rate of three hundred percent (300%) of the rental rate in effect as of such expiration or earlier termination.

24. Estoppel Certificate

Within ten (10) days after request by Landlord (which request may be from time to time as often as reasonably required by Landlord), Tenant shall execute and deliver to Landlord a statement substantially in the form of Exhibit “D”, attached hereto. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrances, of the Leased Premises or of all or any portion of the Building of which the Leased Premises are a part. Tenant’s failure to deliver such statement within ten (10) days of Landlord’s written request therefor shall be a binding agreement of Tenant:
(i) That this Lease is in full force and effect without modification except as may be represented by Landlord,

(ii) That there are no uncured defaults in Landlord’s performance hereunder, and

(iii) That not more than one monthly installment of Base Rent has been paid in advance.

Further, such failure to deliver such certificate (showing any exceptions to any of the statements of fact required thereby) shall be a material default under this Lease.

25. Binding on Successors and Assigns

Each provision of this Lease performable by Tenant shall be deemed both a covenant and a condition. The terms, conditions and covenants of this Lease shall be binding upon and shall inure to the benefit of each of the Parties, their heirs, personal representatives, and permitted successors and assigns.

26. Waivers

No waiver by Landlord of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Tenant of the same or any other provisions. The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular Rent so accepted, regardless of Landlord’s knowledge of such preceding breach at the time of acceptance of such Rent. No term, covenant or condition of this Lease shall be deemed to have been waived by Landlord unless such waiver be in writing signed by Landlord.

27. Entire Agreement; Amendments

There are no oral or written agreements or representations between the Parties affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, representations, agreements and understandings, if any, between the Parties with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. All reliance by either Party with respect to representations and warranties shall be solely upon the representations and agreements contained in this Lease. No amendment or addition to this Lease shall be binding upon the Parties unless in writing, signed and delivered by the Party to be charged.

28. Time

Time is of the essence of this Lease.

29. No Broker
Tenant represents and warrants that it has dealt with no real estate brokers, leasing agents or finders in connection with or arising out of any of the transactions contemplated by this Lease, and covenants and agrees to indemnify, defend and save Landlord harmless from any and all losses, liability, damages and expenses (including reasonable attorneys’ fees and costs), that may arise from a breach of this representation and warranty.

30. Severability

If any provisions of this Lease shall be determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of this Lease and all such other provisions shall remain in full force and effect. It is the intention of the Parties that if any provision of this Lease is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

31. Applicable Law

The laws of the State of California shall govern the validity, performance and enforcement of this Lease. This Lease shall not be construed either for or against Landlord or Tenant, but this Lease shall be interpreted in accordance with the general tenor of the language in an effort to reach an equitable result.

32. Corporate Tenant; Partnership

In the event Tenant (or a general partner of Tenant) shall be a corporation, the persons executing this Lease on behalf of such corporation hereby covenant, represent and warrant that such corporation is a duly constituted corporation in good standing and qualified to do business in the State of California; all franchise and corporate taxes have been paid to date; all future forms, reports, fees and other documents necessary to comply with applicable laws will be filed when due; and such persons are duly authorized by the governing body of such corporation to execute and deliver this Lease on behalf of the corporation. In the event Tenant is a partnership, the persons executing this Lease on behalf of Tenant hereby represent and warrant that Tenant is duly organized and validly existing and is qualified to do business in the State of California; all future forms, reports, fees and other documents necessary for Tenant to comply with applicable laws will be filed by Tenant when due; and such persons are authorized to execute and deliver this Lease on behalf of the partnership.

33. Waiver of Redemption Rights

Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Leased Premises by reason of the violation by Tenant of any of the covenants and conditions of this Lease or otherwise. The rights given to Landlord herein are in addition to any rights that may be given to Landlord by any statute or otherwise.
34. **No Reservation or Option**

The submission of this Lease for examination does not constitute a reservation of or option for the Leased Premises, and this Lease shall become effective as a lease only upon execution thereof by Landlord and Tenant.

35. **Counterparts**

This Lease may be executed in counterparts, each of which shall be deemed to be an original document.

36. **Captions**

The captions of the paragraphs of this Lease or any Exhibits or Riders attached hereto are for convenience only and shall not be deemed to be relevant in resolving any question of interpretation or construction of any section of this Lease.

37. **Pest Control**

Landlord is responsible for all pest control such as mice, rats, fleas, roaches, ants, vermin, insects, and other pests. Landlord provides pest control services monthly and special pest control service if pest control issues arise. Tenant shall notify Landlord of any pest control issue and Landlord shall within a reasonable amount of time retain pest control services to identify and if necessary eradicate any pest control issue. For purposes of this Agreement, “a reasonable amount of time” shall not exceed seventy-two (72) hours after Tenant’s initial notification of a pest control issue. If a pest control issue is due to Tenant’s cleanliness, Tenant shall be responsible for the cost of special pest control services. Tenant agrees to allow Landlord, without interference, to engage in chemical and mechanical pest control measures within the Leased Premises. Tenant shall receive at least twenty-four (24) hours prior written notice with instructions for preparing the Leased Premises for spraying. Tenant agrees to fully cooperate with Landlord and pest control service, and properly prepare the Leased Premises as necessary.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first written above.
LANDLORD:                 TENANT:

CITY OF OXNARD

Tim Flynn, Mayor

ATTEST:

Daniel Martinez, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

APPROVED AS TO INSURANCE:

Maria Hurtado, Acting Chief Financial Officer

APPROVED AS TO CONTENT:

Ashley Golden, Director
Development Services Department

APPROVED AS TO AMOUNT:

Greg Nyhoff, City Manager

By: Steven P. Brown
Its General Manager

Cynthia Daniels, Project Manager
Exhibit “A”

PREMISES

1. Rentable square footage: 331 sq. ft.

2. Use of Premises: Customer service center and administrative office including storage of system information and fare instruments for transit operations.

3. Normal Business Hours: Monday through Friday 7:00 a.m. to 7:00 p.m.

4. Floor Plan attached.
Exhibit “B”

ANTI-DISCRIMINATION AND EQUAL OPPORTUNITY

Tenant, for itself, its successors and assigns and all persons claiming under or through it, covenants that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, mental or physical disability, sexual orientation, familial status, national origin or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the Leased Premises, nor shall Tenant or any person claiming under or through it, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy, of tenants, licensees, employees or vendees in the Leased Premises or the improvements thereon. The foregoing covenants shall run with the land.

Tenant, for itself, its successors and assigns and all persons claiming under or through it, covenants that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, mental or physical disability, sexual orientation, familial status, national origin or ancestry in the construction of any improvements on the Leased Premises.

The Tenant shall refrain from restricting the rental or lease of the Leased Premises on the basis of race, color, creed, religion, sex, marital status, mental or physical disability, sexual orientation, familial status, ancestry or national origin of any person. All leases, deeds or contracts which Tenant proposes to enter into with respect to the lease, sublease, transfer, use, occupancy, tenure or enjoyment of any land in the Leased Premises shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses which shall be binding on all contracting parties or transferees:

(a) In leases:

“The tenant herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

“That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, mental or physical disability, sexual orientation, familial status, national origin or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased, nor shall the tenant himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the premises herein leased.”

(b) In contracts:

“There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, mental or physical disability, sexual orientation, familial status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall any party to this
contract, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land.”
Exhibit "C"

Rules and Regulations

THESE RULES AND REGULATIONS are published by the CITY OF OXNARD ("Landlord") for the OXNARD TRANSPORTATION CENTER ("OTC") for the purpose of regulating the departure of the occupants and the use of the OTC necessary or convenient for the property operation, maintenance and care of the OTC. The term "OTC" shall include all present and future buildings or structures and the parking lots, ramps, platforms and docks and other areas and improvements included within the OTC. The term "Tenants" shall refer to the tenants or other occupants of the OTC. The term "Premises" shall refer to that portion of the OTC rented to Tenants.

Landlord reserves the right at any time to rescind any one or more of these Rules and Regulations, or to make such other and further reasonable Rules and Regulations as in the Landlord's judgment may from time to time be necessary for the safety, care and cleanliness of the OTC, and for the preservation or order therein. Landlord may waive any one or more of these Rules and Regulations for the benefit of any particular Tenant or Tenants, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of any other Tenant or Tenants, nor prevent Landlord from thereafter enforcing any such Rules and Regulation against any or all of the Tenants. These Rules and Regulations are in addition to and shall not be construed to in any way modify, alter or amend, in whole or in part, the covenants, agreements, terms and conditions of any Lease affecting the OTC or any portion thereof.

1. All areas of the OTC other than those under the lease to Tenants, including public halls, lobbies and stairs shall be under the sole and absolute control of Landlord, its agents or employees who shall have the exclusive right to regulate and control these areas. The sidewalks, halls, passages, exists, entrances, elevators, malls, escalators and stairways of the OTC shall not be obstructed by any of the Tenants, or used by them for any purpose other than for ingress to and egress from any Premises. Landlord and/or its agents or employees reserve the right to exclude or expel from the OTC any person who, in the judgment of the Landlord and/or its agents or employees is intoxicated or under the influence of liquor or drugs, or who shall in any manner act in violation of any of the Rules and Regulations of the OTC. Tenants and other persons may not go upon the roof of the structures of the OTC.

2. Landlord, its agents or employees reserve the right to exclude from the main building of the OTC persons who do not present a pass or other identification acceptable to Landlord and/or its agents or employees. If passes are required, Landlord will furnish passes to persons for whom any Tenant requests a pass. Each Tenant shall be responsible for all persons for whom it requests passes or requests admission to the main building of the OTC, and Tenant shall be liable to Landlord for all acts of such persons. Landlord shall not be liable for damages for any error with regard to the admission or exclusion from the OTC of any person. In the case of invasion, mob, riot, public excitement, or other circumstances rendering such action advisable in Landlord's (and/or its agents or employees) sole and absolute discretion, Landlord and/or its agents or employees reserve the right to prevent access to the OTC during the continuance thereof of such actions as Landlord and/or its agents or employees may deem appropriate, including closing and locking doors.

3. The normal business hours of the main building at the OTC shall be the hours of approximately 6:30 a.m. to 7:30 p.m. every day of the week.

4. Landlord retains absolute control over the exterior appearance of the OTC and the exterior appearance of any Premises as viewed from the exterior of the Premises or the OTC, public halls or passageways, and Tenants shall not, without Landlord's prior written consent, install or permit to be installed any lighting, paintings, drapes, blinds, shades, signs, lettering, placards, decorations or advertising media of any type which can be viewed from the exterior of the OTC, public halls or
passageways. If any Tenant obtains permission and installs any of the above items, such Tenant shall not make any changes, alternations or modifications to said installed items without prior written consent of Landlord, and such Tenant shall maintain such items at its expense in a neat and orderly manner at all times.

5. The directory of the OTC will be provided for the display of the name and location of Tenant and its principal officers and Landlord may exclude any other names from the directory.

6. In the event any Tenant fails to keep and perform any of the terms and conditions hereof notwithstanding any provision to the contrary in the Lease, immediately upon written notice of default from Landlord, Landlord may restore any Premises or OTC to its original condition, and such Tenant shall reimburse Landlord upon demand for such cost of restoration. Landlord may demand that such Tenant immediately restore the Premises or OTC to its original condition. Such a default shall constitute a default under such Tenant's lease and Landlord may resort to any and all legal remedies which Landlord may desire to assert.

7. When any electric wiring is introduced into the structures of the OTC, it must be connected as directed by the Landlord and/or its agents and employees, and no boring or cutting of wires will be allowed without the consent of the Landlord. The location of telephones and/or telephone control stations, telegraph instruments, computer and/or word processing equipment, telegraph instruments, electric appliances, call boxes, and similar instruments shall be prescribed by the Landlord, its agents or employees. No apparatus of any kind, other than normal small office machines and equipment, shall be connected to the electrical system of the OTC without the written consent of Landlord.

8. Tenants shall not mark, paint, drill into any part of the Premises or the OTC without the prior written consent of Landlord. Tenants shall not string or use extension cords without the prior written consent of Landlord.

9. Tenants shall not do anything in the OTC, or bring or keep anything therein or thereon, which will in any way increase or tend to increase the risk of fire, or which shall conflict with the regulations of the Fire Department or the fire laws, or with any insurance policy on the OTC or any part thereof, or with any rules or ordinances established by any other governmental agency.

10. Tenant shall be responsible for protecting any property located on or about the Premises.

11. Landlord shall prescribe the weight, size and position of all safes, libraries, etc., used in the OTC. Any heavy load must be checked by Landlord's structural engineer at Tenant cost. Extreme conditions may require redistribution or added structural reinforcing. All damage done to the OTC by installing, removing or maintaining such heavy load shall be repaired at the expense of the Tenant in whose Premises such heavy load is located. Articles of unusual size or weight are not permitted in the OTC. Tenants shall not use any machinery which may cause any objectionable noise or tremor to the floors or walls or which by its weight might injure the floors of the OTC.

12. Tenants shall not conduct any auction in the OTC, shall not store goods, wares or merchandise on their Premises except for Tenant's own personal use, and shall not manufacture any item on their Premises.

13. All freight, miscellaneous large deliveries and furniture must be moved into, within, and out of the OTC under the supervision of Landlord's agents and/or employees and according to such regulations as may be posted in the office of the OTC, but the Landlord will not be responsible for the loss or damage of such freight, etc., from any cause.

14. The requirements of any Tenants will be attended to only upon application at the office of the OTC. Employees and/or agents of Landlord shall not perform any work, nor do anything beyond their regular duties unless under special instruction from the office of the OTC, and employees and/or
agents of Landlord will not be obligated to admit any person (Tenants or otherwise) to any office/establishment, etc., without specific instructions from the office of the OTC.

15. All keys shall be obtained from the office of the OTC and all keys pertaining to any Premises shall be returned to the office of the OTC upon termination of the lease affecting such Premises. The Tenants shall not duplicate any keys or permit any keys to be duplicated. The Tenants shall not change the locks, or install other locks on the doors without prior written consent of the office of the OTC.

16. Before any Tenant and its employees leave its Premises, they shall see that the doors of the Premises to common hallways of the OTC are closed and securely locked and shall observe strict care and caution that all water faucets, water apparatus, typewriters, copy machines, etc., and utilities are shut off so as to prevent waste or damage: and for any default or carelessness, such Tenant shall compensate the other Tenants and Landlords for all damage sustained by them.

17. Tenants shall give prompt noticed to the office of the OTC of any accident to, or defects in, the OTC, including the plumbing, water pipes, electric wire or heating apparatus, burned-out light bulbs or tubes so that the same may be attended to promptly.

18. Tenants shall not use any method of heating or air conditioning other than that supplied by Landlord unless approved by Landlord in writing.

19. Tenants shall not install any radio or television antenna, loudspeaker, air conditioner or other devices on the roof or exterior walls of the OTC.

20. No vending or coin-operated machines shall be placed or maintained by any Tenant within its Premises without the prior written consent of Landlord.

21. Tenants shall cooperate with Landlord in obtaining maximum effectiveness of the cooling system by closing drapes and other window coverings when the sun's rays fall on the windows of the Premises. Tenants shall not obstruct, alter or in any way impair the efficient operation of Landlord's heating, ventilating, air conditioning, electrical, fire safety, or lighting system. Tenants shall not tamper with or change the setting of any thermostats or temperature control valves.

22. Canvassing, soliciting and peddling in the OTC are prohibited without the written consent of the Landlord, and each Tenant shall cooperate to prevent such activity by informing such canvassers, solicitors or peddlers that such activity is not permitted at the OTC.

23. Hand trucks not equipped with rubber tires and side guards shall not be used in any space, or in the public halls of the OTC, either by any Tenant or others. No bicycles, vehicles or animals (except service animals) of any kind shall be brought into or kept in or about the Premises.

24. The toilets, wash basins and other plumbing fixtures shall not be used for any purpose other than those for which they were constructed, and no sweeping, rubbish, rags or other substances shall be thrown therein. All damage resulting from any misuse of fixtures shall be borne by the Tenant who, or whose employees, agents, invitees or visitors, shall have caused the same.

25. No cooking shall be done or permitted by any Tenant on the Premises; however, the preparation of coffee, tea, hot chocolate, using a microwave, and similar items by a Tenant for its employees and business visitors shall be permitted. Tenants shall not use or keep in or about the OTC any kerosene, gasoline or inflammable or combustible fluid or material. Tenant shall not use, keep, or permit or suffer the OTC to be occupied or used in a manner offensive or objectionable to Landlord, its agents or employees by reason of noise, odors, and/or vibrations, or interfere in any way with other Tenants or those having business in the OTC. No portion of the OTC shall be used for lodging or sleeping or for any immoral or illegal purpose.
26. Tenant shall not engage in or permit any advertising or public relations which, in Landlord's opinion, tends to impair the reputation of the desirability of the OCT or suggest that Tenant is anything other than a Tenant in the OTC.
Exhibit “D”

ESTOPPEL CERTIFICATE

RE: Lease dated ___________________ by and between ___________________________ “Landlord” and ___________________________ “Tenant” for the Premises located at ___________________________.

1. The term of the Lease commenced on ___________________________.

2. The term of the Lease shall expire on ___________________________.

3. The Lease has: (Initial one)

   ( ) ( ) has not been amended, modified, supplemented, extended, renewed or assigned.

4. That the basic monthly rental now in full force and effect is $ ________________.

5. That the amount of security deposit (if any) is: $ ________________.

6. That the building improvements and specific requirements to be fulfilled by Landlord according to the aforesaid Lease have been satisfactorily completed in all respects.

7. That the Landlord has fulfilled all of its duties of an inducement nature and is not in default in any manner in the performance of any of the terms, covenants or provisions of said Lease.

8. Tenant has no right to any concessions (rental or otherwise) or similar compensation in connection with renting the Premises it occupies, except as provided in the Lease.

9. Except as may be specifically set forth in the Lease, Tenant does not have any right to renew or extend the term of the Lease nor any option or preferential right to purchase all or any part of the leased Premises or all or any part of the building and Premises of which the leased Premises are a part, nor any right, title or interest with respect to the leased Premises other than as Tenant under the Lease.

10. Tenant understands that ______________________ may purchase or acquire (or lend money pursuant to a Promissory Note and Deed of Trust secured by) the Premises known as ___________________________ and that if it does so, its action will be in material reliance upon this Certificate.

The undersigned Tenant and Landlord hereby certify that the above information is true and correct and that ___________________________ may rely upon said information.

Dated: ___________________________ Dated: ___________________________

Tenant: ___________________________ Landlord: ___________________________

By: ___________________________ By: ___________________________
ADDENDUM
CONSTRUCTION OF IMPROVEMENTS

Landlord grants Tenant permission for construction of improvements subject to the following conditions:

1. **Obligation to Construct.** Tenant shall, upon taking possession of the Leased Premises, prepare plans (“Plans”) and obtain all necessary permits for, and commence construction upon the Leased Premises of, any and all improvements necessary to open and operate Tenant’s business as described in the Section entitled “Use of Leased Premises” (the “Improvements”). All Plans shall be submitted to Landlord for approval prior to commencement of any work. Approval by Landlord shall not constitute a warranty that the Plans or the Improvements comply with applicable codes, laws, rules, regulations, covenants, conditions or restrictions, nor shall it constitute the approval of the City of Oxnard. Without limiting the scope of Landlord’s review, Improvements shall not alter the Building’s facade or result in the reconfiguration of the internal space of the Building or adversely affect any of the historic elements of the Leased Premises or the Building. All Improvements installed in the Leased Premises, except for the trade fixtures and rented furniture which can be removed without damage to the Leased Premises, shall at once become a part of the realty and the property of Landlord and may not at any time after their installation be removed by Tenant except if required by Landlord to do so in accordance with the Section entitled “Surrender” in Section 22 of the Lease.

2. **Pre-Construction Requirements.** Tenant shall not commence construction of the Improvements unless and until:

   2.1 All required municipal and other governmental permits, authorizations and approvals shall have been obtained by Tenant and the originals thereof (or true copies thereof if such originals are required by law to be kept on the Leased Premises) shall have been delivered to Landlord; and

   2.2 Worker’s compensation, public liability, builder’s risk and such other insurance as Landlord may reasonably require (in amounts and with limits as Landlord may reasonably designate) meeting the requirements of Section 8 hereof have been obtained and fully paid for, and shall be in full force and effect, and policies (or certificates thereof) evidencing such insurance have been delivered to and approved by Landlord.

   Landlord shall, upon the written request of Tenant, execute any documents necessary to be signed by Landlord to obtain any permits, authorizations and approvals necessary to construct the Improvements, provided and upon condition that the same shall be without cost, liability or expense to Landlord.

3. **Construction Covenants.** The construction of the Improvements shall be commenced promptly after Tenant receives the required permits and approvals. Once commenced, Tenant shall cause construction of the Improvements to be diligently performed in accordance with the provisions of this Addendum, in a first-class and workmanlike manner and in accordance with all legal requirements, insurance requirements and any approved plans and specifications therefor,
and free from defects and liens of any kind or nature. The construction of the Improvements shall be performed in such manner so as not to obstruct access to or interfere with the use of the Building by Landlord or other tenants thereof, or the use of other property located within the Landlord’s Premises by the owners or tenants thereof, nor to interfere with traffic flow in those portions (the “Common Areas”) owned and maintained by the Landlord for the common use and enjoyment of such owners and their tenants. Tenant hereby agrees, and shall include such covenants in any contracts with its contractor(s), as follows:

3.1 Tenant’s contractors shall diligently perform said work in a manner and at times which do not interfere with the use of the Building by Landlord and other tenants of the Building and do not interfere with the operation of other businesses located in the Building;

3.2 Tenant’s contractors shall store all construction materials and contain all operations within the Leased Premises and such other space as Landlord may specifically permit. All trash, construction debris and surplus construction materials shall be promptly removed from the Leased Premises and adjacent areas;

3.3 Tenant and Tenant’s contractors shall comply with all applicable laws, codes, rules and regulations governing the performance of such work, including all applicable safety regulations; and

3.4 Tenant and Tenant’s contractors and subcontractors shall not post signs on any part of the Leased Premises.

4. **Liens.** Tenant shall complete the Improvements and any other work performed in the Leased Premises free from attachment by any mechanics’ liens, stop notices or any other encumbrances. Tenant shall pay for all such work promptly, in cash or other immediately available funds, so that the Leased Premises and the interests therein of Landlord and Tenant shall at all times be free from any possible (1) liens or stop notices for labor performed or claimed to have been performed or materials supplied, or claimed to have been supplied, and (2) conditional sales contracts, title retention agreements, security interests and agreements, financing agreements, financing statements and any similar agreements. Tenant shall procure unconditional waivers and releases of lien claims in the forms set forth in Section 3262 of the California Civil Code, from all persons furnishing labor or materials with respect to such work, at the time each progress payment and/or final payment is made. Tenant shall, on or before ten (10) days after completion of any such work, execute and record a Notice of Completion pursuant to California Civil Code Section 3094. Landlord shall have the right to post in the Leased Premises, file and/or record notices of non-responsibility, and such other notices as Landlord may deem to be proper for the protection of Landlord’s interest in the Leased Premises. Tenant shall, before the commencement of any work which might result in any lien on the Leased Premises or any part thereof, give to Landlord written notice of its intention to commence said work in sufficient time to enable Landlord to file and record such notices.

5. **Hazardous Materials.** Tenant agrees and represents and warrants that it shall not use or incorporate or permit or suffer to be used or incorporated in the construction of the Improvements or any other work in the Leased Premises, knowingly or unknowingly, any
material containing asbestos or other toxic or hazardous substances. Tenant furthermore agrees and represents and warrants that it shall not use or store, or permit or suffer to be used or stored in connection with the operation of Tenant’s business during the Term hereof, any material containing asbestos or other toxic or hazardous substances.

6. **Tenant Improvement Allowance.** To construct the improvements reflected in Tenant’s plans pursuant to paragraph 1 above, Landlord will reimburse Tenant the sum of $0 ($no dollars) upon presentation of invoices and satisfactory releases from the person(s) performing the construction work after Landlord has inspected and approved such.

SIGNATURE:

Landlord: _______________________

Tenant: _______________________