REAL PROPERTY LEASE AGREEMENT

THIS LEASE AND AGREEMENT made and entered into this **1st day of July, 2011**, by and between MT. DIABLO UNIFIED SCHOOL DISTRICT OF CONTRA COSTA COUNTY, a public corporation, hereinafter referred to as Lessor, and **CONTRA COSTA COUNTY OFFICE OF EDUCATION**, hereinafter referred to as Lessee.

LESSOR is owner of that certain real property known as **Ygnacio Valley High School**, located at **755 Oak Grove Road**, **Concord**, County of Contra Costa, State of California; and

LESSOR and LESSEE agree as follows:

- 1. **PURPOSE OF LEASE**. It is understood that the purpose of this lease is for LESSOR to provide LESSEE the use of the land space in the size (850 square feet), to the extent and in the current location designated by LESSOR at 755 Oak Grove Road, Concord. The LESSEE will use the land space to own and operate a relocatable building or buildings for the purpose of operating a Special Education Program.
- 2. **TERM**. The term of this lease shall be for **twelve (12)** months, beginning on the first day of **July**, **2011** and ending on the last day of **June**, **2012**.
- 3. **RENEWAL**. The lease will be automatically renewed on a yearly basis for a period of five (5) years, commencing on **July 1, 2012**, unless terminated by either party. If either party chooses not to renew the lease, that party shall provide ninety (90) days written notice to the other party in advance of the yearly renewal date.
- 4. **RENT**. In consideration for the lease of this property, LESSEE shall pay LESSOR rent of One Dollar (\$1.00) per year payable on July 1 of each year.
- 5. **PERMITTED USE**. LESSEE shall use the premises only for a Special Education Program. This use shall be made possible by LESSEE'S installation of a relocatable building. LESSEE agrees to maintain the facility in a manner that meets all State and local regulations relating to the construction, and operation of the program.
- 6. **ALTERATIONS**. LESSOR and LESSEE have agreed to the placement of the relocatable building in consideration of traffic flow, accessibility for emergency equipment to adjacent structures as well as restoration or repair of damages caused by the installation effort. LESSEE shall not make any alterations of the premises without first obtaining the consent of the LESSOR. Any additions to or alterations of the premises, except moveable equipment, furniture and fixtures, including the relocatable building, shall become at once a part of the premises. Notwithstanding the foregoing, LESSEE shall have the right to remove any relocatable building or buildings it has installed, as set forth in Paragraph 8. Any alterations approved by LESSOR shall be made at no expense to LESSOR.

LESSEE agrees that said relocatable building and all trade fixtures, equipment and appliances will be installed and removed without any damage to the premises. In the event any damage, as determined by the LESSOR, is caused by LESSEE or its agents or employees in the installation or removal of said building, trade fixtures, equipment and appliances, LESSEE agrees to immediately repair the said damage at its sole cost and expense.

LESSEE shall comply with all state and local requirements including but not limited to the California Environmental Quality Act and zoning ordinances of the **City of Concord** if applicable to the alterations made by LESSEE. LESSEE agrees to take reasonable steps to meet and confer with neighbors and other concerned citizens regarding the placement and construction of any alterations.

- 7. **UTILITIES EXPENSE AND TAXES**. All necessary modifications to the utilities shall be at no expense to LESSOR. LESSEE shall pay to LESSOR **\$133.00** per month for all **electrical**, **gas**, **water**, **sewer and trash collection** services supplied to the premises. Costs will be reviewed annually and adjusted at LESSOR'S discretion. LESSEE shall pay for all electricity, gas and telephone connections and services. LESSEE shall pay all taxes attributable to the lease of this property.
- 8. **MAINTENANCE OF PREMISES**. LESSEE shall maintain the premises at all times in good condition and repair at no expense to LESSOR and upon termination of this lease, shall surrender them to LESSOR in as good order and condition as the same were at the commencement of the terms of this lease, except for the effect of grading, foundation work and other site modification which LESSOR accepts as permanent improvements to its property and except for reasonable wear and tear, damage from the elements, fire and acts of God. Upon termination of this lease, LESSEE shall have the right to remove any relocatable building or buildings, which LESSEE has installed. Upon such removal, LESSEE shall restore the premises to as good or better condition than existed prior to such removal.
- 9. *INDEMNIFICATION*. LESSEE shall indemnify, defend and hold harmless LESSOR, its employees, directors, officers and agents from and against any and all claims arising from the conduct of LESSEE'S business or from any activity, work or things done, permitted or suffered by LESSEE, its agents, officers, contractors, or employees in or about the premises or elsewhere; and from and against any and all claims arising from a breach or default in the performance of any obligation on LESSEE'S part to be performed under the terms of the lease or arising from any negligence of LESSEE and from any and all costs, attorney's fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against LESSOR shall defend the same at LESSEE'S expense.
- 11. **LIABILITY INSURANCE**. LESSEE shall, at LESSEE'S expense, obtain and keep in force during the term of the lease, a policy of combined single limit bodily injury and property damage insurance in the amount of not less than \$1,000,000 (One Million Dollars) per occurrence, insuring LESSEE and LESSOR, its employees, officers, directors and agents against any liability arising out of ownership, use, occupancy, operation, or maintenance of the premises. LESSEE shall provide this \$1,000,000 (One Million Dollar) coverage regardless of any deductible or self-insured retention so that the LESSOR is protected for the entire \$1,000,000 (One Million Dollars). LESSEE shall provide LESSOR as evidence of this required

insurance, a certificate in a form satisfactory to LESSOR on or before renewal date or not more than 30 days thereafter.

- 12. **ACCESS**. LESSEE shall permit LESSOR and its agents to enter into and upon the premises at all reasonable times for the purpose of inspecting the same or for the purpose of making repairs, alterations, or additions to any other portion of said premises.
- 13. **ASSIGNMENTS**. LESSEE shall not assign or sublet the premises in whole or in part, without the prior written consent of LESSOR.
- 14. **NO PARTNERSHIP**. LESSEE and LESSOR are not partners and nothing herein contained shall be construed to create a partnership or joint venture in any sense, or to constitute LESSEE the agent of LESSOR for any purposes.
- 15. **NOTICE**. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be in writing and either served personally or by prepaid, first-class mail as follows:

LESSOR: Mt. Diablo Unified School District

Steven Lawrence, Superintendent

1936 Carlotta Drive, Concord, CA 94519

LESSEE: Contra Costa County

Board of Education

77 Santa Barbara Road, Pleasant Hill, CA 94523

IN WITNESS WHEREOF, the parties hereto have executed this lease on this **1st day of July, 2011**, at Concord, California.

LESSEE	E: Contra Costa County Board of Education	LESSOR: Mt. Diablo Unified School District
BY:	Pamela Mirabella	BY: Gregory J. Rolen
TITLE:	Board President	TITLE: General Counsel
DATE:		DATE: