

**LEASE AGREEMENT
BETWEEN THE CITY OF FONTANA
AND THE RIVERS EDGE RANCH**

THIS LEASE AGREEMENT (hereinafter “**Lease**”) is entered into by and between the CITY OF FONTANA, a California municipal corporation (hereinafter “**Landlord**”), and THE RIVERS EDGE RANCH, a California non-profit corporation (hereinafter “**Tenant**”). Tenant and Landlord are sometimes individually referred to as “Party” and collectively as “Parties.”

1. RECITALS

1.1 WHEREAS, Landlord is the fee simple owner of that certain real property located at 16000 Dorsey Avenue, City of Fontana, County of San Bernardino, State of California (Assessor Parcel No. 0232-191-10-000), more particularly described in attached Exhibit “A” (the “**Property**”); and

1.2 WHEREAS, Tenant will lease the Property from Landlord for the purpose of, *inter alia*, providing a shelter and related services to persons who are homeless or at risk of homelessness; and

1.3 WHEREAS, Landlord and Tenant desire to enter into this Lease for a term of one (1) year with four (4) options to extend for (1) year each, upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

2. TERMS

2.1 **Parties.**

2.1.1 Tenant is a California non-profit corporation. Tenant will operate the Property in accordance with this Lease.

2.1.2 Landlord is a municipal corporation and, by this Lease, seeks to make the Property available to Tenant for purposes of providing shelter to persons experiencing homelessness. At times, this Lease may refer to the Landlord as acting in a regulatory capacity, and refer to the City in its capacity as regulator or administrator of public programs. This Lease shall not be construed as a regulatory approval or a waiver of the City’s right to act in a regulatory capacity.

2.2 **Right of Possession.** Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, the Property on the terms and conditions hereinafter set forth in this Lease.

2.2.1 **Components of the Property.** Upon the delivery of all of the herein described components, the Property shall comprise of three separate living areas, as described in the Site Plan attached hereto as Exhibit B, and described as follows:

(a) A three-unit multi-family residence with common areas (“**Residence**”).

2.3 **Term.** The term of this Lease shall begin on _____, 2025 (“**Effective Date**”) and shall end one (1) year after the Effective Date (“**Term**”) unless terminated earlier as provided in Section 4 herein. Tenant shall have the right to extend the Term of this Lease for four (4) additional terms (each a “**Renewal Term**”) of one (1) year each. The terms and conditions for each Renewal Term shall be the same terms and conditions as set forth in this Lease. Tenant shall automatically be deemed to have exercised Tenant’s option to renew this Lease for a Renewal Term unless (1) Tenant notifies Landlord in writing of Tenant’s intention not to extend this Lease at least thirty (30) days prior to the expiration of the first Term or any Renewal Term, or (2) Tenant is in material default of this Lease and Tenant has failed to cure said default within the applicable cure period.

2.3.1 **Mobilization Period.** Tenant shall have a mobilization period of thirty (30) days from the Effective Date. During the Mobilization Period, Tenant shall not be required to accept any Residents or evaluate any Eligible Resident. For the avoidance of doubt, Landlord shall not be permitted to terminate this Lease during the Mobilization Period. Subject to the foregoing, Tenant shall otherwise comply with all applicable provisions of this Lease during the Mobilization Period, and shall provide reasonable efforts to secure the Property during the Mobilization Period and be responsible for maintenance, repair, and damage to the Property as set forth in this Lease.

2.4 **Rent.** Within three (3) days of the Effective Date or the first day of each Renewal Term, Tenant shall pay to Landlord, as rent for leasing the Property, one (\$1.00) dollar per year. Rent also includes all other monetary and non-monetary obligations of Tenant to Landlord under this Lease.

2.5 **Use.**

2.5.1 The Property shall be used by Tenant in accordance with the zoning ordinances and regulations of the City of Fontana to provide permanent supportive housing to Eligible Residents, defined below, and related support services, the scope and nature of which may be modified during the lease term, including but not limited to family counseling, peer support counseling and case management. Tenant shall not use or permit the Property to be used for any other purposes, without the prior written consent of Landlord, which consent may be withheld or conditioned on Landlord's sole and absolute discretion.

2.5.2 Tenant agrees and acknowledges that the provision of permanent supporting housing to Eligible Residents shall be made in accordance with all applicable requirements imposed by state and federal law, and all requirements of this Lease.

2.6 **Provision of Permanent Supportive Housing.**

2.6.1 **Eligible Residents.** For purposes of this Lease, the term "Eligible Resident" shall mean any individual who meets the definition of “homeless” or “at risk of homelessness” as defined in Sections 576.2 and 578.3 of Title 24 of the Code of Federal Regulations, which includes but is not limited to:

(a) any individual who lacks a fixed, regular, and adequate nighttime residence; and

(b) any individual who has a primary nighttime residence that is —
a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill); or

an institution that provides a temporary residence for individuals intended to be institutionalized; or

a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

An Eligible Resident selected for occupancy at the Property is hereafter referred to as a “Resident.”

2.7 Obligation to Refrain from Discrimination. Subject to applicable law, Tenant may restrict dwelling spaces within the Property, or, at Tenant’s election, all dwelling spaces within the Property, on the basis of sex, pursuant to the Emergency Housing and Assistance Program laws and regulations. (Health & Saf. Code, §§ 50800 et seq.; Cal. Code Regs., tit. 25, §§ 7950 et seq.) (the “**Occupancy Restriction**”). Except for the Occupancy Restriction, Tenant covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property (or any part thereof) that there shall be no discrimination against or segregation of any person, or group of persons on account of sex, handicap status, marital status, race, color, religion, creed, national origin or ancestry in the lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property nor shall the Tenant, itself or any person claiming under or through it, 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, or sublessees of the Property. Tenant shall provide each occupant with a written notice stating as follows:

“There shall be no discrimination against or segregation of any person or group of persons on account of race, color, religion, sex, marital status, ancestry or national origin in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the property nor shall the resident 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 or number of or use or occupancy by any resident of the property.”

Tenant shall at all times comply with applicable nondiscrimination and accessibility requirements Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq and implementing regulations); the Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq. and implementing regulations); Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794 and implementing regulations); the Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq. and implementing regulations); Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. § 12101 et seq. and implementing regulations); the provisions of the Fair Employment and Housing Act (Gov. Code

§12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§11135-11139.5), and the regulations or standards adopted by the awarding state agency to implement such article. Except to the extent required by law, nothing in this Lease shall preclude Tenant from claiming an exemption to Title VII of the Civil Rights Act for employment practices of faith-based organizations.

2.8 Waste and Nuisance. Tenant shall not commit any waste on or about the Property, nor commit or maintain any public or private nuisance on or about the Property. Tenant shall use its best efforts to prevent any third party from committing any waste on or about the Property, or from committing any public or private nuisance on or about the Property.

2.9 Compliance with Laws, Rules, Regulations. Tenant shall at all times comply with the requirements of local, state and federal laws, rules, orders and regulations now in force or which may hereinafter be in force ("Regulations"). In order to comply with the Regulations, Tenant shall obtain, at its sole cost and expense, all licenses, permits and approvals that the Regulations require for the use or operation of the Property, including but not limited to, any conditional or special use permit required by the City of Fontana Municipal Code. The Tenant shall maintain all licenses, permits and approvals throughout the Term or Renewal Term of this Lease.

2.10 Repairs and Maintenance.

2.10.1 Tenant shall keep the Property in good, clean condition and repair as set forth herein and in a clean and sanitary manner and shall surrender the same at termination hereof in as good condition as received, normal wear and tear excepted. Tenant shall be responsible, at its sole cost, expense and liability, for maintaining and making repairs, restorations and replacements (as necessary) to the interior of the Property, all Tenant improvements and fixtures, roof, foundations, floor and exterior walls of the Property, including, without limitation, the plumbing and heating, electrical, ventilation and air-conditioning systems. Landlord reserves the right to promptly cause repairs or maintenance required by damage to the Property that is Tenant's responsibility under this section, and Tenant shall reimburse Landlord within thirty (30) days of invoice for the cost of all such repairs or maintenance.

2.10.2 Tenant agrees to exercise reasonable care to the following

(a) To keep the premises clean and sanitary and to dispose of all rubbish, garbage and other waste, in a clean and sanitary manner;

(b) To properly use and operate all electrical, gas, and plumbing fixtures and keep the same clean and sanitary;

(c) To promptly advise Landlord of any items requiring repair, including any locks, light switches, smoke detectors, appliances, and heating and air conditioning (if provided), or any condition that might need repair, including any leaks, drips, or water fixtures that do not shut off properly (e.g. a toilet or faucet);

(d) To keep doors and windows and access to them unobstructed and to not block them with personal items or otherwise to maintain clear pathways into and through each room in the Property;

(e) To maintain the Property in a manner that allows necessary access through each room and to all doors and windows, does not inhibit necessary airflow, does not act as a potential haven for pests and mold growth, does not create a fire hazard, and allows rooms to be used for their intended purposes;

(f) To leave the Property in the same condition as it was received, subject to normal wear and tear, and

(g) To return the Property, upon vacating, to the same level of cleanliness it was in at the inception of the tenancy.

Prior to the Tenant undertaking any repair or maintenance service for which the anticipated cost shall exceed two thousand five hundred dollars (\$2,500), the Tenant shall furnish the Landlord with written notice. No such repair or maintenance services shall commence unless and until the Landlord has provided approval. Upon receipt of the Landlord's approval, the Tenant shall be authorized to proceed with the aforementioned repair or maintenance services.

2.10.3 Tenant acknowledges that any improvements, alterations, or repairs may be subject to the payment of prevailing wage under the provisions of the California Labor Code. To the extent any such work is subject to prevailing wage requirements, the following shall apply:

(a) Tenant shall and shall cause its service provider, contractors, and subcontractors to: pay prevailing wages as those wages are determined pursuant to Labor Code Sections 1720 et seq.; employ apprentices as required by Labor Code Sections 1777.5 et seq.; and comply with the other applicable provisions of Labor Code Sections 1720 et seq., 1725.5, 1771, 1771.1, 1771.4, 1776, 1777.5 et seq., 1810-1815 and the implementing regulations of the Department of Industrial Relations (the "**DIR**") for all such Labor Code sections.

(b) Tenant shall indemnify, hold harmless and defend (with counsel reasonably selected by the Landlord), to the extent permitted by applicable law, Landlord against any claim for damages, compensation, fines, penalties or other amounts arising out of the failure or alleged failure of any person or entity (including Tenant, or its contractors or subcontractors) to pay prevailing wages as determined pursuant to Labor Code Sections 1720 et seq., to hire apprentices in accordance with Labor Code Sections 1777.5 et seq., or to comply with the other applicable provisions of Labor Code Sections 1720 et seq., 1725.5, 1771, 1771.1, 1771.4, 1776, 1777.5 et seq., 1810-1815 and the implementing regulations of the DIR in connection with Tenant's Work. The provisions of this Section shall survive termination of this Lease.

(c) Tenant covenants and agrees to indemnify, PROTECT, defend with counsel acceptable to Landlord, and hold harmless Landlord and the Property from all claims, fines, penalties, liens, or demands arising out of any work performed, materials furnished, or obligations incurred by or for Tenant upon the Property during the Term and any renewal thereafter. The provisions of this section shall survive termination of this Lease.

2.10.4 Graffiti. In addition to any other maintenance obligation herein, Tenant shall promptly remove any graffiti on the Property within twenty-four (24) hours of its occurrence.

2.10.5 Landscaping. Tenant shall have the sole responsibility, at its sole cost and expense, for the maintenance, care, and replacement of all landscaping on the Property throughout the Lease Term and subsequent renewals thereof. Tenant shall maintain the landscaping in a clean, neat, and well-maintained condition, and in compliance with the requirements of the City of Fontana Municipal Code.

2.11 Destruction of Premises.

2.11.1 Termination of Lease. If, during the term of this Lease and any renewal term, the Property and other improvements on the Property are totally or partially destroyed and as a result the Property is totally or partially inaccessible or unusable, then either Tenant or Landlord can elect to terminate this Lease by giving at least fifteen (15) days written notice.

2.11.2 Procedures for Repair and Restoration. In the event of any damage or destruction, Tenant shall promptly give Landlord written notice of such damage or destruction and the date on which such damage or destruction occurred. Tenant shall promptly make proof of loss and shall proceed promptly to collect, or cause to be collected, all valid claims which Tenant may have against insurers or others based upon any such damage or destruction. All insurance proceeds shall first be paid to Landlord for the cost of restoration or replacement of the Property in accordance with the designation of Landlord as a loss payee under this Lease.

2.11.3 RESERVED.

2.12 Condition of Property. Tenant acknowledges that it has examined the Property and shall take possession of same in an AS-IS condition. Tenant acknowledges and agrees that Landlord has made absolutely no representations or warranties regarding whether the Property is suitable to provide shelter and related services to homeless persons.

2.13 Alterations and Additions. Tenant, at its sole cost and expense, may make any alterations, improvements or additions in, about or of the Property, but only with the prior written consent of Landlord and only upon terms and conditions mutually agreed upon in writing between Landlord and Tenant.

2.14 Entry and Inspection. Tenant shall permit Landlord or Landlord's agents to enter the Property at all times upon reasonable prior oral or written notice for the purpose of inspecting the Property and for otherwise determining Tenant's compliance with this Lease.

2.15 Assignment and Subletting. Tenant shall not assign or sublease its leasehold interest in the Property without the prior written approval of Landlord.

2.16 Assumption of Risk, Waiver, and Landlord's Non-liability. To the maximum extent allowed by law, except for Landlord's willful or negligent acts, Tenant assumes any and all risk of loss, damage or injury of any kind to any person or property which is on or about the Property. Tenant's assumption of risk shall include, without limitation, loss or damage caused by defects in any structure or improvement on the Property, accident, fire or other casualty on the

Property. To the maximum extent allowed by law, except for Landlord's willful or negligent acts, or as expressly provided in this Lease, Tenant hereby waives all claims and demands against Landlord and Landlord's officials, officers, employees, volunteers and agents for injury to persons, damage to property or any other interest of Tenant sustained by Tenant or any person claiming to be Tenant resulting from any occurrence on or about the Property.

Tenant has been advised by its legal counsel concerning the content and effect of California Civil Code Section 1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Tenant hereby waives the benefits of Civil Code Section 1542 and all other state or federal statutes or judicial decisions of similar effect. The provisions of this Section shall survive the termination of this Lease.

_____ Tenant's Initials

2.17 Indemnification.

2.17.1 Indemnification. Tenant agrees to defend (in accordance with Section 2.18), indemnify and hold harmless Landlord, the City, its respective officials, officers, employees, volunteers and agents (collectively, "**Indemnified Parties**") from and against any and all claims, losses, actions, damages, liabilities, and expenses (including attorneys' fees) that (i) arise from or are in connection with any negligent or willful act or omission of Tenant or Tenant's officials, officers, employees, volunteers, agents, guests, licensees, invitees, or subtenants (if applicable); or (ii) result from any breach, default, violation or nonperformance by Tenant of this Lease, or applicable federal, state, or local law; or (iii) arise from injury or death to persons or damage to property sustained on or about the Property. Tenant must pay, satisfy and discharge any and all money judgments that may be recovered against any Indemnified Party in connection with the foregoing. Tenant's obligation hereunder shall survive termination of this Lease, and shall not be restricted to insurance proceeds, if any, received by any Indemnified Party. Tenant's obligation to defend, indemnify and hold harmless the Indemnified Parties pursuant to the foregoing paragraph shall not apply to any discretionary approvals made by the City. Tenant shall not be obligated to defend, indemnify or hold harmless any Indemnified Party to the extent any claim, loss, action, damage, liability, or expense (including attorneys' fees) is ultimately determined to be the result of the negligent or willful misconduct of that particular Indemnified Party or any of its officials, officers, employees, volunteers or agents.

2.17.2 RESERVED.

2.18 Duty to Defend. Upon written request from an Indemnified Party, Tenant or Landlord, as applicable, shall defend (with counsel acceptable to that Indemnified Party, in the Indemnified Party's reasonable discretion) any claim, lawsuit, administrative action or other

proceeding brought against the Indemnified Party by any public body, individual, partnership, corporation, or other legal entity, relating to any matter covered by this Lease for which Tenant has an obligation to defend, Tenant shall pay all reasonable costs incident to such defense, including, but not limited to, attorneys' fees, investigators' fees, litigation expenses, settlement payments, and amounts paid in satisfaction of judgments. The obligations of Tenant pursuant to this Section shall survive the termination or expiration of this Lease.

2.19 Taxes; Revenue and Taxation Code § 107.6. A possessory property interest may be created by this Lease which may be subject to property taxation, and Tenant may be subject to the payment of property taxes levied on such interest by the appropriate taxing authority. Tenant is required to pay any such tax directly to the appropriate taxing authority. In addition, if personal property taxes are assessed, Tenant shall pay any portion of such taxes directly attributable to the Property. Except as provided above, Landlord shall pay any real property taxes, assessments and deferred taxes on the Property.

2.20 Financial Statements. Tenant shall provide Landlord with financial statements related to the Tenant's operations at the Property upon Landlord's request.

2.21 Utilities. The utilities at the Property will be arranged for and contracted for by the Tenant. Unless Landlord approves other utilities in writing, the utilities shall include: gas, electric, trash, recycling, and water.

3. INSURANCE

3.1 Time for Compliance. This Lease shall not commence until Tenant has provided evidence satisfactory to the Landlord that it has secured all insurance required under this Section.

3.2 Insurance Requirements. Tenant shall, at its expense, procure and maintain for the duration of this Lease insurance against claims for injuries to persons or damages to property which may arise from or in connection with the possession, use, occupancy, management, operation, repair, maintenance or control of the Property by the Tenant and/or its officers, officials, agents, representatives, volunteers or employees.

3.2.1 Minimum Scope of and Limits of Coverage. Coverage shall be at least as broad as the latest version of the following: (A) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (B) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); (C) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance; and (D) *Sexual Abuse and Molestation Coverage*. Tenant shall maintain limits no less than: (A) *General Liability*: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general

aggregate limit shall apply separately to this Lease/location or the general aggregate limit shall be twice the required occurrence limit; (B) *Automobile Liability*: \$2,000,000 per accident for bodily injury and property damage; (C) *Workers' Compensation and Employer's Liability*: Workers' compensation limits as required by the Labor Code of the State of California. Employers Liability limits of \$1,000,000 per accident for bodily injury or disease; and (D) *Sexual Abuse and Molestation Coverage*: \$1,000,000 per occurrence.

3.2.2 Fire and Extended Coverage. Tenant shall also procure and maintain, at its own expense, for the duration of this Lease fire and extended coverage insurance for Tenant's fixtures, goods, wares, or personal property on or in the Property.

3.2.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Tenant or the primary insured shall provide endorsements on forms supplied or approved by the Landlord to add the following provisions to the insurance policies:

(a) General Liability and Sexual Abuse and Molestation Coverage. The General Liability policy and Sexual Abuse and Molestation Coverage shall be endorsed to state that: (A) the Landlord, its directors, officials, officers, employees, volunteers and agents shall be covered as additional insureds with respect to the possession, use, occupancy, management, operation, repair, maintenance or control of the Property by the Tenant and its officers, officials, agents, representatives, volunteers, employees, and Residents; and (B) the insurance coverage shall be primary insurance with respect to the Landlord, its officials, officers, employees, volunteers and agents, or if excess, shall stand in an unbroken chain of coverage excess of the Tenant's scheduled underlying coverage. Any insurance or self-insurance maintained by the Landlord, its directors, officials, officers, employees, volunteers and agents shall be excess of the Tenant's insurance and shall not be called upon to contribute with it. Landlord shall be named as a loss payee for damage to improvements on the Property on a form reasonably acceptable to Landlord.

(b) Automobile Liability. The automobile liability policy shall be endorsed to state that: (A) the Landlord, its directors, officials, officers, employees, volunteers and agents shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Tenant or for which the Tenant is responsible; and (B) the insurance coverage shall be primary insurance with respect to the Landlord, its directors, officials, officers, employees, volunteers and agents, or if excess, shall stand in an unbroken chain of coverage excess of the Tenant's scheduled underlying coverage. Any insurance or self-insurance maintained by the Landlord, its directors, officials, officers, employees, agents and volunteers shall be excess of the Tenants insurance and shall not be called upon to contribute with it.

(c) Workers' Compensation and Employers Liability Coverage. The insurer shall agree to waive all rights of subrogation against the Landlord, the City and their directors, officials, officers, employees, volunteers and agents for losses paid under the terms of the insurance policy which arise from work performed by the Tenant.

(d) All Coverages. Each insurance policy required by this Lease shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given

to the Landlord; and (B) any failure to comply with reporting or other provisions of the policies, including, breaches of warranties, shall not affect coverage provided to the City, its directors, officials, officers, employees, agents and volunteers and other additional insured.

3.2.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the Landlord, the City and their directors, officials, officers, employees, volunteers and agents. All policies shall **waive any right of subrogation** of the insurer against the Landlord, the City, its officials, officers, employees, agents, and volunteers, or any other additional insureds, or shall specifically allow Tenant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Tenant hereby waives its own right of recovery against Landlord, its officials, officers, employees, agents, and volunteers, or any other additional insureds, and shall require similar written express waivers and insurance clauses.

3.2.5 Deductibles and Self-Insurance Retentions. Landlord may require that any deductibles or self-insured retentions must be declared to and approved by the Landlord. Tenant shall ensure that, at the option of the Landlord, either: (A) the primary insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Landlord, its directors, officials, officers, employees and agents; or (B) the primary insured shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.2.6 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VIII, licensed and admitted to do business in California, and satisfactory to the Landlord or as approved by the Landlord's risk manager.

3.2.7 Verification of Coverage. Tenant shall furnish Landlord with original certificates of insurance and endorsements affecting coverage required by this Lease on forms satisfactory to the Landlord. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the Landlord if requested. All certificates and endorsements must be received and approved by the Landlord. The Landlord reserves the right to require complete, certified copies of all required insurance policies, at any time.

4. TERMINATION.

4.1 Landlord. Without limiting its ability to seek other remedies (either at law or in equity) that may be available to it pursuant to statute or judicial decision, Landlord may terminate this Lease and all of its obligations hereunder, at its option, upon the occurrence of any of the following:

4.1.1 Tenant's breach of any of its non-monetary obligations under this Lease and failure to cure such breach within thirty (30) days after receipt of written notice from Landlord or, if such cure cannot be completed within thirty (30) days, Tenant's failure to commence such cure within 30 days after its receipt of written notice and thereafter diligently prosecute such cure to

completion, provided that the period to cure shall not exceed ninety (90) days from written notice; or

4.1.2 Tenant's breach of any of its monetary obligations under this Lease and failure to cure such breach within ten (10) days after receipt of written notice from Landlord.

4.1.3 Landlord serving written notice, not less than ninety (90) days, of its intent to terminate the Lease without cause.

If this Lease is terminated pursuant to this Section 4, Tenant hereby expressly, knowingly and voluntarily waives any and all rights, benefits and/or assistance it may be entitled to receive from Landlord due to such termination, including, without limitation, loss of goodwill, inverse condemnation, or relocation assistance as provided for in California Government Code Sections 7260, *et seq.* and 42 U.S.C. Sections 4601, *et seq.*

Tenant has been advised by its legal counsel concerning the content and effect of California Civil Code Section 1542, which provides:

A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her would have materially affected his or her settlement with the debtor or released party.

Tenant hereby waives the benefits of Civil Code Section 1542 and all other state or federal statutes or judicial decisions of similar effect.

_____ Tenant's Initials

4.2 Tenant. Tenant may terminate this Lease upon (i) Landlord's breach of any of its obligations under this Lease and Landlord's failure to cure such breach within thirty (30) days after receipt of written notice from the Tenant or, if such cure cannot be completed within thirty (30) days, Landlord's failure to commence such cure within thirty (30) days after its receipt of written notice and thereafter diligently prosecute such cure to completion, or (ii) in the event the cost of Tenant's maintenance and repair obligation would exceed an aggregate amount of Twenty Thousand Dollars (\$20,000.00) between January 1 and December 31 of any year during this Agreement, and the maintenance or repair is not required due to the negligence or willful misconduct of Tenant, or its employees, agents, or volunteers.

5. ENFORCEMENT OF LEASE

5.1 Governing Law and Venue. This Lease shall be governed by the laws of the State of California without regard to conflicts of laws principles. This Lease shall be deemed to have been made in the County of San Bernardino, California, regardless of the order of the signatures of the parties affixed hereto. Any litigation or other legal proceedings that arise under or in

connection with this Lease shall be conducted in a federal or state court located within or for the County of San Bernardino, California. Tenant consents to the personal jurisdiction and venue in federal or state court located within or for the County of San Bernardino, California and hereby waives any defenses or objections thereto including defenses based on the doctrine of forum non conveniens.

5.2 Waiver. No delay or omission in the exercise of any right or remedy of a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Landlord's consent or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent act of Tenant. Any waiver by any party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Lease.

5.3 Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Lease, the rights and remedies of the parties are cumulative and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by that party, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

5.4 Legal Action. In addition to any other rights or remedies, any party may take legal action, at law or at equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Lease, to obtain injunctive relief, or to obtain any other remedy consistent with the purposes of this Lease.

5.5 Attorneys' Fees. If any party commences an action against the other party arising out of or in connection with this Lease, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs of suit from the losing party.

6. MISCELLANEOUS PROVISIONS

6.1 Construction; References; Captions. Since the parties or their agents have participated fully in the preparation of this Lease, the language of this Lease shall be construed simply, according to its fair meaning, and not strictly for or against any party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Tenant include all personnel, employees, agents, and subcontractors of Tenant, except as otherwise specified in this Lease. All references to Landlord include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Lease. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Lease.

6.2 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the parties.

6.3 Notice. Any notice, demand, request, consent, approval, communication either party desires or is required to give the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the address set forth below, or provided by email with written confirmation of receipt from the receiving party. Alternatively, the Parties may

give notice under this Lease by email to the email addresses provided above, but not such email shall be deemed effective until the receiving party confirms receipt. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this section.

To Landlord:

To Tenant:

CITY OF FONTANA

THE RIVERS EDGE RANCH

Attention: City Manager
8353 Sierra Avenue
Fontana, CA 92335
Email: mballantyne@fontanaca.gov
Phone: (909) 350-7654

Attention: Doug Whiteman
33433 Haynes Road
Lucerne Valley, CA 92356
Email: doug@theriversedge ranch.org

Copy to:

Copy to:

BEST BEST & KRIEGER LLP

Attention: Ruben Duran, Esq.
City Attorney
2855 E. Guasti Rd., Suite 400
Ontario, CA 91761
Email: ruben.duran@bbklaw.com
Phone: (213) 787-2569

6.4 Integrated Agreement. This Lease contains all of the agreements of the parties and all previous understanding, negotiations and agreements are integrated into and superseded by this Lease.

6.5 Amendment. This Lease may be amended at any time by the mutual consent of the parties by an instrument in writing signed by both parties.

6.6 Counterparts. This Lease may be signed in counterparts, each of which shall constitute an original.

6.7 Exhibits. All exhibits attached hereto are hereby incorporated by reference as if fully set out in the body of this Agreement.

6.8 Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Lease shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this

Lease which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder.

6.9 Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Lease on behalf of said parties and that by so executing this Lease the parties hereto are formally bound to the provisions of this Lease.

6.10 Independent Representation by Counsel. The parties represent and declare that in executing this Lease they rely solely upon their own judgment, belief and knowledge, and the advice and recommendations of their own independently-selected counsel, concerning the nature, extent and duration of their rights and claims hereunder, and that, except as provided herein, they have not been influenced to any extent whatsoever in executing this Lease, by any representations, statements or omissions pertaining to any of the matters herein contained by any party or by any persons representing any party.

6.11 Binding Effect. This Lease shall bind and inure to the benefit of the parties, their respective heirs, successors and assigns.

6.12 Quiet Enjoyment. Tenant shall have the right to lawfully, peaceably and quietly hold, occupy and enjoy the Premises during the Lease Term without hindrance, ejection or molestation, so long as Tenant observes the covenants, agreements and stipulations required of Tenant under this Lease.

6.13 Memorandum of Lease and Other Recordings Required by Funding Requirements. The Landlord may record in the San Bernardino County Recorder's Office this Lease or a memorandum of this Lease in a form approved by the City Manager and the City Attorney, which memorandum shall be lawfully executed by Tenant upon request by City.

**SIGNATURE PAGE TO LEASE AGREEMENT
BETWEEN THE CITY OF FONTANA
AND THE RIVERS EDGE RANCH**

TENANT

**THE RIVERS EDGE RANCH, a California
non-profit corporation**

By: _____

Its: _____

Dated: _____

By: _____

Its: _____

Dated: _____

LANDLORD

**CITY OF FONTANA, a California
municipal corporation**

By: _____
Matthew C. Ballantyne, City Manager

Dated: _____

ATTEST:

By: _____
City Clerk

ATTEST AS TO LEGAL FORM:

BEST BEST & KRIEGER LLP

By: _____
City Attorney

Exhibit “A”

Description of Property

Assessor Parcel No. 0232-191-10-0000

Exhibit “B”

Site Plan

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF STATE)
) ss.
COUNTY OF SAN BERNARDINO)

On _____, before me, _____
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")
personally appeared _____
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<div><div>Individual</div><div>Corporate Officer</div></div>		
<div>Title(s)</div>		<div>Title or Type of Document</div>
<div>Partner(s)</div>	<div>Limited</div> <div>General</div>	
<div>Attorney-In-Fact</div> <div>Trustee(s)</div> <div>Guardian/Conservator</div> <div>Other: _____</div>		<div>Number Of Pages</div>
<div>Signer is representing: Name Of Person(s) Or Entity(ies)</div> <div>_____</div> <div>_____</div>		<div>Date Of Document</div>
		<div>Signer(s) Other Than Named Above</div>

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF STATE)
) ss.
COUNTY OF SAN BERNARDINO)

On _____, before me, _____
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")
personally appeared _____
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> Individual		_____ Title or Type of Document
<input type="checkbox"/> Corporate Officer		
_____ Title(s)		_____ Number Of Pages
<input type="checkbox"/> Partner(s)	<input type="checkbox"/> Limited	
	<input type="checkbox"/> General	
<input type="checkbox"/> Attorney-In-Fact		
<input type="checkbox"/> Trustee(s)		_____ Date Of Document
<input type="checkbox"/> Guardian/Conservator		
<input type="checkbox"/> Other: _____		
Signer is representing: Name Of Person(s) Or Entity(ies)		_____ Signer(s) Other Than Named Above

