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→ *Bob Diaz*

AMENDED LEASE AGREEMENT
FOR CAMPBELL BRANCH LIBRARY

THE FOLLOWING is an Amended Lease Agreement between COUNTY OF SANTA CLARA, State of California, hereinafter referred to as "Lessee," and CITY OF CAMPBELL, a Municipal Corporation, hereinafter referred to as "Lessor."

WHEREAS, Lessor has acquired additional real property at the Civic Center of the City of Campbell, California; and

WHEREAS, Lessor proposes to construct at its Civic Center, as enlarged, (1) a 24,000 square foot building more or less, and (2) an approximately 34,000 square foot vehicle parking area, both to be utilized as and for a branch library of the County of Santa Clara, all in accordance with the plans and specifications to be approved by the parties hereto; and

WHEREAS, Lessor has offered to lease said building and improvements to Lessee and Lessee desires to rent the same from Lessor; and

WHEREAS, the parties hereto have previously entered into a lease agreement dated July 18, 1967, which the parties are desirous of amending with respect to certain particulars,

NOW, THEREFORE, in consideration of and subject to the terms and conditions hereinafter set forth, Lessor and Lessee agree as

follows:

1. Amended Lease Agreement. IT IS AGREED between the parties hereto that this amended lease agreement replaces and supersedes that certain Lease Agreement previously executed by the parties dated July 18, 1967.

2. Description of Property. Lessor hereby agrees to lease to Lessee, and Lessee hereby agrees to rent from Lessor a portion of the real property at the Civic Center, said portion to be mutually agreed upon, as said site exists following the acquisition of land, which portion is sufficient to supply a 24,000 square foot building, 34,000 square feet of parking space, and such additional land as is necessary to the use of such building but, in any event, not to exceed one and one-half acres; and the hereinafter described building and improvements which are to be erected and contracted by Lessor on said portion of land with monies from the following sources: (a) City of Campbell Bond Fund; (b) Federal Library Services and Construction Act funds; and (c) monies allocated from County of Santa Clara.

The lease premises are described in Exhibit A attached hereto and incorporated herein by reference.

3. (a) Use of Premises. Said premises shall be used by Lessee for the maintenance and operation of a library for the County of Santa Clara. The term "premises" is defined to mean the said portion of real property above described and the building and all

improvements erected thereon by Lessor.

(b) Lessee shall not let or underlet the whole or any part of said premises, nor sell or assign this lease, either voluntarily or by operation of law, nor allow said demised premises to be occupied by anyone contrary to the terms hereof, nor permit their use for any purposes other than as hereinabove specified, nor abandon or vacate said premises, nor fail or refuse to actively cause said premises to be used as hereinabove specified in the purpose of this lease, without the prior written consent of Lessor.

4. Term of Lease; Extensions of Term

(a) This agreement becomes effective upon execution by both parties.

(b) For purpose of occupancy, the term of this lease shall be for a period of twenty-five (25) years beginning on the date to be determined as set forth in subparagraph (b) hereof, immediately following, and shall end on the last day of the twenty-fifth (25th) year following the effective date of the term as so determined. Lessor hereby grants to Lessee the sole and exclusive option to extend said lease for additional ten (10) year periods, which options shall be deemed automatically exercised by Lessee unless Lessee gives one year's advance written notice prior to the expiration of the original term or prior to the expiration of any extension provided for herein, of Lessee's intention to terminate said lease at the end of the original term or at the end of an extended term, whichever is applicable at that time. Said additional terms of the lease shall not be more than three in number, or thirty (30) years total.

(c) The effective date for the commencement of the term of

this lease shall be the first business day of the month following receipt by Lessee of written notice that Lessor has completed construction of the building and improvements herein and that the same are in condition and ready for occupancy, all in accordance with the plans and specifications for such project, which notice shall be promptly given. Be it further provided that, as a condition precedent to the commencement of the term and of the recording of a Notice of Completion by Lessor, and of taking occupancy by Lessee, the County Executive of the County of Santa Clara or his designee shall have the right to inspect the premises for compliance with the plans and specifications for construction of said premises, which inspection shall be made within ten (10) days after receipt by Lessee of Notice of Completion.

(d) Lessee and Lessor further agree to execute and deliver no later than fifteen (15) days after the commencement of the term of the lease, an instrument in writing in duplicate certifying the date of beginning of the term, each party to receive one copy of the certificate acknowledging such date of commencement of term.

5. Project Funding. Land acquisition funds, construction funds, and funds for all other project costs and expenses shall be provided as follows:

(a) Lessor's General Obligation Funds: Lessor's General Obligation bonds of Four Hundred Thousand Dollars (\$400,000), a portion of which have already been expended by the Lessor for land acquisition, architectural fees, and related project costs, and which shall be reimbursed by Lessee as Rental in accordance with provisions for rental hereinafter specifically set forth; and

(b) Federal Library Services and Construction Act Funds: Federal

Library Services and Construction Act funds of Two-Hundred Thousand Dollars (\$200,000) which shall be received by the Lessee according to the schedule set forth by the State of California, and which shall be disbursed to the Lessor by the Lessee within 15 days of receipt of each payment;

(c) County Funds. Lessee's funds of Two-hundred Sixty-five Thousand Dollars (\$265,000) which were guaranteed by the Board of Supervisors on July 27, 1972 as advance rental to be used for project costs to be paid by Lessee in the normal course of business immediately after approval by the Board of Supervisors of the determination of award of contract to the lowest responsible bidder in accordance with the Declaration of Intent of Lessor.

6. Rental

(a) It is understood by the parties hereto that Lessor shall have acquired additional land at the Civic Center sufficient for the construction of a building and improvements as provided herein and shall construct said building on said site with monies received from the sale of Lessor's twenty-five (25) year general obligation bonds, Federal Library Services and Construction Act funds, and County funding. The receipt of Lessor of a portion of these funds has been provided in paragraph 5 above. The rental hereunder is predicated on this understanding. Lessor shall provide Lessee with duplicate original copies of all contracts, change orders, and progress billings in relation to any of said work of improvement, and will permit Lessee to inspect and make copies of all books of account, ledgers, warrants, invoices, and other documents relating to any and all payments made by Lessor for any of said work improvements.

(b) Lessor shall present to Lessee for Lessee's approval the bond maturity schedule for the retirement of Lessor's twenty-five

(25) year general obligation bonds used to acquire said land, improve the premises and construct said building. Thereafter, on or before May 1st of each year of the maturity schedule, Lessor will compute the total amount needed to meet said obligation and designate the dates that said general obligation bond principal and interest payments will be needed in the next fiscal year following May 1st to redeem the maturing bonds and pay the bond interest directly allocated to the acquisition of said land, construction of said building, landscaping and other related improvements. As and for rental hereunder, Lessee agrees to reimburse Lessor per said bond maturity schedule for said bond payments, semi-annually, or in the alternative, upon a schedule mutually agreed upon to indemnify or reimburse Lessor for such general obligation bond principal and interest. Such schedule finally agreed upon shall be delivered to each party, attached hereto and form a part of this Lease Agreement.

(c) The rental provided for in subparagraph (b) above shall be paid by Lessee to Lessor semi-annually during each year of the rental payment schedule as mutually arrived at and agreed upon at such time or times as the parties hereto may further agree in writing. In the event Lessee exercises the option provided for in Paragraph 4(b) above to lease the premises for an additional period or periods of ten (10) years, there shall be no further rental.

7. Construction of Building and Improvements

(a) The building to be constructed by Lessor shall comprise approximately 24,000 square feet and shall be built according to the schematic design studies, design development documents and construction documents, as described in Paragraph 7(b), which have been approved by Lessor and Lessee. Said premises shall include all improve-

ments reasonably necessary to the use of said building, including but not limited to, landscaping, parking space and walkways as described herein.

(b) Within the time limits prescribed in Paragraphs 7(c) and 7(d), Lessor shall provide the following to Lessee:

i. Schematic Design Studies. This shall consist of schematic design studies and site utilization plans together with a general description of the structure for approval by the Board of Supervisors of Lessee. This general description shall include the mechanical and electrical features proposed and a general indication of the size of all areas in the structure and the estimated structure construction cost.

ii. Design Development Documents. Lessor shall prepare from the schematic documents approved by Lessee the design development documents consisting of site and floor plans, elevations, cross-sections and other approved drawings, and shall outline specifications to fix and illustrate the size, character and quality of the entire structure in its essentials as to the kinds of materials, type of structure, mechanical and electrical systems and such other work as may be required. Lessor shall submit in writing to Lessee the estimated structure construction cost.

iii. Construction Documents. Upon receipt of instructions from Lessee to proceed with the preparation of construction documents, Lessor shall prepare from the approved design development documents, working drawings and specifications setting forth in detail and prescribing the work to be done, and the materials, workmanship, finishes and equipment required for the architectural, mechanical, electrical, service-connected

equipment and site work. Lessor shall notify Lessee in writing whether or not there is any indicated adjustment in previous estimates of the structure construction cost.

(c) Not later than one month after the execution of this agreement, the County Librarian shall provide Lessor with a "Program of the Functional Details of a Library for the Architect," which program shall have been previously approved by the Board of Supervisors of Lessee. Thereafter, in the event of an application for a grant for construction funds from the federal or state government, Lessor shall, on the request of Lessee, supply as part of the cost of construction any schematic design studies which may be required incident to such application. If, for any reason, the proposed building and improvements are not constructed, Lessee will reimburse Lessor for the cost of any studies provided pursuant to this paragraph.

(d) Not later than one month after receipt of the approved "Program of the Functional Details of a Library for the Architect" Lessor shall furnish Lessee for approval a complete set of Schematic Design Studies. Upon receipt of the approval of the Schematic Design Studies, Lessor shall furnish to Lessee for approval a complete set of design development documents within two months. Upon receipt of the approval of the design development documents, Lessor shall furnish to Lessee a complete set of construction documents within five months for approval by Lessee. Not later than two months after approval by Lessee. Not later than two months after approval by Lessee of the construction documents, Lessor shall approve such documents, advertise for bids, review submitted bids and, if acceptable to Lessor, declare intent to accept the lowest and most responsible bid, which bid shall be reviewed and approved by the Board of Supervisors, after which

Lessor shall award a construction contract and sign the contract for the construction of the library building. Lessor shall advertise such contract as a separate project and not award it with any city work. If all bids are rejected Lessor shall modify said construction documents within one month after rejection of bids and submit the modified construction documents to Lessee for approval; within thirty (30) days of submission of said modified construction documents, Lessee shall inform Lessor of its approval or disapproval of same. Not later than two months thereafter Lessor shall receive new bids, award the contract if bids are within the construction budget and sign a contract for construction of the library building. Lessee shall pay all incurred costs to date if this agreement is terminated without award of a contract. Not later than twelve (12) months after the award of the contract, the Lessor shall complete the construction of the building and improvements of the premeises and deliver same to Lessee for occupancy. Upon failure to complete the construction of said building within the time specified herein, Lessee shall have the sole option to cancel and terminate this lease agreement upon written notice to Lessor without any cost or expense to Lessee whatsoever. Lessee shall grant a reasonable extension of time for completion of the structure when delay is caused by circumstances beyond the control of Lessor.

(e) At any time prior to the award by Lessor of a contract for the construction of said building, Lessee has the option to terminate this agreement by notice in writing to Lessor and shall pay Lessor, as and for the privilege of terminating this agreement as of the date of said written notice, the fees which Lessor is obligated under written contract to pay for architectural services performed in

providing for Lessee schematic design studies, design development documents and construction documents.

8. Alterations, Additions, Maintenance.

(a) During the term of this lease or any extensions thereof, Lessee shall keep and maintain the premises, including without limitation the interior and exterior of said building, and such furniture and furnishings as are installed, in good and tenantable condition, except vehicle parking facilities, landscaping improvements, and such repairs as may be necessary by reason of damage by fire, the elements, casualty or other cause which is covered by fire or casualty insurance carried on the premises and/or the contents thereof by Lessee. As to the latter, the obligation for repair for such damage shall be the responsibility of Lessor. On or before December 1st of each year the Campbell City Manager and the County Librarian shall agree on the requirements necessary to implement the provisions of this paragraph, the costs of which shall be included in the County Library budget request for the succeeding fiscal year. If prior to the printing of the Recommended Requested Budget any of these requirements are deleted, the City of Campbell shall be notified in writing, with sufficient advance notice to provide time for proper appeal to the county executive. The City of Campbell may also appeal an adverse decision of the County Executive to the Board of Supervisors.

(b) Lessee shall not make any alterations, changes or additions to said premises without obtaining prior written consent of Lessor, which consent, however, shall not be unreasonably withheld. Any such alterations, changes or additions made by Lessee shall be at the cost and expense of Lessee, and upon termination hereof, said alterations, changes or additions shall inure to the

benefit of Lessor, except, however, trade fixtures, lighting fixtures, partitions, appliances, equipment, furniture, and other improvements placed on said premises by Lessee; and upon termination of this lease, Lessee shall have a reasonable length of time in which to remove said trade fixtures, lighting fixtures, partitions, appliances, equipment, furniture and other improvements installed by it on said premises.

(c) Lessee shall pay for the furnishing of all water necessary or required for use in or upon the premises during the term of this lease or any extension thereof. Lessee shall pay for all janitorial services and the furnishing of all other utilities which may be used upon the premises during the term of this lease or any extension thereof. In additions, Lessee shall pay any and all taxes which might otherwise be payable by the City or County, which may be levied against the premises.

9. Insurance, Liability, Fire, Comprehensive Insurance and Damage to Premises.

(a) Lessee at its own cost and expense shall take out and maintain during the term of this lease, casualty and fire insurance to the extent of the insurable value of the premises. Lessee shall further take out and maintain during the term of this lease, public liability and property damage insurance, naming Lessor thereon as additional insured under the terms of said policy of insurance.

(b) In the event of a partial or total destruction of the damaged premises by fire or other insured casualty, said premises will be promptly restored by mutual agreement of the parties from the proceeds of the fire and casualty insurance taken out by County. In the event of disagreement between Lessor and Lessee hereunder, the parties shall submit to Arbitration and the rules and procedures of the American Arbitration Association shall apply.

10. Notices. All notices required or permitted to be given hereunder or by any provisions of law shall be given to the party to be notified by personal delivery or sent by registered or certified mail addressed to Lessor at City Hall, Campbell, California 95008 and addressed to Lessee at General Services Agency, 70 West Hedding Street, San Jose, California 95110, with a copy to the County Librarian. All notices given as aforesaid shall be sufficient service thereof, and if sent by mail, shall be deemed given as of the date of deposit in the mails.

11. Termination. It is mutually agreed that this lease may be cancelled and terminated by Lessee if the whole or a substantial part of the City of Campbell served by the library occupying the said premises shall be withdrawn from the Santa Clara County Library System at the request of the City of Campbell for any reason or purpose whatsoever. In the event this lease is cancelled or terminated by Lessor, Lessor agrees at its own expense to continue the bonded indebtedness payments not yet due until completely paid and also agrees to reimburse the lessee for that portion of the County funds paid in advance which have not yet been amortized over the first twenty-five (25) year period of this lease agreement on a straight line basis.

12. End of Term. Upon termination of this lease or any extension thereof, Lessee shall surrender said premises in as good condition as the same were in when Lessee took possession, reasonable wear and tear, damage from the elements, fire, Acts of God, structural deficiencies and repairs, and exterior deficiencies and repairs, or other casualty beyond the reasonable control of Lessee, excepted.

13. Successors and Assigns. The foregoing covenants and conditions shall be binding upon the parties hereto and their respective

heirs, successors, executors, administrators, legal representatives and assigns.

IN WITNESS WHEREOF, the parties hereto have subscribed their names OCT 24 1972

COUNTY OF SANTA CLARA

Jim Sanchez
Chairman, pro tempore

~~Chairman~~, Board of Supervisors

"Lessee"

ATTES:

Donald M. Rains

Donald M. Rains, Clerk of Board

CITY OF CAMPBELL

William R. Podgorsek
William R. Podgorsek, Mayor

"Lessor"

ATTEST:

Dorothy Trevethan
Dorothy Trevethan, City Clerk

APPROVED AS TO FORM:

Deputy County Counsel