



**LEASE AGREEMENT**  
for  
**220 S. Broadway, Escondido, CA 92025**  
between  
**City of Escondido**  
and  
**The Escondido Education COMPACT**

Effective Date: January 2, 2024

Term: 59 months

## LEASE AGREEMENT

This LEASE AGREEMENT (this "Lease") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ ("Effective Date"), by and between the City of Escondido, a California municipal corporation (the "City"), and The Escondido Education COMPACT, a California nonprofit public benefit corporation ("Lessee") regarding the City's real property located at 220 S. Broadway Escondido, CA 92025, and having assessor's parcel number (APN) 223-091-02, as more particularly described in Exhibit A of this Lease, which is attached hereto and incorporated herein by this reference ("Premises"). (The City and Lessee each may be referred to herein as a "Party" and collectively as the "Parties.")

### AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Term.** The term of this Lease shall be for a period of 59 months, commencing on the Effective Date ("Term").

2. **Holdover.** Occupancy of the Premises by Lessee after the expiration of the Term shall be construed as a month-to-month tenancy in which all other terms and conditions of this Lease shall continue in full force and effect, on a month-to-month basis. Lessee may not occupy the Premises after the expiration of the Term without the express consent of City. The City shall have the right to terminate the month-to-month tenancy without cause and for any reason by giving 30 days' prior notice to Lessee.

3. **Rent.**

3.1 *Base Rent.* In consideration of the possession and use of the Premises, Lessee shall pay to the City rent in the amount of \$1,776.35 per month ("Rent"), due and payable on or before the first day of each month, commencing on the Effective Date. Checks should be made payable to the City of Escondido and delivered to Attn: Accounts Receivable at 201 N. Broadway, Escondido, CA 92025.

3.2 *Services Included in Rent.* The monthly Rent, as described in Section 3.1 of this Lease, includes costs attributed to the following: (i) network and systems administration for up to 33 users, provided by the City, at a cost of \$738.68 per month; (ii) phone system equipment and services provided by the City, at a cost of \$316.67 per month and (iii) duplicating costs of \$221 per month, not to exceed 45,000 copies per year. Any additional work station network services and equipment must be pre-approved by the City's Director of Information Systems in writing and shall be charged to Lessee, as further detailed in Section 16 – Information Systems. The Lessee may choose to terminate additional services with 30 days notice.

3.2 *Holdover Rent.* Rent for any holdover as described in Paragraph 2 of this Lease shall be equal to the previous year's Rent plus an additional 10% of the Base Rent amount stated in Paragraph 3.1 of this Lease.

3.3 *Late Fee.* Rent payments received after the fifth day of any month during the Term of this Lease will be considered late and Lessee shall be charged the Rent plus an additional 5% of the Base Rent amount stated in Paragraph 3.1 of this Lease.

4. **Security Deposit.** N/A

5. **Utility Payments.** Lessee agrees to provide and shall pay before delinquency all charges for utilities and services necessary for Lessee's occupancy and use of the Premises, including but not limited to the following: gas, water, electricity, sewage charges, and trash.

6. **Taxes, Assessments, and Fees.**

6.1 The terms of this Lease may result in the creation of a possessory interest. If such a possessory interest is vested in Lessee, Lessee shall pay, prior to delinquency, all taxes and assessments that may be levied upon or assessed against the Premises and all taxes and assessments of every kind and nature whatsoever arising in any way from the use, occupancy, or possession of the Premises or assessed against the improvements situated thereon. The City shall not be required to pay any taxes or assessments whatsoever that relate to or may be assessed against this Lease or the Premises, including but not limited to any buildings, improvements, structures, machines, appliances, or other improvements of any nature whatsoever, or on any interest therein.

6.2 Lessee may, at its option, contest in good faith, and by an appropriate and timely legal proceeding, any such tax and assessment; provided, however, that Lessee shall indemnify and hold harmless the City from any loss or damage resulting from any such contest, and all expenses of the same (including, without limitation, all attorneys' fees, court costs, and other costs) shall be paid solely by Lessee.

6.3 Lessee further agrees not to allow such taxes, assessments, or fees to become a lien against the Premises or any improvement thereon. Nothing in this Lease shall be deemed to prevent or prohibit Lessee from contesting the validity or amount of any such tax, assessment, or fee in any manner authorized by law.

7. **Use.**

7.1 *Permitted Uses.* Lessee shall use and occupy the Premises exclusively for the following uses: office and business use, consistent with this Lease. Lessee's use and occupancy of the Premises shall comply with all provisions and requirements contained in any permits or approvals issued by the City of Escondido or any other governmental agency relating to the Premises. Lessee shall not use or occupy, nor permit the use or occupancy of, the Premises other than as authorized in this Lease.

7.2 *Prohibited Use.* Lessee shall not use or allow the Premises to be used for any unlawful purpose, nor shall Lessee cause or maintain or permit any nuisance in, on, or about the Premises. Lessee shall not commit or suffer the commission of any waste in, on, or about the Premises. Lessee shall not use or permit the use of the Premises for any purpose prohibited by this Lease.

7.3 *Use Determination.* In any case where Lessee is in doubt as to the propriety of any particular use, Lessee may request written determination of the City that such use is or is not permitted at the Premises.

7.4 *Right to Inspect.* The Premises shall at all times be open to inspection by all local, state, and federal governmental authorities. In the event the City determines that Lessee's use of the Premises creates an unnecessary or unreasonable risk to the Premises or to public health, safety, or welfare, the City may require that Lessee cease using the Premises until such risk no longer exists.

7.5 *Pets.* No pets or livestock of any kind may be kept on the Premises throughout the Term without the prior written consent of the City's Economic Development Director or designee.

8. **Acceptance and Maintenance.**

8.1 Lessee hereby acknowledges and agrees that Lessee has inspected the Premises and Lessee accepts said Premises "as is" and "where is." Lessee acknowledges that the City makes no representations as to the condition or suitability of the Premises or any improvements on the Premises.

8.2 Pursuant to the noticing requirements of California Civil Code section 1938, Lessee acknowledges that the Premises being leased has not undergone inspection by a Certified Access Specialist (CASp). Pursuant to California Civil Code section 1938(e), the City states as follows:

a. A CASp can inspect the Premises and determine whether the Premises complies with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the Premises, the City may not prohibit Lessee from obtaining a CASp inspection of the Premises, if requested by Lessee. Should Lessee request a CASp inspection, the Parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises.

b. Lessee hereby expressly agrees that the CASp inspection fee and any repairs or modifications necessary to correct violations of construction-related accessibility standards that are noted in a CASp's inspection report are the sole responsibility of Lessee.

8.3 Lessee agrees to maintain the Premises in good condition and in compliance with all applicable property maintenance and related laws. Lessee releases the City from any obligation to maintain any other portion of the Premises. Said release is part of the consideration for the rental of the Premises, and Lessee therefore waives all rights it may otherwise have under California Civil Code sections 1941 and 1942.

8.4 In the event Lessee fails to properly maintain the Premises as required by the City, the City shall notify Lessee in writing of the same. If Lessee fails to correct the identified insufficient maintenance within 30 days of the City's notice, the City may either:

a. Treat Lessee's failure as an Event of Default pursuant to Paragraph 11.2 of this Lease; or

b. Perform such maintenance as the City deems necessary, at Lessee's sole cost, to keep the Premises in good condition and in compliance with all applicable property maintenance and related laws ("Necessary Maintenance"). If the City performs Necessary Maintenance, costs resulting therefrom may include, but are not limited to, labor, material, and equipment. Upon completion of Necessary Maintenance by the City, the City shall provide Lessee with an invoice for all Necessary Maintenance costs. Lessee shall pay the City the full invoiced amount within 10 days of receipt of the invoice. Lessee's failure to pay the full invoiced amount within 10 days of receipt of the invoice may be treated as an Event of Default pursuant to Paragraph 11.2 of this Lease.

9. **Alterations.** Lessee shall not paint, alter, cut, add to, or otherwise change the appearance, structure, or condition of the Premises without the prior written consent of the City's Economic Development Director or designee and only after obtaining all applicable permits and approvals. Any

improvements to the Premises during the Term shall become a fixture to the realty and shall remain on and be surrendered with the Premises upon termination of this Lease. Applications for permits to conduct alternations to the property must be pre-approved in writing by the City's Economic Development Director or designees.

10. **Occupancy, Assignment, and Subletting.**

10.1 *Occupancy.* Lessee shall take occupancy of the Premises within 30 days of the Effective Date of this Lease. The Premises shall only be occupied by Lessee, except with prior written consent of the City's Economic Development Director or designee.

10.2 *Assignment and Subletting.* Lessee may not assign or sublease any interest in this Lease to any third party, at any time, including by means of a transfer of a controlling interest in Lessee, without prior written consent of the City's Economic Development Director or designee.

11. **Lease Termination.**

11.1 The City may terminate this Lease at any time, at its sole discretion, by providing Lessee with 90 days' written notice.

11.2 *Event of Default.* The following shall constitute an event of default ("Event of Default") whereby the City may immediately terminate this lease upon written notice:

a. Lessee's violation of any provision of this Lease, excluding a default in the timely payment of Rent or other payment required to be made by Lessee under this Lease as described in Paragraph 11.2(b) of this Lease; or

b. Lessee's default in the timely payment of Rent or other payment required to be made by Lessee under this Lease, where such default is not cured within five business days after written notice of such default is given to Lessee; or

c. Lessee's material breach of the Memorandum of Understanding entered into by and between Lessee and the City dated June 21, 2023 ("MOU").

11.3 *Vacation of Premises.* Upon termination of this Lease for any reason, Lessee shall peaceably vacate and deliver the Premises to the City in the same condition as Lessee found it upon Lessee's acceptance of the Premises hereunder, excepting ordinary wear and tear and other conditions accepted in the City's sole and absolute discretion.

11.4 Upon termination of this Lease, Lessee shall immediately:

a. Arrange and pay for the disconnection of all utilities and services as referenced in Paragraph 5 of this Lease;

b. Provide a written statement to the City's Economic Development Director or designee, identifying Lessee's new address for purpose of refunding monies, if any, due Lessee under this Lease; and

c. Deliver any keys for the Premises to the City's Economic Development Director or designee, by the means of such delivery consisting of personal delivery or, if in-person delivery is not possible, by certified mail.

12. **Notice.** Unless otherwise provided herein, any statements, communications, or notices to be

provided pursuant to this Lease shall be sent by personal delivery, certified or registered mail, or email to the addresses and to the attention of the persons set forth herein. Either Party shall provide the other Party with 10 days' written notice of any change of person to be notified or change of address.

If to Lessee:

Escondido Education Compact  
405 S. Midway Drive  
Escondido, CA 92027  
Attn: Patricia Huerta  
760-839-4515  
phuerta@educationcompact.org

If to the City:

City of Escondido  
201 N. Broadway  
Escondido, CA 92025  
Attn: Jennifer Schoeneck  
Economic Development  
Director  
760-839-4587  
jschoeneck@escondido.org

13. **Indemnification, Hold Harmless, Duty to Defend.**

13.1 Lessee (including Lessee's agents, employees, contractors, and subcontractors, if any) shall indemnify, hold harmless, and defend the City, its boards, commissions, departments, officials, officers, agents, employees, and volunteers (collectively, "Indemnified Parties") from and against any and all claims, demands, actions, causes of action, proceedings (including but not limited to legal and administrative proceedings of any kind), suits, fines, penalties, judgments, orders, liens, levies, costs, expenses, liabilities, losses, damages, or injuries, in law or equity, including without limitation the payment of all consequential damages and attorney's fees and other related litigation costs and expenses (collectively, "Claims"), and any attorney's, consultant, or expert fees and City staff costs for investigating and responding to any Claims, and provide and pay all costs for a defense of any and all Claims against any of the Indemnified Parties, in connection with this Lease or any component thereof; the validity, applicability, or implementation of this Lease; the presence of Hazardous Materials as defined in this Lease; or Lessee's use of the Premises.

13.2 Lessee shall further indemnify, protect, defend, and hold harmless the Indemnified Parties from and against any and all Claims caused by, arising under, or resulting from any violation, or claim of violation, of the San Diego Municipal Storm Water Permit (Order No. R9-2013-0001, as amended) of the California Regional Water Quality Control Board Region 9, San Diego, that the City might suffer, incur, or become subject to by reason of, occurring as a result of, or allegedly caused by, this Lease or Lessee's use of the Premises.

13.3 All provisions within this Section 11 shall survive termination of this Lease.

14. **Insurance.**

14.1 Lessee shall procure and maintain, at its own cost, during the entire term of this Lease, insurance against claims for injuries to persons or damages to property that may arise from or in connection with this Lease, and the results of Lessee's use of the Premises, by Lessee, its agents, representatives, employees, or volunteers. Insurance coverage shall be at least as broad as the following:

a. *Commercial General Liability.* Insurance Services Office ("ISO") Form CG 00 01 covering Commercial General Liability on an "occurrence" basis, including products and completed operations, property damage, bodily injury, and personal & advertising injury, with limits no less than \$2,000,000 per occurrence/\$4,000,000 general aggregate.

b. *Workers' Compensation.* Workers' Compensation as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limits of no less than \$1,000,000 per accident for bodily injury or disease.

c. *Property Insurance.* Lessee shall procure and maintain property insurance against all risks of loss to any Lessee improvements or betterments, at full replacement cost with no coinsurance penalty provision. Property insurance shall include not less than \$1,000,000 Fire Legal liability on the Premises, including improvements and betterments owned by the City, and shall name the City as a loss payee. Lessee shall also provide fire insurance on all personal property contained within or on the Premises. The policy must be written on an "all risks" basis, excluding earthquake and flood. The contract shall insure for not less than 90% of the actual cash value of the personal property, and Lessee shall name the City as an additional insured.

d. *Interruption of Business Insurance.* Lessee shall, at its sole cost and expense, maintain business interruption insurance by which the minimum monthly rent will be paid to the City for a period of up to one year if the Premises is destroyed or rendered inaccessible by a risk insured against by a policy of standard fire and extended coverage insurance, with vandalism and malicious mischief endorsements.

e. If Lessee maintains broader coverage and/or higher limits than the minimums otherwise required by this Lease, the CITY requires and shall be entitled to the broader coverage and/or the higher limits maintained by Lessee.

14.2 Each insurance policy required by this Lease must be acceptable to the City Attorney and shall meet the following requirements:

a. *Acceptability of Insurers.* Insurance coverage must be provided by an insurer authorized to conduct business in the state of California with a current A.M. Best's rating of no less than A-: FSC VII , or as approved by the City.

b. *Additional Insured Status.* Lessee's Commercial General Liability policy must name the City (including its officials, officers, agents, employees, and volunteers) specifically as an additional insured under the policy on a separate endorsement page. The Commercial General Liability additional insured endorsement shall be at least as broad as ISO Form CG 20 10 11 85, or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38, and CG 20 37 if a later edition is used.

c. *Primary Coverage.* Lessee's insurance coverage shall be primary coverage at least as broad as ISO CG 20 01 04 13 with respect to the City, its officials, officers, agents, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officials, officers, agents, employees, or volunteers shall be in excess of Lessee's insurance and shall not contribute with it.

d. *Notice of Cancellation.* Each insurance policy shall provide that coverage shall not be canceled, except with prior written notice to the City.

e. *Waiver of Subrogation.* Lessee hereby grants to the City a waiver of any right to subrogation that any insurer of Lessee may acquire against the City by virtue of the payment of any loss under such insurance. Lessee agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this subsection shall apply regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer. Any Workers' Compensation policy required by

this Lease shall be endorsed with a waiver of subrogation in favor of the city for all work performed by Lessee, its agents, representatives, employees and volunteers.

f. *Self-Insurance.* Lessee may, with the City's prior written consent, fulfill some or all of the insurance requirements contained in this Lease under a plan of self-insurance. Lessee shall only be permitted to utilize such self-insurance if, in the opinion of the City, Lessee's (i) net worth and (ii) reserves for payment of claims of liability against Lessee are sufficient to adequately compensate for the lack of other insurance coverage required by this Lease. Lessee's utilization of self-insurance shall not in any way limit the liabilities assumed by Lessee pursuant to this Lease.

g. *Self-Insured Retentions.* Self-insured retentions must be declared to and approved by the City.

14.3 *Verification of Coverage.* At the time Lessee executes this Lease, Lessee shall provide the City with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting the insurance coverage required by this Lease), which shall meet all requirements under this Lease. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by this Lease, at any time.

14.4 *Special Risks or Circumstances.* The City reserves the right, at any point during the term of this Lease, to modify the insurance requirements in this Lease, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

14.5 *No Limitation of Obligations.* The insurance requirements within this Lease, including the types and limits of insurance coverage Lessee must maintain, and any approval of such insurance by the City, are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by Lessee pursuant to this Lease, including but not limited to any provisions within this Lease concerning indemnification.

14.6 Failure to comply with any of the insurance requirements in this Lease, including but not limited to a lapse in any required insurance coverage during the term of this Lease, shall be a material breach of this Lease. In the event that Lessee fails to comply with any such insurance requirements in this Lease, in addition to any other remedies the City may have, the City may, at its sole option, (i) immediately terminate this Lease; or (ii) order Lessee to immediately vacate the Premises until Lessee demonstrates compliance with the insurance requirements in this Lease.

15. **Memorandum of Lease Agreement.** Promptly upon execution of this Lease, the Parties shall execute a Memorandum of Lease Agreement ("Memorandum"), in a form and content substantially similar to that contained in Exhibit B of this Lease. The Memorandum shall be filed with the San Diego County Recorder's Office and recorded in the Official Records of San Diego County, as required by Government Code section 37393. Lessee shall pay for all recording costs and fees as determined by the San Diego County Recorder's Office.

16. **Information Systems.**

16.1 City has connected the leased premises to the City's telephone and computer network at City's cost and provides technical support on equipment meeting City hardware standards. Lessee will pay for network and system administration for thirty-three users that are provided by the City, estimated to be \$738.68 per month. Any additional users must be preapproved by the City's



Director of Information Systems and shall be charged to Lessee at cost. All hardware installed for Lessee's benefit under this lease (switch, rack, phones) shall be the property of the City and will remain with the property upon lease termination. Lessee will provide its own computer equipment and will be responsible for the annual Microsoft Licensing fee, as well as costs attributed to network services and any costs for additional computers, as pre-approved by the City's Director of Information Systems and as set forth in the Microsoft Enterprise contract that is current at the time of the upgrade. Any equipment that is on the City's network must be maintained to the City's hardware standards. Any equipment falling below this standard shall be upgraded or replaced at the sole cost of Lessee or otherwise will be eliminated from the City's network and will no longer be maintained by City staff.

16.2 Lessee's staff will be included on the City's e-mail system. All Lessee volunteers and employees must adhere to the City's computer use policy. Equipment not on the City's network will be the sole and exclusive responsibility of Lessee. City e-mail support will be provided during the first three years of the Term and will terminate thereafter.

16.3 Voice Over Internet Phones (VOIP) will be provided to Lessee for 33 users. Lessee will pay the monthly telephone fees of \$316.67 per month. Any additional required phones will trigger an increase to the monthly fee.

16.4 City has provided a Kyocera copy machine for Lessee's use. The copier will be serviced and maintained by the City, however Lessee will provide the paper and Lessee will be charged for duplicating costs, estimated to be \$221.00 per month, based on 45,000 copies per year. The charge for duplicating costs will be separate and apart from the monthly rent payment described above in Section 3.2. City technical support will be provided during the first year of the Term and will terminate thereafter.

## 17. Miscellaneous.

17.1 *Provisions Cumulative.* All provisions contained herein are cumulative and in addition to and not in limitation of any other rights or remedies available to the City.

17.2 *Merger Clause.* This Lease and its attachments, if any, constitute the entire understanding of the Parties, and there are no other terms or conditions, written or oral, controlling this matter. In the event of any conflict between the provisions of this Lease and any attachments, the provisions of this Lease shall prevail.

17.3 *Anti-Waiver Clause.* None of the provisions contained herein shall be waived because of the City's previous failure to insist upon strict performance, nor shall any provision be waived because the City has waived any other provision, in whole or in part.

17.4 *Severability.* This Lease shall be performed and shall be enforceable to the full extent allowed by applicable law, and the illegality, invalidity, waiver, or unenforceability of any provision of this Lease shall not affect the legality, validity, applicability, or enforceability of the remaining provisions of this Lease.

17.5 *Choice of Law.* This Lease shall be governed by the laws of the State of California. Venue for any action arising from this Lease, including but not limited to matters concerning validity, construction, performance, or enforcement shall be exclusively in the state or federal courts located in San Diego County, California.

17.6 *Entire Lease.* This Lease, together with its attachments or other documents, if any, described or incorporated herein, contains the entire Lease and understanding concerning the subject

of this Lease and supersedes and replaces all prior negotiations, understandings, or proposed agreements, written or oral, except as otherwise provided herein. Each of the Parties hereto acknowledges that no other Party, nor the agents nor the attorneys for any Party, has made any promise, representation, or warranty whatsoever, express or implied, not contained herein, to induce the execution of this Lease and acknowledges that this Lease has not been executed in reliance upon any promise, representation, or warranty not contained herein. This Lease shall supersede any leases or rental agreements heretofore made or issued for the Premises between the City and Lessee.

17.7 *Amendment.* This Lease may not be amended except in a writing signed by all of the Parties hereto, and then only in the specific instance and for the specific purpose given.

17.8 *Independent Investigation.* The Parties acknowledge that they have conducted an independent investigation of the facts concerning the subject matter of this Lease. The Parties agree that the factual recitals are correct and expressly assume the risk that the true facts concerning the foregoing may differ from those currently understood by them.

17.9 *Advice of Counsel.* The Parties hereby acknowledge that they have executed this Lease after having the opportunity to consult with, and receive the advice of, their own counsel.

17.10 *Capacity.* Each individual signing this Lease represents and warrants that he or she has been authorized to do so by proper action of the Party on whose behalf he or she has signed.

17.11 *Attorney's Fees.* In any action to enforce the terms of this Lease, the Parties agree that the prevailing party shall be entitled to its reasonable attorney's fees and all costs, fees, and expenses, including the fees of expert witnesses and consultants, whether or not such costs, fees, and expenses are recoverable or allowed as costs under California Code of Civil Procedure section 1033.5. In addition to the foregoing award of attorney's fees and costs, the prevailing party shall be entitled to its attorney's fees and costs incurred in any post-judgment proceedings to collect or enforce any judgment. This provision is separate and shall survive the merger of this provision into any judgment on this Lease.

17.12 *Counterparts.* This Lease may be executed on separate counterparts, each of which shall be an original and all of which taken together shall constitute one and the same instrument. Delivery of an executed signature page of this Lease by electronic means, including an attachment to an email, shall be effective as delivery of an executed original.

17.13 *Compliance with Federal, State, and Local Laws.* Lessee acknowledges, understands, and agrees that it is the duty of Lessee, while operating under this Lease, to comply with all federal, state, and local laws, and to indemnify the City from any violation of any such law. Failure to comply with a provision of federal, state, or local law shall constitute an Event of Default and is grounds for the City's immediate termination of this Lease.

17.14 *Non-Discrimination.* Lessee understands, acknowledges, and agrees that this Lease is made and accepted upon and subject to the condition that there shall be no discrimination against any person or group of persons on account of race, color, religion, sex, sexual orientation, gender identity or expression, national origin, age, disability, or an individual's status in any group or class protected by applicable federal, state, or local laws, in the use, occupancy, tenure, or enjoyment of the Premises. Lessee shall not establish or permit any such practice of discrimination with reference to the treatment, selection, location, number, or occupancy of customers, tenants, or vendees on the Premises.

17.15 *Hazardous Materials or Contaminated Soil.* Lessee shall not place or permit to be placed any chemical, material, or substance now or hereafter defined as or included in the definition

of hazardous substances, hazardous wastes, hazardous materials, extremely hazardous waste, restricted hazardous waste, toxic substances, pollutant or contaminant, imminently hazardous chemical substance or mixture, hazardous air pollutant, toxic pollutant, or words of similar import under any local, state, or federal law or under the regulations adopted or publications promulgated pursuant thereto applicable to the Premises, including without limitation the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601 et seq. (CERCLA); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. § 1801 et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq.; and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq. (RCRA), that requires special handling in collection, storage, treatment, and/or disposal (“Hazardous Materials”). Lessee also hereby covenants and agrees that if at any time it is determined there are Hazardous Materials or contaminated soils located on the Premises, Lessee shall immediately notify the City. Within 30 days of notice to the City, Lessee shall commence all necessary action, at Lessee's sole cost and expense, to ensure the Hazardous Materials or contaminated soil are removed from the Premises and shall otherwise ensure swift compliance with all applicable federal, state, and local laws and other environmental requirements.

17.16 *Special Provisions.* Lessee hereby acknowledges that Lessee waives all rights to any form of relocation assistance provided for by local, state, or federal law to which Lessee may be entitled by reason of this Lease.

17.17 *Effective Date.* Unless a different date is provided in this Lease, the effective date of this Lease shall be the latest date of execution set forth by the names of the signatories below.

17.18 *Audited annual Financial Report.* Pursuant to Section 5 of the MOU, Lessee will provide to the City an audited annual Financial Report, including a Profit/Loss Statement, current Business License, proof of 501(c)(3) standing, and proof of insurance. Such reports will be provided to the City within 90 days of the completion of Lessee’s fiscal year. The City shall have 30 days after receipt of the Financial Report to either request additional information or deem the Financial Report complete.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, the Parties below are authorized to act on behalf of their organizations, and have executed this Lease as of the Effective Date.

CITY OF ESCONDIDO

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

\_\_\_\_\_  
Dane White, Mayor

THE ESCONDIDO EDUCATION COMPACT

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

\_\_\_\_\_  
Johnnie Landreth, Board Chairperson

(ABOVE SIGNATURES MUST BE NOTARIZED; ACKNOWLEDGMENT PAGES FOLLOW)

APPROVED AS TO FORM:  
OFFICE OF THE CITY ATTORNEY  
MICHAEL R. MCGUINNESS, City Attorney

BY: \_\_\_\_\_

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA ]

COUNTY OF \_\_\_\_\_ ]

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, 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.

Signature: \_\_\_\_\_ (Seal)

**City of Escondido**

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA ]

COUNTY OF \_\_\_\_\_ ]

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, 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.

Signature: \_\_\_\_\_ (Seal)

**Lessee**

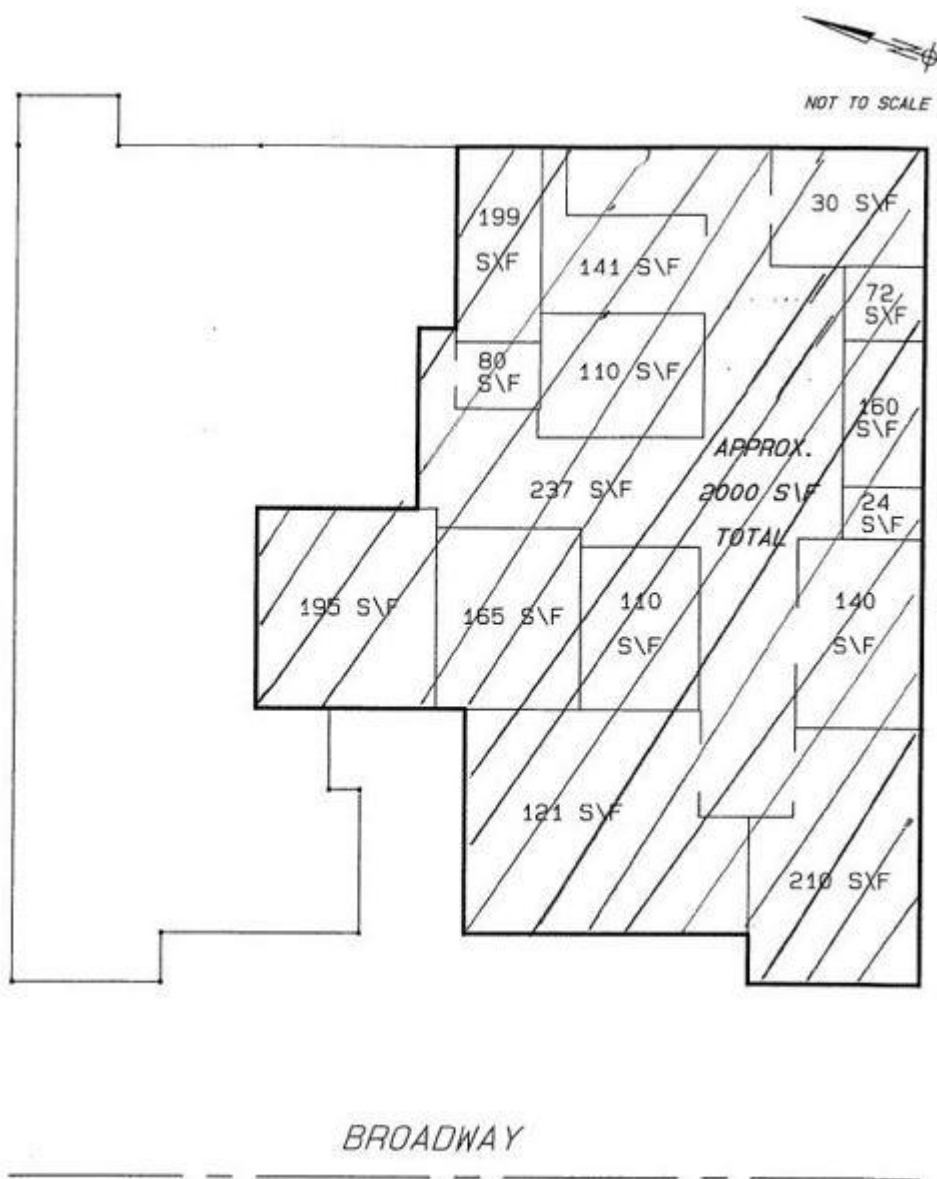
**Exhibit A**

**Legal Description of Premises**

That certain real property in the County of San Diego, State of California, described as follows:

Lots "C", "D" and "E" of Williams Subdivision of Lots 15 and 16, in Block 83 of the City of Escondido, County of San Diego, State of California, according to the Map thereof No. 1289, filed in the Office of the County Recorder of San Diego County, September 27, 1910.

**Depiction of Premises**



**Exhibit B**

**Memorandum of Lease Agreement**



**EXEMPT FROM FEES** pursuant to  
Gov't Code §§ 6103, 27383, and 27388.1  
(filing requested/executed by municipality)

RECORDING REQUESTED BY, AND  
WHEN RECORDED RETURN TO:

Attn: Director of Economic Development  
City of Escondido  
201 North Broadway  
Escondido, California 92025-2798

*This Space for Recorder's Use Only*

APN [232-091-28-00]  
Escondido Document No. [M-18-23-]

**MEMORANDUM OF LEASE AGREEMENT**

This Memorandum of Lease Agreement (“Memorandum”) is dated \_\_\_\_\_, 20\_\_\_\_, and is made between the City of Escondido, a California municipal corporation (the “City”) and The Escondido Education COMPACT, a California nonprofit public benefit corporation] (“Lessee”), concerning the City’s real property located at 220 S. Broadway, Escondido, CA 92025], and having assessor’s parcel number (APN) 2330910200, as more particularly described in Exhibit A of this Memorandum, which is attached hereto and incorporated herein by this reference (“Premises”). (The City and Lessee each may be referred to herein as a “Party” and collectively as the “Parties.”)

For good and valuable consideration, the City has leased the Premises to Lessee subject to the terms and conditions contained within that certain Lease Agreement executed by the Parties dated December 13, 2023 and incorporated herein by this reference (“Lease”), including without limitation provisions prohibiting assignment, subleasing, and encumbering any interest in the Lease without the prior written consent of the City, all as more specifically set forth in the Lease.

The term of the Lease is for 59 months, commencing on January 2, 2024 (“Effective Date”) and ending on November 6, 2029.

In the event that the Lease has been terminated, the City shall have the unilateral right to record a Termination of this Memorandum which shall have the effect of terminating this Memorandum when recorded in the public record.

This Memorandum is not a complete summary of the Lease. Provisions in this Memorandum shall not be used in interpreting the Lease’s provisions, and in the event of conflict between this Memorandum and the Lease, the Lease shall control.

This Memorandum may be executed on separate counterparts, each of which shall be an original and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties below are authorized to act on behalf of their organizations,

CAO: 12/07/2022

and have executed this Memorandum as of the Effective Date.

CITY OF ESCONDIDO

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

\_\_\_\_\_  
Dane White, Mayor

THE ESCONDIDO EDUCATION COMPACT

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

\_\_\_\_\_  
Patricia Huerta, Executive Director

(ABOVE SIGNATURES MUST BE NOTARIZED; ACKNOWLEDGMENT PAGES FOLLOW)

APPROVED AS TO FORM:  
OFFICE OF THE CITY ATTORNEY  
MICHAEL R. MCGUINNESS, City Attorney

BY: \_\_\_\_\_

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA ]

COUNTY OF \_\_\_\_\_ ]

On \_\_\_\_\_, before me,

\_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, 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.

Signature: \_\_\_\_\_ (Seal)

**City of Escondido**

CAO: 12/07/2022

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA ]

COUNTY OF \_\_\_\_\_ ]

On \_\_\_\_\_, before me,

\_\_\_\_\_, a Notary Public, personally appeared

\_\_\_\_\_, 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

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and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of

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WITNESS my hand and official seal.

Signature: \_\_\_\_\_ (Seal)

**The Escondido Education COMPACT**

**Exhibit A**

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**Legal Description of Premises**

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