

**FACILITY LEASE  
BETWEEN TRUSTEES AND  
SUPPORT SERVICES ORGANIZATION**

Pursuant to Section 89046 of the Education Code and Section 42601 of Title 5, California Code of Regulations, the Trustees of The California State University, by their duly qualified and acting officer, hereinafter called Trustees, hereby lease to Associated Students of San Francisco State University, hereinafter called Lessee, and Lessee hires from Trustees those certain premises described as follows:

The facility known as the Associated Students Early Childhood Education Center consisting of the building and adjacent grounds as more specifically described in Exhibit A hereto.

Subject to:

- I. The use of the property for civil defense purposes or in the event of a State or national emergency.
2. Unanticipated need of Trustees to meet the demands of the educational objectives of the University. The right to the use of any property included in this lease shall cease upon written notice by the President of the campus to Lessee that the property is needed for the exclusive use of Trustees.
3. Its primary activity generally can be classified as "Early Childhood Education Center serving San Francisco State University students, faculty and staff and community."

In carrying out this activity, the Auxiliary engages in the following functions authorized by Section 42500, Title 5, CCR, which are activities essential and integral to the educational mission of the University:

1. Early childhood education center serving San Francisco State University students, faculty and staff and community
2. Operation and maintenance of childcare facility in accordance with CSU, municipal, and state regulatory law.

I. **Term of Lease**

The lease is for the term beginning on the 1st day of August 2022, and ending on the 30<sup>th</sup> day of July 2027, unless sooner terminated as herein provided.

**II. Use of Premises**

Lessee shall operate the Premises solely as an early childhood education center serving San Francisco State University students, faculty, staff and community.

**III. Campus Oversight and Operational Review**

The responsibility and authority, outlined herein, of the campus president regarding auxiliary organizations is outlined in Title 5 Section 42402, which in part requires that auxiliary organizations operate in conformity with policy of the Board of Trustees and the campus.

**IV. Conformance with State Law**

During the term of this lease, Lessee shall operate the described premises in conformance with all applicable policies of Trustees and of the campus which are currently in effect or which may be adopted hereafter. Further, Lessee agrees to operate as an Auxiliary Organization in good standing.

Violation of this section shall subject Lessee to termination of this lease unless the violation is corrected within 30 days of written notice from the Trustees.

**V. Buildings, Signs, Fixtures, and Equipment**

During the term of the lease, Lessee shall have the right to erect, place, and attach additional buildings, fixtures, signs, and equipment. Plans and working drawings for buildings to be placed upon the leased land shall have prior approval of the President. The number, size, and location of signs is subject to prior written approval of the campus President. Fixtures, signs, and equipment so erected, placed, or attached by Lessee after the commencement of this Lease shall become the property of the Trustees and may be removed there from by Lessee upon the termination of this lease only with the prior agreement of the Trustees.

**VI. Alterations**

The leased premises shall not be altered or changed in any manner or respect without the written consent of the campus President or his designee, and changes that may be authorized shall be made under the direction of the President or his designee and at the expense of Lessee. Permanent alterations shall have prior approval of Trustees.

**VII. Right of Entry**

It is understood and agreed that at any time Trustees and its agents shall have the right to enter the leased premises or any part thereof for the purpose of examination or supervision.

### **VIII. Charges for Services Provided by the State**

Based on a fair exchange of value concept the ECEC programs utilizing the ECEC building are deemed to be offsetting to any requirement of rental expense. This fair exchange of value determination excludes any expense related to the care and maintenance, insurance and or other non-lease related items. This fair exchange of value is to be reviewed on an as needed basis.

### **IX Care, Maintenance, and Repair**

Care, maintenance, and repair of the leased property shall be provided as follows.

- I. Care and Maintenance: Lessee agrees to keep and maintain the leased property in a clean and orderly condition and shall at its own expense, at reasonably frequent intervals, and in a lawful manner dispose of all waste from the leased property.
2. Repairs: Lessee agrees to keep the leased premises in good repair, and shall be responsible for the repair at its sole cost of any damage to the Premises caused by its agents or invitees hereunder. Such repairs shall be performed in a timely manner and commensurate with the standards of maintenance performed by the Lessee.
3. Repair and Replacement Fund: Lessee shall maintain a Repair and Replacement Fund sufficient to cover the cost of routine and extraordinary maintenance items as well as replacement of major building systems and/or to partially defray the cost of building replacement.

### **X. Insurance**

- A. Lessee shall maintain in force during the term of this Agreement and all extensions thereof liability insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Lessee, its agents, representatives, employees or subcontractors.
- B. Minimum Scope of Insurance  
Coverage shall be at least as broad as:
  1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
  2. Insurance Services Office Business Auto Coverage form number CA 0001, code

1 (any auto).

3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
4. "All Risk" Property Insurance with applicable limits for all property that the Lessor has an insurable interest in.

C. Minimum Limits of Insurance

Lessee shall maintain limits no less than:

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
4. Property Insurance: Full replacement of insured property.

D. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the Trustees. At the option of the Trustees, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Trustees, its trustees, officers, employees and volunteers; or the Lessee shall provide a financial guarantee satisfactory to the Trustees guaranteeing payment of losses and related investigations, claim administration and defense expenses.

E. Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The California State University, San Francisco State University, their trustees, officers, employees, and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Lessee; and with respect to liability arising out of work or operations performed by or on behalf of the Lessee including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Lessee's insurance, or as a separate owner's policy.
2. For any claims related to this project, the Lessee's insurance coverage shall be

primary insurance as respects The California State University, San Francisco State University, their trustees, officers, employees, and volunteers. Any insurance or self insurance maintained by the Campus, its trustees, officers, employees, or volunteers shall be excess of the Lessee's insurance and shall not contribute with it.

3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Trustees.

F. Acceptability of Insurers

Insurance is to be placed with insurers with a current AM. Best's rating of no less than A:VII.

G. Verification of Coverage

Lessee shall furnish the Trustees with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by the Trustees or on other than the Trustees' forms, provided those endorsements or policies conform to the requirements. All certificates and endorsements are to be received and approved by the Trustees before work commences. The Trustees reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

H. Subcontractors

Lessee shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

## **XI. Indemnification**

Lessee agrees to indemnify, defend, and save harmless the Trustees and the State of California and their officers, agents, and employees from any and all loss, damage, or liability that may be suffered or incurred which arises out of or is in any way connected with the use of the leased premises herein described by Lessee.

## **XII. Termination**

This lease may be terminated upon any of the following occurrences:

1. Expiration of the lease term set forth in Section II.
2. Violation of Section IV or any other substantial provision of this lease.

3. Administrative necessity as set forth in Section I.
4. Cessation of operations of Lessee.

### **XIII. Holding Over**

Should Lessee hold over after the expiration of the term hereof with the express or implied consent of Trustees, such holding over shall be on a month-to-month basis subject to the terms and conditions of this lease.

### **XIV. Restoration of Premises**

Upon termination of this lease, Trustees shall not have the option to require Lessee, at its own expense and risk, to restore the demised premises to the condition existing prior to the execution of the lease.

### **XV. Mortgages**

Lessee shall not have the right to subject this lease to any mortgage, trust deed, or other security device without the written consent of Trustees.

### **XVI. Amendments**

This lease may not be amended, changed, modified, or altered without the written consent of Trustees.

### **XVII. Assignment or Sublease**

This lease is not assignable by Lessee either in whole or in part, nor shall Lessee sublet the lease premises or any part thereof without written permission of Trustees.

### **XVIII. Notices**

All notice herein required to be given, or which may be given by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid and addressed as herein provided.

Notice to Lessee shall be addressed as follows:

Associated Students of San Francisco State University Attn:  
A. Pierre Sherrill II  
Executive Director  
1600 Holloway Ave.

San Francisco, CA 94132 With

a copy to:


San Francisco State University  
Auxiliary Business Systems Attn:  
Tammie Ridgell, Director 1600  
Holloway Ave.  
San Francisco, CA 94132

Notice to Trustees shall be addressed to:

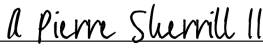
San Francisco State University  
Attn: Steven Chang, Interim Director of Procurement  
1600 Holloway Ave., Corp Yard 140  
San Francisco, CA 94132

IN WITNESS WHEREOF, this lease/agreement has been executed in quadruplicate by the parties hereto as of the date first above written.

Executed on 10/24/2022 | 3:45 PM PDT  
, 2022.

DocuSigned by:  
  
A5731B9C23514E6...

Executed on 10/24/2022 | 3:51 PM PDT  
, 2022.

DocuSigned by:  
  
6A37318A45E141E...

