

**LEASE AGREEMENT BY AND BETWEEN THE CITY OF SANTA ANA AND  
WALSH CONSTRUCTION COMPANY, II, LLC FOR USE OF THE SANTA ANA  
REGIONAL TRANSPORTATION CENTER FACILITIES**

THIS LEASE (the "Lease") is made as of July 16, 2024, by and between the City of Santa Ana, a charter city and municipal corporation organized and existing under the Constitution and laws of the State of California ("City" or "Landlord"), and Walsh Construction Company II, LLC ("Tenant").

1. EXHIBITS: The following exhibits are attached hereto and incorporated herein by reference:

Exhibit "A" The Premises

Exhibit "B" Additional Lease Conditions

2. PREMISES: Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, upon the terms, covenants and subject to the conditions set forth herein, a portion of the property located at 1000 East Santa Ana Boulevard in the City of Santa Ana, commonly known as the Santa Ana Regional Transportation Center (SARTC). Specifically, Tenant will be leasing the portion identified as **Suite 200**, consisting of approximately 4,429 square feet of interior office space (hereinafter referred to as the "PREMISES"). Tenant shall be solely responsible at its own expense for all improvements made to the Premises and obtain all necessary permits. The Premises are more particularly described in **Exhibit A**.

3. COMMENCEMENT OF TERM: The term of this Lease (the "Term") shall commence on July 16, 2024 (the "Commencement Date") and expire on July 15, 2024, unless sooner terminated or extended, as provided herein.

Landlord shall have the right, but not the obligation, to provide Tenant the option to extend the Term for one (1) year period on the same terms and conditions as set forth in this Lease. The one (1) year extension option shall be agreed to in writing by the Landlord and Tenant prior to the expiration of the Term. Landlord may, upon 30 days' written notice to Landlord, terminate the one-year lease extension.

4. ADDITIONAL LEASE CONDITIONS: Tenant acknowledges that this lease is subject to compliance with the additional lease conditions attached hereto as **Exhibit B**. These additional lease conditions are a material part of this lease agreement and any default of these conditions will be deemed a major breach and will subject this lease to termination per the terms identified herein.

5. RENT: Upon the Commencement Date, Tenant shall pay to Landlord, as rent ("Rent") the monthly sum of Eleven Thousand and Seventy-Three Dollars (\$11,627.00) in advance, on the 1st day of each calendar month and continuing through the life of the Term. Any partial month shall be prorated at \$388 per day. All payments of Rent and other sums due to Landlord hereunder shall be made payable to "The City of Santa Ana" and remitted to: City of Santa Ana M-13, 20 Civic Center Plaza, PO Box 1988, Santa Ana, CA 92702. A LATE CHARGE OF TEN

Tenant's duty to keep the Premises free and clear of all liens, claims, and demands for work performed, materials furnished, or operations conducted on the Premises at the request of Tenant. On surrendering possession of the Premises to Landlord at the expiration or sooner termination of this Lease or any Extension Period, Tenant shall be required to return the premises in the same condition upon commencement of lease except for normal wear and tear.

Tenant may paint the interior of the Premises and may also paint, erect or authorize the installation of "temporary signs" in accordance with a signage plan that is pre-approved by the Landlord. Landlord shall not install or maintain, or permit anyone other than Tenant to install or maintain, any signs on any part of the Premises or within the air space above the Premises during the Term or any Extension Period of this Lease.

11. MAINTENANCE: Landlord shall provide at its own cost and expense janitorial services for the Premises. Janitorial supplies and services shall be provided on a five-day-per-week basis in accordance with Exhibit C (Janitorial Specifications).

12. COMPLIANCE WITH LAWS: Tenant shall make and pay for nonstructural improvements and alterations to comply with all applicable laws, rules, regulations and ordinances of any and all applicable governmental entities (the "Governmental Laws") applying to the physical condition of the Premises and the building located thereon and arising solely from Tenant's conduct of business. TENANT ACKNOWLEDGES THAT THE PREMISES HAS NOT UNDERGONE AN INSPECTION BY A CERTIFIED ACCESS SPECIALIST (CASP).

13. UTILITIES: Landlord agrees to pay for all utilities furnished to the Premises and which are consumed by Tenant, during the Term and any Extension Period, including charges or assessments for water, sewer, gas, heat, electricity, garbage disposal and trash disposal.

14. ESTOPPEL CERTIFICATES: Landlord and Tenant shall, from time to time upon thirty (30) days' request by the other (but not to exceed more than three (3) times in any given calendar year), execute, acknowledge and deliver a statement, dated currently, certifying that this Lease is unmodified and in full, force and effect (or, if there have been modifications, that this Lease is in full effect as modified, and identifying such modifications) and the dates to which the Rent have been paid, and that no default exists in the observance of this Lease and no event of default has occurred and is continuing, or specifying each such default or event of default of which Landlord or Tenant may have knowledge, it being intended that any such statement may be relied upon by Landlord's or Tenant's Mortgagees, any prospective purchaser of the interest of Landlord or Tenant in their respective premises described herein.

15. INDEMNITY: Tenant shall indemnify, defend, and hold harmless City, and its respective agents, representatives, employees, subsidiaries and affiliates ("Covered Parties") from and against any and all actions, suits, claims, demands, judgments, losses, expenses, or liabilities, injuries and damages to persons and property, including death, arising out of or related to Tenant's use of the Premises, the entry by any Tenant Party on the License Area or

## **Other Insurance Provisions:**

The above required insurance policies are to contain or be endorsed to contain the following provisions:

1. City of Santa Ana, its City Council, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds, under Tenant's CGL and Automobile Liability policies, with respect to liability arising out of work or operations performed by or on behalf of the Instructor including materials, parts, equipment, and personnel furnished in connection with such work or operations.
2. Tenant's Insurance companies agrees to waive all rights of subrogation against City of Santa Ana, its City Council, its officers, officials, employees, agents, and volunteers for losses paid under the terms of any policy which arise from work performed by Tenant under this Agreement.
3. For any claims related to this contract, Tenant's insurance coverage shall be primary and any insurance maintained by City of Santa Ana, its City Council, its officers, officials, employees, agents, or volunteers shall not contribute with it.
4. A severability of interest provision must apply for all the additional insureds, ensuring that Tenant's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the insurer's limits of liability.
5. Insurance policies required herein shall provide that coverage shall not be canceled, suspended, voided, reduced in coverage or in limits, non-renewed by the carrier, or materially changed except after thirty (30) days prior written notice has been given to City. Ten (10) days prior written shall be provided to City for policy cancellation or non-renewal due to non-payment.
6. Certificate Holder on each Evidence of Insurance certificate shall be: City of Santa Ana, Attention: (Nabil Saba P.E.), 20 Civic Center Plaza M-21), Santa Ana, CA 92701.

### **Acceptability of Insurers**

Insurance is to be placed with insurers authorized to conduct business in the state of California with a current A.M. Best rating of no less than A: VII. The current A.M. Best rating for each insurer shall be noted on the Certificate(s) of Insurance.

### **Self-Insured Retentions**

Self-insured retentions must be declared to and approved by City. The City may require Tenant to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

### **Verification of Coverage**

Tenant shall furnish City with original Certificate(s) of Insurance and all required amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements before occupying the premises. A statement on a Certificate(s) of Insurance will not be accepted in lieu of the actual endorsements required herein. All Certificates of Insurance and endorsements are to be received and approved by City before Tenant is to occupy the premises. Failure to obtain the required documents prior to the work beginning shall not waive Tenant's obligation to provide them. City

18. EMINENT DOMAIN: (a) If (i) all or part of the Premises, the building located thereon, or (ii) so much of any rights in the Premises or the building located thereon shall be taken or appropriated under any right of eminent domain or under any other legal right whereby the taking authority is obligated to compensate Landlord therefor so that there does not remain premises suitable in the sole opinion of Tenant for the operation of its business, then Tenant may terminate and cancel this Lease without owing any liability to Landlord as of the date on which the condemning authority takes physical possession upon giving to Landlord written notice of such election. Landlord agrees immediately within ten (10) days after any notice of intended or actual taking or appropriation to give Tenant written notice thereof, providing to Tenant full details of such taking or appropriation, including, without limitation copies of all condemnation plans or surveys submitted by the condemning authority, a statement of the nature of the project to be conducted by the condemning authority, and such other information as might be necessary to enable Tenant to determine its future course of conduct. **TENANT ACKNOWLEDGES THAT LANDLORD'S EXERCISE OF ITS RIGHT TO TERMINATE THIS LEASE UNDER ANY THIS PARAGRAPH SHALL NOT ENTITLE TENANT TO ANY RIGHTS OR CLAIMS FOR RELOCATION BENEFITS OR ANY OTHER CLAIMS RELATED TO CONDEMNATION OR INVERSE CONDEMNATION.**

(b) If this Lease shall be terminated and canceled as a result of any taking or appropriation, Tenant shall be released from any further liability and Rent and other sums for the last month of Tenant's occupancy shall be prorated and Landlord shall immediately refund to Tenant any sums paid in advance.

(c) Tenant reserves unto itself the right to prosecute Tenant's claim for an award for damages for the termination of this Lease caused by such appropriation or taking, together with damages based on the value of Tenant's improvements and Tenant's fixtures and other personal property erected or installed on the Premises and damages Tenant may sustain to the interest in the business operated by Tenant on the Premises, including, but not limited to, goodwill, patronage, and the removal, relocation, and replacement costs and expenses caused by such appropriation or taking, and Tenant may file such claims as are permitted by law for the loss of its leasehold interest, business dislocation damages, moving expense, or other damages caused by such taking or appropriation. Tenant's right to receive compensation or damages for its fixtures or its personal property shall not be affected in any manner by this Lease.

19. LIENS: Tenant shall promptly remove and discharge, at its cost and expense, all mechanic's liens, or other liens, for labor performed or materials furnished with respect to the Premises by or for Tenant.

20. PARKING AREA: Tenant acknowledges that Landlord has entered into an agreement with the Orange County Transportation Authority for the construction of the OC Streetcar at SARTC, which is under construction. Such construction may affect the number of parking spaces available at any one time, though it is not possible to determine the precise effect at the time of this Lease. Surface Parking Lots 1 and 2 allow up to 72-hour parking. Landlord will provide parking passes to identify all Tenant vehicles parked at SARTC at no cost to Tenant. If

AND

Clerk of Council  
City of Santa Ana  
20 Civic Center Plaza (M29)  
Santa Ana, California 92701

A party may change its address by giving notice in writing to the other party at least 15 days prior to the effective change. Thereafter, any communication shall be addressed and transmitted to the new address. If sent by mail, communication shall be effective or deemed to have been given three (3) days after it has been deposited in the United States mail, duly registered or certified, with postage prepaid, and addressed as set forth above. For purposes of calculating these time frames, weekends, federal, state, County or City holidays shall be excluded.

24. USE: For the purposes of this Lease, Tenant's intended use of the Premises is strictly for office space. No other use of the Premises shall be permitted without written consent of Landlord.

25. GENERAL PROVISIONS:

(a) This Lease (and the documents referred to herein) constitutes the entire agreement between the parties pertaining **to the lease of Suite 220** contained herein and supersedes any and all prior and contemporaneous agreements, representations and understandings, oral or otherwise, between or among the parties with respect to the matters contained herein.

(b) This Lease shall be binding upon, and inure to the benefit of, the parties hereto and their respective heirs, legatees, distributees, legal representatives, successors and assigns.

(c) This Lease shall not be modified, amended or supplemented, in whole or part, without the prior written consent of all parties hereto. Each and every waiver of any covenant, representation, warranty or any other provision hereof must be in writing and signed by each party whose interests are adversely affected by such waiver. No waiver granted in any one instance shall be construed as a continuing waiver applicable in any other instance.

(d) If any legal action or other proceeding is brought for the enforcement hereof, or because of an alleged dispute, breach, default or misrepresentation in connection with any provisions hereof, the successful or prevailing party or parties shall be entitled to recover attorneys' fees, court costs and all expenses even if not taxable as court costs (including, without limitation, all such fees, costs and expenses incident to appeals), incurred in that action or proceeding, in addition to any other relief to which such party or parties may be entitled.

(e) The parties hereby agree that each party and its attorneys have reviewed and revised this Lease and that the normal rule of construction, to the effect that any ambiguities are resolved against the drafting party, shall not be employed in the interpretation of this Lease and no other rule of strict construction shall be used against any party. All exhibits and schedules attached or to be attached hereto, and all other agreements and instruments referred to herein, are hereby incorporated herein by reference, as fully as if copied herein verbatim.

Lease nor any acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their authorized officers the day, month and year first written above.

**ATTEST:**

**CITY OF SANTA ANA**

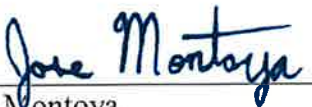
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Jennifer L. Hall  
City Clerk

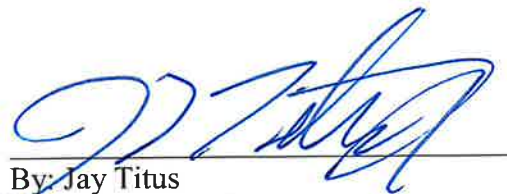
\_\_\_\_\_  
Alvaro Nuñez  
Acting City Manager

**APPROVED AS TO FORM**

Sonia R. Carvalho  
City Attorney

**Walsh Construction Company II, LLC.**

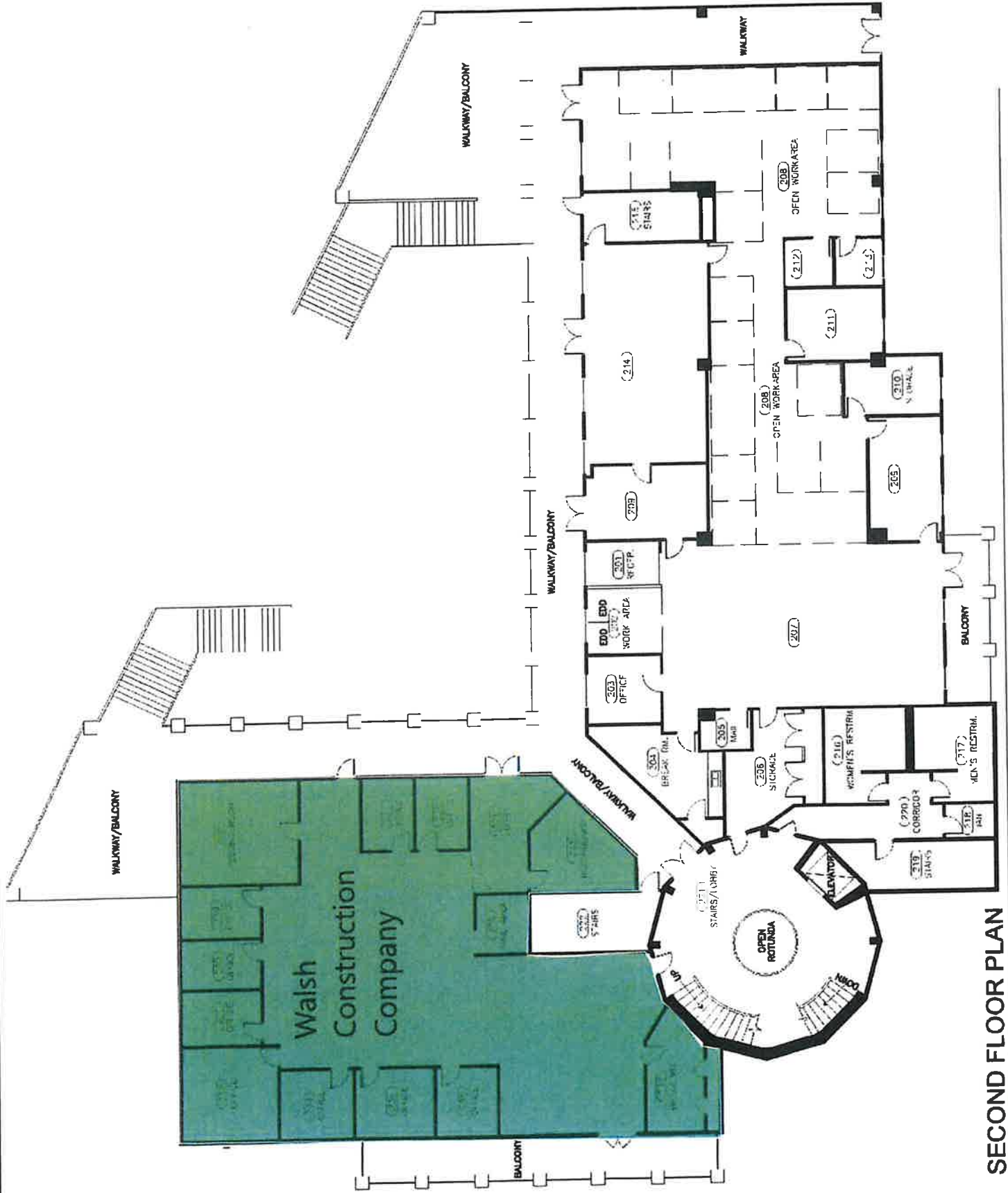
By:   
Jose Montoya  
Assistant City Attorney

  
By: Jay Titus  
Title: Program Manager

**RECOMMENDED FOR APPROVAL**

**Nabil Saba** Digitally signed by Nabil Saba  
Date: 2024.07.02 11:44:08 -07'00'  
\_\_\_\_\_  
Nabil Saba, PE  
Executive Director  
Public Works Agency

Exhibit A



SECOND FLOOR PLAN

SCALE: 1/8"=1'-0"