

## AGREEMENT OF LEASE

**THIS AGREEMENT OF LEASE**, made and entered into this \_\_\_\_ day of July 2023, by and between Kevin Delaney ("Owner"), and the City of Arroyo Grande ("Tenant"), that certain real property in the City of Arroyo Grande, San Luis Obispo County, California, more particularly described in Exhibit "A", a copy of which is attached hereto and incorporated by reference.

**Lease:** Owner hereby leases to Tenant that certain real property in the City of Arroyo Grande, San Luis Obispo County, California, more particularly described in Exhibit "A" a copy of which is attached hereto and made a part hereof by reference.

**Term:** The term of this lease shall be for a period of five (5) years, beginning on the first day of August 2023 and ending on the last day of July 2028.

**Rent:** Rent for the term of the lease is Sixty Dollars (\$60.00) over five years, being the sum of One Dollar (\$1.00) per month, for each and every month of the term hereof, to be paid in advance upon the signing of this lease by the parties hereto.

**Taxes:** Not less than thirty (30) days before delinquency, Tenant shall pay all City and County real property taxes assessed on the leased premises during the term of this lease, or any extension thereof. The taxes shall be prorated as applicable for the taxing fiscal year for any portion of the term. The leased premises are presently assessed on the county tax records as a separate parcel and taxed as a separate parcel. All parties to this agreement mutually agree to use their best efforts to have the County continue to tax the property in the same manner. -

Owners shall cooperate with Tenant in promptly delivering to Tenant all tax bills received covering the leased property.

**Termination Prior to July 31, 2028:** If both Owner and Tenant agree in writing, this lease may be terminated prior to July 31, 2028. Tenant may terminate this lease at any time with 30 days prior notice.

**Hold Harmless and Insurance:** Owner and Tenant each hereby agree to indemnify, defend, save, and hold the other and their respective officers, agents, and employees, free and harmless from and against any claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries arising out of, pertaining to, or in any manner connected with the indemnifying party's performance of this Agreement, or any act or omission of such indemnifying party, performed in connection with this Agreement.

Tenant shall keep said leased property insured for liability under its municipal blanket insurance policy, which policy shall specifically name the parties hereto.

**Notices:** All notices to be given to Owner or to Tenant shall be given by personal delivery, or registered mail (return receipt requested) deposited in the United States post office in the City of Arroyo Grande, postage prepaid. The addresses to be used for the parties to this agreement are:

Tenant: City Of Arroyo Grande  
300 East Branch Street  
Arroyo Grande CA 93420

Owner: Kevin Delaney  
101 E. Branch Street  
Arroyo Grande, CA 93420

Personal delivery to Owner may be made by personal delivery to Kevin Delaney.

Personal delivery to Tenant may be made by personal delivery to the City Manager, or the Director of Legislative and Information Services /City Clerk.

Change of address may be made in writing, delivered to Owner or to Tenant as herein provided.

**Sublease:** Tenant may not assign, transfer in whole or in part, or sublet any portion of the leased premises without the prior written consent of Owner.

**Parking Meters:** No parking meters shall be permitted on the leased premises without the prior written consent of Owner.

**Waste, Alterations, Additions:** Tenant shall not commit or suffer to be committed any waste of the said premises or permit any public or private nuisance. Tenant shall not make or suffer to be made any alterations to the leased premises without the prior written consent of Owner. Any additions or alterations, which may be permitted on the leased premises, shall become a part of said premises. Tenant shall keep all trees, bushes and shrubs on the property trimmed to allow water in adjacent gutters and drains to flow freely as well as to prevent impacts to the building foundation. Tenant shall place the under-sidewalk drain at the southwesterly corner of the leased premises on a regular annual maintenance schedule to be cleaned out not less than three (3) times a year. Tenant shall modify the drain line in the planter area at the southwesterly corner of the leased premises to drain to the center of the planter and shall trim the bottle brush tree located inside the planter so that it does not overhang the drainage facility adjacent to the building. Additionally, Tenant shall keep all trees, bushes and shrubs on the property trimmed to a height not to exceed one (1) foot below the top of the parapet of the portion of the building situated at 101-103 East Branch Street.

**Use of Premises:** The premises are being leased for the sole purpose of use for off street public parking, and Tenant shall not permit the premises to be used for any other purpose without the prior written consent of Owner.

**Repairs and Maintenance:** Tenant shall, at Tenant's sole cost and expense, keep the premises in good condition and repair at all times during the term of this lease.

**OWNER:**

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**KEVIN DELANEY**

**TENANT:**

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**CAREN RAY RUSSOM, MAYOR**

**ATTEST:**

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**JESSICA MATSON, CITY CLERK**

**AS TO CONTENT:**

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**ISAAC ROSEN, CITY ATTORNEY**

**EXHIBIT "A"**

That certain real property in the City of Arroyo Grande, County of San Luis Obispo, State of California, described as follows:

That certain portion of the "Hotel Lot" of the Buena Vista Tract in the City of Arroyo Grande, County of San Luis Obispo, State of California, according to map filed for record October 2, 1885. In Book A, Page 58 of Maps in the Office of the County Recorder of said County beginning at the most southerly corner of said Hotel Lot and running thence north  $57^{\circ} 15'$  east, 97.90 feet along the southeasterly line of said lot to the true point of beginning; thence north  $32^{\circ} 43' 37''$  west, 75 feet; thence south  $57^{\circ} 15'$  west and parallel with the southeasterly line of said lot, 97.90 feet to the southwesterly line of said Hotel Lot; thence south  $32^{\circ} 43' 37''$  east (record south  $32^{\circ} 45'$  east) along the southwesterly line of said lot, a distance of 20 feet; thence north  $57^{\circ} 15'$  east along the line parallel with the southeasterly line of said lot, a distance of 55.90 feet to a point; thence south  $32^{\circ} 43' 37''$  east along a line parallel with a southwesterly line of said lot 55 feet to the southeasterly line of said lot; thence north  $57^{\circ} 15'$  east 42 feet along the southeasterly line of said lot to the true point of beginning.

