

City of Grass Valley 125 East Main Street Grass Valley, CA 95945 Tel: 530-274-4351 Fax: 530-272-1807 www.cityofgrassyalley.com

CITY OF GRASS VALLEY

REQUEST FOR PROPOSALS FOR

Rental and Tenant Improvement of Building at E. Daniels Park

Release Date: September 17, 2024 Submittal Deadline: October 11, 2024, 5:00 PM

Proposals must be received via email at the email address below by the deadline.

klasalle@cityofgrassvalley.com 530-274-4715

REQUEST FOR PROPOSALS

I. INTRODUCTION AND BACKGROUND

The City of Grass Valley is in the central/western portion of Nevada County, California, approximately 30 miles east of Marysville and about 20 miles north of Auburn. Grass Valley is a historic gold mining town which incorporated as a Charter City in 1893. As western Nevada County's economic hub, the City provides a full range of services.

The City of Grass Valley (City) is seeking proposals from qualified individuals or entities for the rental and subsequent tenant improvement of a building located at E. Daniels Park. The selected tenant will be required to undertake necessary renovations and improvements to the building to meet their operational needs as well as separate the City use space from the lease space. This RFP includes a complete description of the scope of work anticipated, proposal requirements, instructions, and selection criteria.

E. Daniels Park is a well-positioned .15 acre park located on Neal St in Grass Valley's Historic Downtown. Located at the park entrance is a 620 square foot building that includes 2 public restrooms, a storage area, and an office space with significant potential for commercial or community use. To ensure the space meets the needs of the tenant, specific improvements are required.

II. SCOPE OF WORK

A. Rental of Building

- 1. Location: E. Daniels Park, 125 Neal St, Grass Valley, CA 95945.
- 2. Building Size: 620 square foot building with 292 square foot office space for lease.
- 3. Lease Term: 5 years.
- 4. Rental Rate: Leasor shall propose a reasonable rental rate in their proposal.
- 5. **Operations:** Leasor shall propose intended use for the building.

B. Tenant Improvement

- 1. **Description of Improvements:** The tenant is responsible for completing renovations and modifications to the building, including but not limited to: constructing a non-structural wall to separate the lease space from the storage area, add a new 36" wide entrance doorway to access the storage area of the building (as seen in Attachment B). Modify electrical, plumbing and mechanical as required.
- 2. **Standards and Compliance:** All improvements must comply with local building codes and regulations. Permits and inspections are the responsibility of the tenant.
- 3. **Budget:** The tenant must provide a detailed budget and timeline for the improvements as part of their proposal.
- 4. Completion Date: Improvements should be completed by March 31, 2025.

III. PROPOSAL FORMAT

The proposal should be limited to specific discussions of the elements outlined in this RFP. The intent of the RFP is to encourage responses which meet the stated requirements, and which propose the best methods to accomplish the work within the stated budget. The proposal should follow the general outline

in the order shown below:

- 1. Company Profile: Background information, including relevant experience and qualifications.
- 2. Project Plan: Detailed plan for tenant improvements, including a timeline and budget.
- 3. **Operations Plan:** Detailed outline for proposed use of space.
- 4. Financial Proposal: Proposed rental terms and any additional financial considerations.
- 5. References: Contact information for previous clients or projects related to tenant improvements.
- 6. **Proof of Insurance:** Evidence of appropriate insurance coverage.

IV. PROPOSAL SUBMITTAL

Proposals are to be received at the City of Grass Valley City Hall office no later than <u>5:00 p.m. on October</u> <u>11, 2024</u>. The submission should include the name, title, address, phone number, and original signature of an individual with authority to represent the applicant, and who may be contacted during the period of proposal evaluation. The letter must also include a statement acknowledging that the proposer has reviewed and accepted the City of Grass Valley sample agreement (Attachment A) with or without qualifications.

Email the proposal to the City of Grass Valley office staff at <u>klasalle@cityofgrassvalley.com</u>. Late proposals will not be accepted.

V. SELECTION CRITERIA

A Selection Committee will perform an in-depth analysis of all proposals, carefully evaluating each one with the following criteria:

CRITERIA	WEIGHT/POINTS
Improvement Plan: Ability to complete required improvements and quality of plans to improve.	30
Proposed Use of Space: Ability of presented use of space to meet community needs.	30
Proposed Rent Amount: Rental rate and rationale for amount.	30
Timeline: Ability to meet the proposed timeline.	10
TOTAL	100

Submittals will be reviewed for responsiveness, and responsive submittals will further be screened by a selection committee in accordance with the above criteria. The individual or entity submitting the highest rated proposal may be invited for interviews.

The City reserves the right to make an award without further discussion of the submittal with the offeror. Therefore, the proposal should be submitted initially on the most favorable terms that the individual or entity might propose.

The City reserves the right to award a contract to the individual or entity that presents the best qualifications and whose proposal best accomplishes the desired results.

The City reserves the right to reject any or all proposals, or to waive minor irregularities in said proposals, or to negotiate with the successful individual or entity. In the case of differences between written words and figures in a proposal, the amount stated in written words shall govern. In the case of a difference in unit price versus the extended figure, the unit price shall govern.

Award of a contract will not be based on discrimination on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by federal or California State Constitutional or statutory law.

VI. BUDGET AND FINANCIAL CONDITIONS

The City will not provide financial assistance to the individual or entity beyond negotiated fees.

VII. GENERAL TERMS & CONDITIONS

Standard Contract. Upon completion of the evaluation and recommendation for award, the selected individual or entity will be required to execute a facility use agreement, a sample of which is included as **Attachment A**.

Indemnification & Insurance Requirements. The City's standard indemnification and insurance requirements are provided in the sample lease agreement, **Attachment A**. All costs of complying with the insurance requirements shall be included in your pricing. The selected individual or entity shall provide complete and valid insurance certificates within ten (10) days of the City's written request. Failure to provide the documents within the time stated may result in the rejection of the proposal.

VIII. INQUIRIES AND ADDENDA

Direct all inquiries regarding this RFP in writing to:

City of Grass Valley 125 East Main Street Grass Valley, CA 95945 Phone: (530) 274-4350 Fax: (530) 274-4399 Email: <u>klasalle@cityofgrassvalley.com</u>

Questions regarding this RFP must be submitted in writing. No response will be given to verbal questions. The City reserves the right to decline a response to any question if, in the City's assessment, the information cannot be obtained and shared with all potential organizations in a timely manner.

If it becomes necessary to revise any part of this RFP, written addenda will be issued. Any addenda to this RFP are valid only if in writing and issued by the City of Grass Valley Public Works Division. All addenda for this RFP will be distributed via City of Grass Valley's website: <u>http://www.cityofgrassvalley.com/</u>

It is the proposer's sole responsibility to monitor this website for possible addenda to this RFP. Failure of proposer to retrieve addenda from this site shall not relieve him/her of the requirements contained therein. Additionally, failure of proposer to return signed addenda, when required, may be cause for rejection of his/her proposal.

Individuals or entities that wish to be provided notice of the availability of addenda may contact the City

of Grass Valley by email and indicate they plan to respond to this RFP, so that they can be added to an email distribution list.

IX. ATTACHMENTS

Attachment A: City of Grass Valley Facility Use Agreement Template

Attachment B: Floor Plan with Required Improvements

Attachment C: Floor Plan

Attachment D: Photos of the building at E. Daniels Park

ATTACHMENT A

CITY OF GRASS VALLEY OFFICE LEASE

This Lease, made and entered into as of XX/XX/2024, by and between the City of Grass Valley, a municipal corporation (herein called "**City**"), and _____, (herein called "**Tenant**").

WITNESSETH

For, and in consideration of, the mutual covenants hereof, City hereby leases to Tenant and Tenant hereby hires from City the Premises as hereinafter described, upon the terms and conditions hereinafter set forth.

1. <u>Premises</u>.

The leased premises ("**Premises**") consist of the building located at Elisabeth Daniels Park at 125 Neal St, Grass Valley, CA 95945 ("**E. Daniels Park**"), Assessor Parcel Number 008-374-002; the Premises are depicted on **Exhibit A**, incorporated herein and made part of this Lease.

2. <u>Use of Premises</u>.

A. The Premises may be used solely for storage and office space by the Tenant. Any uses shall be in conformance with (i) applicable zoning regulations of the City of Grass Valley, and (ii) laws and rules imposed by any governmental agency.

B. Tenant agrees that the use of the Premises shall be in accordance with the applicable provisions of city codes and ordinances and any other state or federal law, code or regulation applicable to Tenant's use. Tenant acknowledges that nothing contained in this Lease shall be deemed to entitle Tenant to any City permit or other City approval necessary for the use or rehabilitation of the Premises, or waive any applicable City requirements relating thereto. This Lease does not (a) supersede, nullify or amend any condition which may be imposed by the City in connection with the use of the Premises, or (b) amend any City laws, codes or rules.

C. Tenant shall not use or allow any person to use the Premises that constitutes waste or nuisance, or that would unreasonably annoy other occupants and lessees of facilities and buildings nearby.

E. City reserves the right to maintain, develop and improve the Premises as it sees fit, regardless of the desires or views of Tenant, and without interference or hindrance from Tenant; provided that City's actions shall not substantially interfere with Tenant's use of the Premises in accordance with this Lease.

3. <u>Term of Lease.</u>

The Term of this Lease shall commence at _____ (the "Effective Date") and ending at _____ (the "Termination Date"), unless terminated earlier as provided in this Lease. At the request of Tenant, City may elect to extend the Termination Date on a year-to-year basis and at a Fixed Rent (as defined at Section 4) as reasonably determined by City.

4. <u>Fixed Rent</u>.

Except as provided herein, Tenant shall pay to City in lawful money of the United States of America, without deduction, offset or abatement at City's principal place of business, or at such

place or places, or to such person or persons as may be designated from time to time by City, Fixed Rent of ______ per month, which includes utilities, (the "**Fixed Rent**") payable on the Effective Date of this Lease and on the first business day of each calendar month thereafter. Fixed Rent shall be delinquent if not received within ten (10) days after the due date. The Fixed Rent for any partial month shall be prorated on a per diem basis. All rent shall be paid by Tenant to City, in advance, at 125 E. Main Street, Grass Valley, CA 95945, Attn: Andy Heath, or any other place or places that City may from time to time designate by 30 day written notice given to Tenant.

5. <u>Repairs, Maintenance and Improvements.</u>

A. Tenant represents that Tenant has inspected and examined the Premises and accepts them in their present condition together with those agreed upon improvements, if any, specifically necessary for Tenant's occupancy of the Premises. It is further agreed that City shall not be required to maintain the Premises as originally accepted or make any improvements or repairs upon the leased Premises or any part of them, unless separately agreed to by the parties.

B. Tenant shall make no improvements to the Premises without first obtaining the written consent of the City. Any such improvements or alterations to the Premises must be in compliance with any and all governing building codes. Any permanent fixtures or improvements made to the Premises shall become the property of the City upon termination of the lease. As used in this paragraph, "permanent fixtures" refers to fixtures which cannot be removed from the Premises without causing damage to the Premises in excess of [\$500]. Tenant agrees to maintain, at Tenant's sole expense, the interior of the Premises.

C. Tenant, by March 31, 2025, shall complete renovations and modifications to the building, including but not limited to: constructing a non-structural wall to separate the lease space from the storage area, add a new 36" wide entrance doorway to access the storage area of the building. Modify electrical, plumbing and mechanical as required.

6. <u>Entry and City Use.</u>

A. City shall retain sole use of storage area, as delineated by the City after the Effective Date of this Agreement. City may modify which portion of the Premises it delineates pursuant to this subsection at any time, upon five days' written notice to Tenant. Tenant shall not use the Premises in any way that conflicts with City's use of the delineated storage area, and shall clear any space for City's use upon receipt of the five days' written notice provided for herein. City may enter the Premises at any time, and without notice to Tenant, for use of the portion of the Premises described in this subsection.

B. Tenant agrees that City, its agents or employees, upon reasonable notice, may enter upon the Premises at any time for the purpose of inspection of the Premises or for performing any necessary repair of Premises. Reasonable notice for purpose of inspection shall be telephonic notice at least 1 hour prior to entry, and telephonic notice at least one day prior to entry for repairs, unless the repair is of an emergency nature as reported by Tenant, in which event City may enter the Premises immediately without prior notice.

7. <u>Utilities</u>.

City agrees to provide water, sewer, and electricity to the Premises for reasonable use by Tenant, without additional cost to Tenant beyond that noted in Section 4. Tenant will be responsible

for providing all other utilities and services to the Premises, including, but not limited to, telephone, cable and garbage collection dedicated to Tenant's use.

8. <u>Indemnification</u>.

City shall not be liable to Tenant or any other person whomsoever for death or personal injury or for loss or destruction of, or damage to, property in, on or about the Premises and any improvement thereon, unless as a direct result of City's acts, errors, omissions or negligence. Upon and after the Effective Date of the Lease, Tenant shall, for the full term of this Lease, indemnify and save harmless City and its officers, agents and employees from and defend the same against any and all claims, liens, liability, expense (including attorneys' fees), losses and judgments arising from death or personal injuries or from the loss or destruction of, or damage to, property of any person whomsoever resulting from the acts, omissions or negligence of Tenant, Tenant's officers, agents, contractors, permittees or employees with respect to use of or Tenant's obligation to maintain the Premises and any improvements thereon.

9. <u>Insurance</u>.

A. Tenant shall obtain insurance coverage beginning on the Effective Date and continuing through the entire Lease term. The acceptable insurance shall be at least as broad as:
(i) Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001);
(ii) property insurance against all risks of loss to any tenant improvements or betterments; and

B. Tenant shall maintain limits no less than general liability \$1 million 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 separate to this Lease or the general aggregate limit shall be twice the required occurrence limit.

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

D. The general liability policy is to contain, or be endorsed to contain, the following provisions:

(1) City, its officers, officials, employees and volunteers are to be covered as insured with respect to liability arising out of ownership, maintenance or use of that part of the Premises leased to Tenant.

(2) Tenant's insurance coverage shall be primary insurance as respects City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by City, its officers, officials, employees or volunteers shall be excess of Tenant'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 except after 30 days' prior written notice by mail, or after 10 days prior written notice by mail if cancellation is due to non-payment of premium, has been given to City.

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

F. Tenant shall furnish City with original certificates and amendatory endorsements effecting coverage required by this Section 9. All certificates and endorsements are to be received and approved by City before any work or improvements or alterations to the Premises commence. City 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.

10. <u>Events of Default by Tenant</u>.

Each of the following events shall constitute "an event of default of Tenant":

A. Tenant's failure to pay the Fixed Rent by the tenth (10th) day of each calendar month;

B. Tenant's failure to pay any other amounts owing hereunder within ten (10) business days after receipt of an invoice for such costs;

B. Tenant attempt to make or allow to be made any unauthorized subleasing, encumbrance, assignment or other transfer of the Premises.

C. The failure of Tenant to abide by the terms, covenants or conditions as specified in Section 2.A.

D. Tenant's failure, after 30 days' written notice from City, to keep, perform or observe any other term, covenant or condition of this Lease to be kept, performed or observed by Tenant;

E. Tenant's filing of a voluntary petition in bankruptcy, or the assignment of all, or substantially all, of Tenant's assets for the benefit of Tenant's creditors or the institution of proceedings in bankruptcy against Tenant or the appointment of a receiver of the assets of Tenant; provided, however, that if such proceedings or appointments are involuntary, then they shall not be considered an "event of default by Tenant," unless Tenant fails to procure a dismissal thereof within 60 days after the institution of such involuntary bankruptcy proceedings or the appointment of such receiver.

11. <u>Results of Tenant's Default</u>.

Upon the occurrence of an "event of default of Tenant," and after 15 days' written notice from City, City, besides any other rights or remedies it may have, shall have as only allowed by law the immediate right of re-entry and may remove all persons and property from the Premises; such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of, Tenant. Should City elect to re-enter as herein provided, or should it take possession pursuant to any notice provided for by law, it may either terminate this Lease, relet the Premises and any improvements thereon or any part thereof for such term or terms (which may be for a term extending beyond the term of this Lease) and at such rental or rentals and upon such other terms and conditions as City, in its sole discretion, may deem advisable, with the right to make alterations and repairs to said Premises and improvements. Tenant shall be liable to City for all costs incurred prior to termination including, without limitation, Tenant's portion of water, electricity, sewer, insurance costs and costs to restore the Premises to its condition as of the date of this Lease, reasonable wear and tear excepted.

12. <u>Nonwaiver of Defaults</u>.

The waiver by City of any breach by Tenant of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or of any other term, covenant or condition of this Lease. No term, covenant or condition hereof can be waived except by the written consent of City and forbearance or indulgence by City, in any regard whatsoever, shall not constitute a waiver of the terms, covenants or conditions to be performed by Tenant to which the same may apply, and until complete performance by Tenant of the term, covenant or condition, City shall be entitled to revoke any remedy available to it hereunder or by law, despite such forbearance or indulgence.

13. <u>Subordination for Benefit of City</u>.

If City desires this Lease to be subordinated to any mortgage, deed of trust or other encumbrance ("Fee Mortgage") now or hereafter placed upon the Elisabeth Daniels Park building, and all advances, whether obligatory or optional made on the security thereof, and to all renewals, modifications, consolidations, replacements and extensions thereof, this Lease, at City's election, shall be subordinate to any such Fee Mortgage provided City first obtains from the lender a written agreement that provides substantially as follows: As long as Tenant performs its obligations under this Lease, no foreclosure of, deed given in lieu of foreclosure of, or sale under the encumbrance, and no steps or procedures taken under the encumbrance, shall affect Tenant's rights under this Lease.

Subject to the foregoing, Tenant agrees to execute any documents required to effectuate such subordination, and failing to do so within 10 days after City's written request to Tenant therefore, does hereby irrevocably appoint City as Tenant's attorney-in-fact in Tenant's name to do so.

14. <u>Tenant's Encumbrance</u>.

Tenant may not encumber Tenant's interest in the Premises or in any improvements Tenant places thereon by mortgage, deed of trust or other instrument.

15. <u>Rights Upon Termination</u>.

If Tenant is not in default hereunder, Tenant shall have the right to remove only the trade fixtures and its personal property which Tenant may have placed or installed upon the Premises during the term of the Lease; provided, however, that upon said removal, Tenant shall repair, at Tenant's own expense, any damage resulting therefrom. The term "trade fixtures" means those improvements, other than structures or structural modifications installed by Tenant, used for the conducting of Tenant's business and which can be removed without interference or damage to structures.

16. <u>Subletting/Assignment</u>.

Tenant may not sublease or assign all or any portion of the Premises without the prior written consent of City, which consent may be withheld in City's sole and absolute discretion.

17. <u>Effect of Failure to Comply</u>.

No encumbrance, assignment or other transfer, whether voluntary, involuntary, by operation of law, under legal process, through a receivership, bankruptcy or otherwise, shall be valid or

effective without the prior written consent and approval of City. If Tenant attempts to make or allow to be made any subleasing, encumbrance, assignment or other transfer then any of the foregoing events shall be deemed a breach of the conditions and restrictions of this Lease, and upon such breach, City may, at its option, terminate this Lease at once by written notice, and upon such termination this Lease shall end and be of no further force.

18. <u>Condemnation</u>.

If, during the term of this Lease there is a taking, or transfer of, or damage to all or any part of the Premises (Premises as used herein shall include all appurtenant interests such as access rights) for a public use by any individual or entity, public or private, possessing the power of eminent domain, whether by condemnation proceedings or otherwise (hereinafter referred to as "appropriation"), the rights and obligations of City and Tenant with regard to such appropriation shall be governed by the provisions of this article. City warrants that it will not engage in any action as contemplated by this section. Should the City engage in such action, this Section 18 shall be invalid.

A. The date of taking, as used in this article, is defined as the earliest of the following dates: (i) the date legal possession is taken, which is defined as the date, if any is established, after which the condemnor may take possession of the property as stated in an order authorizing the condemnor to take possession; (ii) the date a final order of condemnation or final judgment is filed or recorded or the date a deed is recorded in the event of a voluntary sale; and (iii) the date physical possession of the property is taken.

B. Total taking means an appropriation of the entire Premises or so much thereof as to prevent or substantially impair the conduct of Tenant's business unless Tenant elects to continue the Lease in effect. If during the term of this Lease there is an appropriation of the Premises which amounts to a total taking as herein defined, then the leasehold estate of Tenant in and to the Premises shall cease and terminate as of the date of such taking, and all rentals and other charges payable by Tenant to City hereunder and attributable to the Premises shall be paid up to the date of such taking.

C. The term "partial taking" shall mean the taking of a portion only of the Premises which does not constitute a total taking as defined above. If during the term of this Lease there shall be a partial taking of the Premises, this Lease shall terminate as to the portion of the Premises so taken at the date of taking as herein defined, but said Lease shall continue in force and effect as to the remainder of the Premises. The rental payable hereunder by Tenant shall, as of the date of taking, be adjusted so that Tenant shall be required to pay for the remainder of the term only such portion of such rent as the value of the part of the Premises remaining after the taking bears to the value of the entire Premises at the date of taking.

D. In the event the condemning agency shall abandon an eminent domain proceeding, either party hereto shall have the right to contest the condemnor's abandonment and a right to its respective costs and disbursements as defined and provided for in California law. If after the condemnor takes possession or the Tenant moves from the property sought to be condemned in compliance with an order of possession, the condemnor abandons the proceeding as to such property or a portion thereof, or if it is determined that the condemnor does not have authority to take such property or portion thereof by eminent domain and the condemnor is required by law to deliver possession of such property or such portion thereof to the party entitled to the possession thereof and pay damages as provided for in California law, then Tenant shall receive the award for

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costs and damages incurred by reason of Tenant being removed from possession of the Premises, but Tenant shall be entitled to retake possession of the Premises and, in the event of such repossession by Tenant, all of the terms of this Lease shall remain in operation and effect.

E. All compensation and damages awarded for the taking of the Premises or any portion thereof shall, except as otherwise herein provided, belong to and be the sole property of City. However, any award that may be made for the taking of or injury to the improvements, and all other improvements constructed by Tenant on the Premises shall be equitably apportioned between Tenant and City if, at the time of the taking, the expected useful life of the improvements extends beyond the Termination Date provided for in Section 3. Otherwise, Tenant shall be entitled to such award. Tenant shall be entitled to any award for damage to Tenant's business or on account of any cost or loss Tenant may sustain in the removal of Tenant's fixtures, equipment and furnishings, or as a result of any alterations, modifications or repairs which may be reasonably required by Tenant in order to place the remaining portion of the Premises not so condemned in a suitable condition for the continuance of Tenant's tenancy. Tenant shall also be entitled to that portion of any award that may be attributable to any severance damages to the remaining leasehold interest and to any improvements constructed by Tenant.

F. Each party shall bear his own costs, attorneys' fees, appraiser's fees and all other costs in connection with any matter contained in this article, except as may be otherwise provided.

G. Neither party hereto shall grant a right of entry to any condemnor without the written consent of the other party hereto.

19. <u>Mediation/Arbitration</u>.

All claims, disputes and controversies arising out of or in relation to the performance, interpretation, application or enforcement of this Lease, including, but not limited to, breach thereof ("Mediation/Arbitration Dispute"), except (a) the payment of rent, which Tenant acknowledges is an independent covenant not subject to offset or deduction, and (b) the matters described in Section 19.B (4), shall be decided under this Section 19 pursuant to mediation, and if necessary, arbitration. If Tenant defaults in the payment of rent, this Section 19 shall not apply and City may pursue any and all legal and equitable remedies provided by law, including, without limitation, an unlawful detainer action, writ of possession, and a money judgment for unpaid rent.

A. <u>Mediation</u>.

(1) Any Mediation/Arbitration Dispute shall be referred to mediation before, and as a condition precedent to, the initiation of any arbitration proceeding.

(2) The parties shall submit any Mediation/Arbitration Dispute to an impartial neutral mediator selected by mutual consent of the parties. In the event the parties cannot agree on the selection of a mediator, the Mediation/Arbitration Dispute shall be referred to JAMS/Endispute, a professional mediation service. The parties shall equally bear the cost of mediation fees, subject only to the exception set forth in the next paragraph.

(3) If during the mediation a party ("offering party") makes a written offer of compromise to another party which is not accepted by such party ("refusing party") and the refusing party fails to obtain a more favorable result through arbitration, the refusing party shall pay the offering party all costs and expenses, including reasonable attorney fees and the cost of the mediator and arbitrator, incurred from the time the offer is refused.

B. <u>Arbitration</u>.

(1) A Mediation/Arbitration Dispute which is not resolved through mediation, as set forth above, shall be decided by neutral, binding arbitration and not by administrative proceeding or court action, except as provided by California law for judicial review of arbitration proceedings. The arbitration shall be conducted in accordance with the rules governing the conduct of arbitration proceedings set forth in the California Code of Civil Procedure and the California Rules of Court. The parties may agree in writing to use different rules. The parties shall have the right to discovery in accordance with the provisions of the California Code of Civil Procedure. Judgment on any award of the arbitrator may be confirmed and entered by the court as provided for by California law.

(2) An arbitrator may be selected by mutual consent of the parties. If the parties cannot agree on selection of an arbitrator within 15 days from the date either party first requests arbitration, an arbitrator familiar with handling similar disputes shall be appointed by JAMS/Endispute. The cost of the arbitrator, arbitration costs and attorney fees shall be borne by the parties as may be determined by the arbitrator.

(3) Any demand for arbitration must be made in writing to the other party. No demand for arbitration may be made after the date on which the institution of legal proceedings based on the claim is barred by the applicable statute of limitations.

(4) The parties shall each have the right to file with a court of competent jurisdiction an application for temporary or preliminary injunctive relief, writ of attachment, writ of possession, temporary protective order, or appointment of a receiver if the arbitration award to which the applicant may be entitled may be rendered ineffectual in the absence of such relief or if there is no other adequate remedy. This application shall not waive a party's arbitration rights under this Lease.

(5) The arbitrator shall have the power to grant legal and equitable remedies, and award damages, that may be granted or awarded by a judge of the Superior Court of the State of California or the Federal District Court of the Eastern District of California. The arbitrator shall prepare and provide to the parties a written decision on all matters subject to the arbitrator, including factual findings and the reasons that form the basis of the arbitrator's decision. The arbitrator shall be vacated or corrected for any such error or any other grounds specified in Code of Civil Procedure Section 1286.2 or Section 1286.6. The award of the arbitrator shall be mailed to the parties no later than 30 days after the close of the arbitration hearing. The provisions of the California Evidence Code shall apply to the arbitration hearing. The arbitration proceedings may be recorded by a certified shorthand court reporter. The party requesting a reporter shall pay for the reporter and if both sides request a reporter, the cost of the reporter shall be divided equally. Written transcripts of the proceedings may be prepared at the request of a party. A party requesting a transcript shall pay for the cost thereof.

20. <u>Relationship Between the Parties</u>.

City is neither a joint venturer with nor a partner or association of Tenant with respect to any matter provided for in this Lease. Nothing herein contained shall be construed to create any such relationship between the parties or to subject City to any obligation of Tenant hereunder.

21. <u>Time of the Essence</u>.

Time is of the essence of this Lease.

22. Lease Made in California.

This Lease has been made and shall be construed in accordance with the laws of the State of California. All duties, obligations and liabilities of City and Tenant with respect to the Premises are expressly set forth herein and this Lease can only be amended in writing.

23. <u>Headings</u>.

The headings contained herein are for convenience of reference and are not intended to define or limit the scope of any provisions of this Lease.

24. <u>Notices</u>.

All notices to be given hereunder shall be in writing and shall be deemed given when received in the United States mail, postage prepaid, certified or registered, addressed as follows, or to such other address as from time to time may be designated by a party by written notice to the other parties:

City	Tenant
City of Grass Valley	XXX
125 E. Main Street	Address
Grass Valley, CA 95945	City, State Zip
Attn: Tim Kiser	

25. <u>Surrender and Merger</u>.

The voluntary or other surrender or termination of this Lease by Tenant or a mutual cancellation thereof shall not work a merger and shall, at the option of City, terminate all or any existing subleases or subtenancies or may, at the option of City, operate as an assignment to City of all such subleases or subtenancies.

26. <u>Successors and Assigns</u>.

The provisions of this Lease shall bind and inure to the benefit of the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first above written.

"CITY"

"TENANT"

CITY OF GRASS VALLEY, CALIFORNIA, a Municipal Corporation

XXXX, a limited liability company

Grass Valley Elisabeth Daniels Park Lease

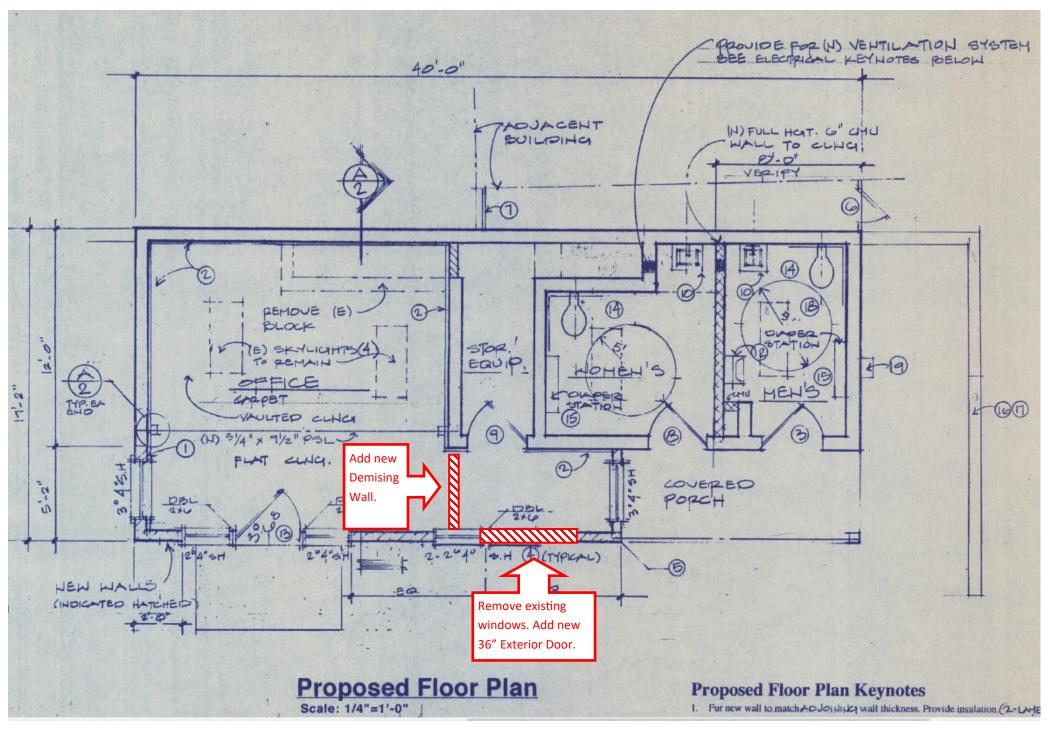
By:	By:
Name:	Name:
	Its:

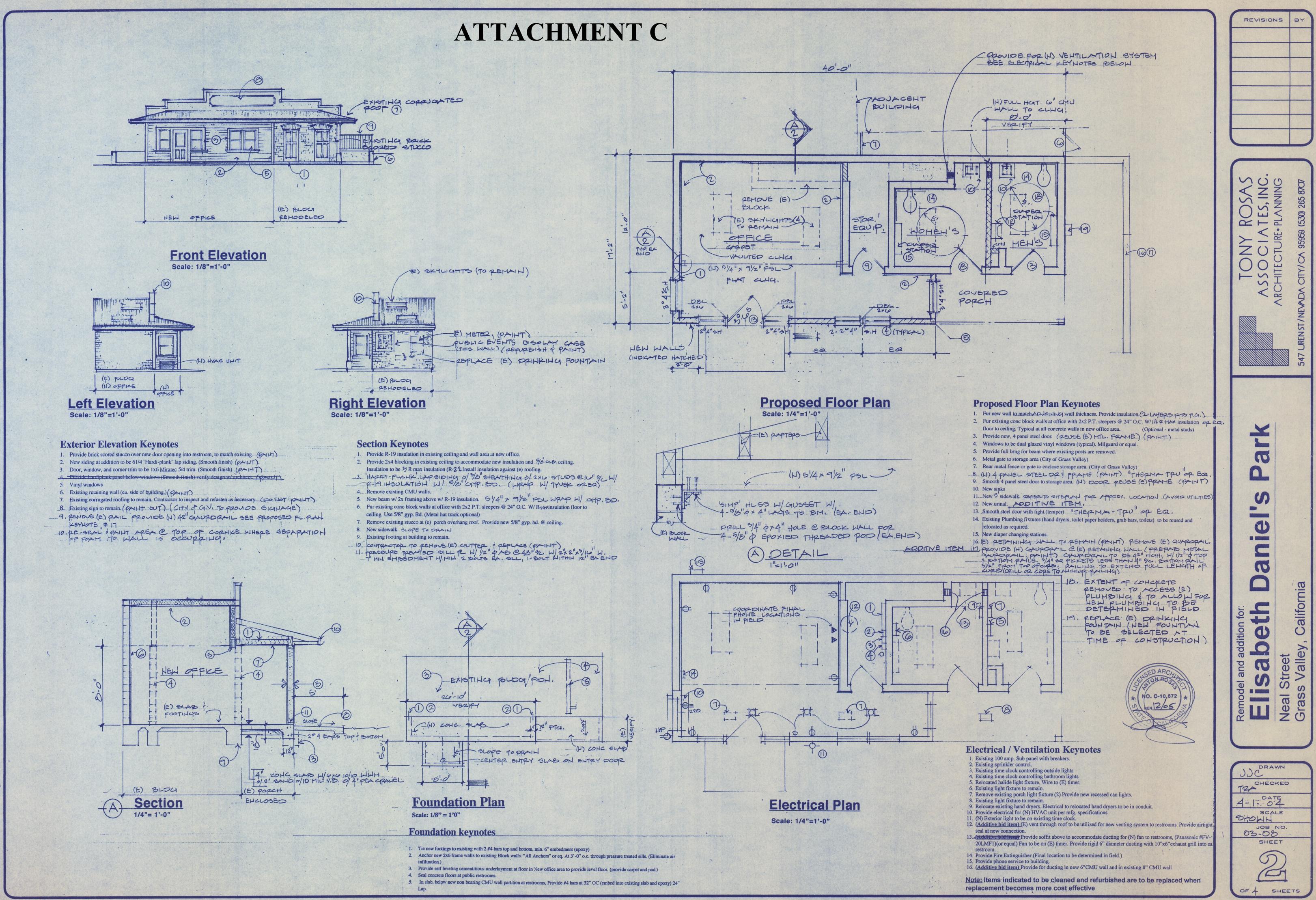
By:_____

APPROVED AS TO FORM:

Michael Colantuono, City Attorney

ATTACHMENT B



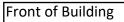


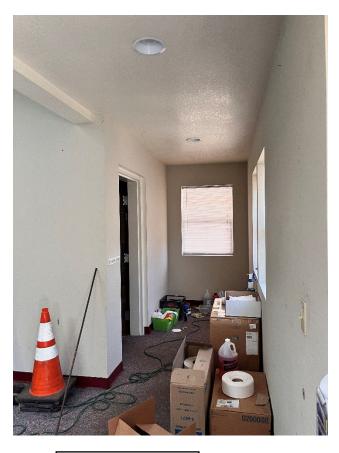
ATTACHMENT D

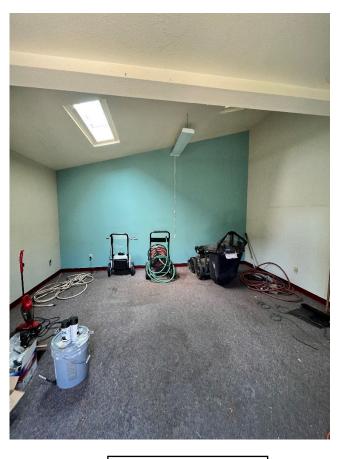




E. Daniels Park







Space to close off

Dedicated tenant space