REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE RESOLUTION NO. 8-10

APPROVING A LEASE AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY AND UNITED STATES POSTAL SERVICE AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE IT ON BEHALF OF THE REDEVELOPMENT AGENCY

WHEREAS, a Lease Agreement regarding 330 Vernon Street, between the Redevelopment Agency of the City of Roseville and United States Postal Service, has been reviewed by the Redevelopment Agency;

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Roseville that said lease is approved and that the Executive Director is authorized to execute it on behalf of the Redevelopment Agency.

PASSED AND ADOPTED 17th day ofMarch, 2010	by the Redevelopment Agency of the City of Roseville this, by the following vote on roll call:
AYES AGENCY MEMBERS:	Allard, Bray, Garcia
NOES AGENCY MEMBERS:	Roccucci
ABSENT AGENCY MEMBERS:	Garbolino Canlini Lacuca
	for CHAIR

ATTEST:

Secretary

The foregoing instrument is a correct copy of the original on file in this office.

ATTEST:

City Clerk of the City of Roseville, California



Lease

ROSEVILLE - VERNON RETAIL STATION (056624-008)
330 VERNON ST, ROSEVILLE, CA 95678-9998



Lease

Facility Name/Location

ROSEVILLE - VERNON RETAIL STATION (056624-008) 330 VERNON ST. ROSEVILLE, CA 95678-9998

County: Placer Lease: F00000326607

This Lease made and entered into by and between REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE hereinafter called the Landlord, and the United States Postal Service, hereinafter called the Postal Service:

In consideration of the mutual promises set forth and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties covenant and agree as follows:

1. The Landlord hereby leases to the Postal Service and the Postal Service leases from the Landlord the following premises, hereinafter legally described in paragraph 7, in accordance with the terms and conditions described herein and contained in the 'General Conditions to U.S. Postal Service Lease,' attached hereto and made a part hereof.

Upon which is a Lease entire Main Floor of approximately 9,000 square feet, concrete building and which property contains areas, spaces, improvements, and appurtenances as follows:

AREA

SQ. FEET

Net Interior Floor Space

9,000

USPS to Leaseback the main floor of approximately 9,000 square feet. Basement is NOT included in the lease agreement and shall be secured off from US Postal Service.

Total Site Area:

23,100.00

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the following term:

FIXED TERM: The term becomes effective May 01, 2010 with an expiration date of April 30, 2015, for a total of 5 Years.

3. RENTAL: The Postal Service will pay the Landlord an annual rental of: \$68,000.00 (Sixty Eight Thousand and 00/100 Dollars) payable in equal installments at the end of each calendar month. Rent for a part of a month will be prorated.

Rent checks shall be payable to:

CITY OF ROSEVILLE 311 VERNON STREET ROSEVILLE, CA 95678-2649



4. RENEWAL OPTIONS: The Lease may be renewed at the option of the Postal Service, for the following separate and consecutive terms and at the following annual rentals:

O5/01/2015

EXPIRATION DATE 04/30/2020 PER ANNUM RENTAL Market Value

provided that notice is sent, in writing, to the Landlord at least 180 days before the end of the original lease term and each renewal term. All other terms and conditions of this Lease will remain the same during any renewal term unless stated otherwise herein.

See Attached Renewal Option Rider (Market Value)

5. OTHER PROVISIONS: The following additional provisions, modifications, riders, layouts, and/or forms were agreed upon prior to execution and made a part hereof:

Utilities Services & Equipment Rider, Maintenance Rider - USPS Responsibility, Renewal Option Rider (Market Value).

6. TERMINATION:

This lease may not be terminated during the fixed term, except for cause pursuant to the general conditions or any riders or addendums or other attachments made part of this lease. After the fixed term, this lease may be terminated pursuant to this paragraph by the Postal Service upon 180 days written notice to the Landlord.

7. LEGAL DESCRIPTION:

See attached Exhibit "A".





Facility Name/Location

ROSEVILLE - VERNON RETAIL STATION (056624-008) 330 VERNON ST, ROSEVILLE, CA 95678-9998 County: Placer

Lease: F00000326607

RECITALS

- A. In furtherance of the objectives of the Community Redevelopment Law (commencing at Health and Safety Code Section 33000), the Redevelopment Agency of the City of Roseville (Agency or Landlord) has undertaken a program for the clearance and reconstruction or rehabilitation of blighted areas in the City of Roseville ("City") including a redevelopment project in the Roseville Redevelopment Project Area ("Project Area"). The redevelopment plan for the Project Area (as it may be amended from time to time, "Redevelopment Plan") was adopted by the City Council of the City on October 18, 1989, by City Ordinance No. 2274. A copy of the Redevelopment Plan as initially adopted was recorded on October 24, 1989, in the Official Records of the County of Placer, in Book 3743, beginning at page 177.
- B. Agency owns fee title to 330 Vernon Street as described in Exhibit A, attached hereto and incorporated herein by this reference ("Legal Property Description"), together with any and all appurtenances thereto ("Premises").
- C. The leasing of the Premises and the fulfillment generally of this Lease are (1) in the vital and best interests of the City of Roseville and the health, safety, morals and welfare of its residents, (2) for the purpose of community improvement and welfare, (3) for the benefit of the Agency's Redevelopment Project and (4) in accord with the public purpose and provisions of any applicable federal, state and local laws and requirements under which the Project is to be undertaken and is being assisted.
- D. The purpose of this Lease is to establish the rights and obligations of the Parties regarding the leasing of the Premises.
- * TERM: The Term of the Lease shall commence at the close of escrow and continue for a period of 5 years at an annual rental of \$68,000, payable in equal installments \$5,666.67, at the end of each calendar month.

HOLD HARMLESS: The Postal Service hereby agrees to save harmless and indemnify the landlord from all claims, loss, damage, actions, causes of actions, expense, and/or liability resulting from the use of said property by the Postal Service whenever such claim, loss, damage, actions, cause of actions, expense, and/or liability arises from the negligent or wrongful act or omission by a Postal Service employee while acting within the scope of his or her employment, under circumstances where the Postal Service, if a private person, would be liable in accordance with the law of the place where the negligent or wrongful act or omission occurred. Notwithstanding the above, the Postal Service is under no obligation to save harmless and indemnify the landlord where any negligent or wrongful act or omission by the landlord, its employees or agents, in any way causes or contributes to the claim, loss, damage, actions, causes of actions, expense and/or liability.

PERMITTED USE: Lessee shall use the Premises for the purpose of postal retail and distribution operations on the Premises. No other operations shall be permitted, except with prior written consent of Lessor.

UTILITIES: Lessee shall pay or cause to be paid, and hold Lessor and the Premises free and harmless from all charges for the furnishing of gas, water, electricity, telephone service, sewer and other public





Facility Name/Location

ROSEVILLE - VERNON RETAIL STATION (056624-008) 330 VERNON ST, ROSEVILLE, CA 95678-9998

County: Placer

Lease: F00000326607

utilities of services during the Term and any extension thereof.

RELOCATION OF USPS:

- A. Temporary Relocation of USPS. In the event Lessor proceeds with redevelopment of the Premises during the Term of the Lease, USPS shall relocate to a temporary space off-site (Temporary Interim Space). Lessor shall provide USPS written notification at least 1 year in advance of any such relocation. The location of the Temporary Interim Space shall be acceptable to the USPS and shall be located in downtown Roseville at a site suitable for USPS to conduct it retail operations. At the time of relocation, this lease shall terminate and the parties shall enter into a lease for the Temporary Interim Space under terms and conditions similar to this Lease. The USPS shall lease this Temporary Interim Space at fair market rent The lease for the Temporary Interim Space shall contain a provision providing for permanent space for the USPS. Lessor shall pay USPS reasonable and verifiable relocation expenses, tenant improvements, and all other necessary costs, which in total are estimated at \$470,000. USPS shall have a 180 day right to terminate said lease.
- B. Permanent Site. USPS permanent site shall either be located on the Premises at completion of the redevelopment of the property or in the alternative, at a permanent location off-site, provided said site is acceptable to the USPS. Lessor shall provide USPS written notification at least 1 year in advance of any such relocation. At the time of relocation to the permanent site, this lease or the lease for the Temporary Interim Space, whichever is applicable, shall terminate and the parties shall enter into a lease for the permanent space under terms and conditions similar to this Lease. USPS shall lease the permanent site at fair market rent. Lessor shall pay USPS reaonable and verifiable relocation expenses and all other necessarily associated costs. In addition, lessor shall pay for all costs related to the tenant improvements made to the permanent space in an amount not to exceed \$690,000. The tenant improvement not-to-exceed amount shall be adjusted by the Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: Western Region, All Items ("CPI"). The CPI for the month and year of this contract is ________. The not to exceed amount shall be adjusted based upon the CPI at the month and year the contract for the tenant improvements for the permanent space is awarded.
- C. Site Requirements. The property at the Temporary Interim Space and the permanent site shall have approximately 4,110 square feet net interior space. Gross interior space may be limited to 4,830 square feet.

PERSONAL PROPERTY:

- A. Furnishings and Equipment. USPS's furnishings and equipment (lobby tables, chairs, file cabinets, etc.), unless affixed to the floor, wall or ceiling, shall be considered personal property not encompassed by this Lease and shall be removed by USPS upon its vacation of the Premises.
- B. Fixtures. Fixtures, such as scissors lift, counters, and security systems, shall remain with the Premises. Notwithstanding the foregoing, Artwork, post office boxes and facility identification shall be considered personal property of the USPS and shall be removed by USPS upon its vacation of the



Addendum

Facility Name/Location

ROSEVILLE - VERNON RETAIL STATION (056624-008) 330 VERNON ST, ROSEVILLE, CA 95678-9998 County: Placer

Lease: F00000326607

Premises.

C. Artworks. There is currently Artwork (murals, sculptures, etc.) located on the Premises. The Parties agree that USPS will remain the owner of the Artwork. The Artwork will be removed and/or relocated by USPS upon its vacation, whether temporarily or permanently, of the Premises. Lessor (City) shall give Lessee (USPS) sufficient notice to relocate the artwork.

	51
100	UNITED STATES
	DOCTAL CEDIACE
10000	POSTAL SERVICE.

Lease

EXECUTED BY LANDLORD this 22nd day of March , 2010
CORPORATION
By executing this Lease, Landlord certifies that Landlord is not a USPS employee or contract employee (or an immediate
Name of Corporation: Redevelopment Agency of the City of Roseville
/ (/lel) Lelo-
Name & Title: Name & Title: Michael T. Shellito Executive Director
Name & Title:
Landlord's Address: 311 VERNON STREET
ROSEVILLE, CA 95678-2649
Telephone No.: (916) 774 - 5200 Fax No.: (916) 774 - 5200 Tax ID: XX-XXX0409
E-mail Address:
Iselendres Judy Moore
Witness
 a. Where the Landlord is a corporation, leases and lease agreements entered into must have the corporate seal affixed, or in place thereof, the statement that the corporation has no seal. b. Where the Landlord is a corporation, municipal corporation, non-profit organization, or fraternal order or society, the Lease must be accompanied by documentary evidence affirming the authority of the agent, or agents, to execute the Lease to bind the corporation, municipal corporation, non-profit organization, or fraternal order or society for which he (or they) purports to act. The usual evidence required to establish such authority is in the form of extracts from the articles of incorporation, or bylaws, or the minutes of the board of directors duly certified by the custodian of such records, under the corporate seal. Such resolutions, when required, must contain the essential stipulations embodied in the Lease. The names and official titles of the officers who are authorized to sign the Lease must appear in the document. c. Any notice to Landlord provided under this Lease or under any law or regulation must be in writing and submitted to Landlord at the address specified above, or at an address that Landlord has otherwise appropriately directed in writing. Any notice to the Postal Service provided under this Lease or under any law or regulation must be in writing and submitted to "Contracting Officer, U.S. Postal Service" at the address specified below, or at an address that the Postal Service has otherwise directed in writing.
ACCEPTANCE BY THE POSTAL SERVICE
Date Contracting Officer Signature of Contracting Officer
Date Contracting Officer Signature of Contracting Officer 160 In VERNESS DR. W. # 40 Englewood, G
Address of Contracting Officer 801/2-5005



General Conditions to USPS Lease

1. CHOICE OF LAW

This Lease shall be governed by federal law.

2. RECORDING

Not Required

3. MORTGAGEE'S AGREEMENT

If there is now or will be a mortgage on the property which is or will be recorded prior to the recording of the Lease, the Landlord must notify the contracting officer of the facts concerning such mortgage and, unless in his sole discretion the contracting officer waives the requirement, the Landlord must furnish a Mortgagee's Agreement, which will consent to this Lease and shall provide that, in the event of foreclosure, mortgagee, successors, and assigns shall cause such foreclosures to be subject to the Lease.

4. ASSIGNMENTS

- a. The terms and provisions of this Lease and the conditions herein are binding on the Landlord and the Postal Service, and all heirs, executors, administrators, successors, and assigns.
- b. If this contract provides for payments aggregating \$10,000 or more, claims for monies due or to become due from the Postal Service under it may be assigned to a bank, trust company, or other financing institution, including any federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any assignment or reassignment must cover all amounts payable and must not be made to more than one party, except that assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in financing this contract. No assignment or reassignment will be recognized as valid and binding upon the Postal Service unless a written notice of the assignment or reassignment, together with a true copy of the instrument of assignment, is filed with:
 - 1. the contracting officer; and
 - 2. the surety or sureties upon any bond.
- c. Assignment of this contract or any interest in this contract other than in accordance with the provisions of this clause will be grounds for termination of the contract for default at the option of the Postal Service.
- d. Nothing contained herein shall be construed so as to prohibit transfer of ownership of the demised premises, provided that:
 - 1. such transfer is subject to this Lease agreement; and
- both the original Landlord and the successor Landlord execute the standard Certificate of Transfer of Title to Leased Property and Lease
 Assignment and Assumption form to be provided by the USPS Contracting Officer; and in the case of new leased space projects, the lease may only
 be assigned or ownership of the property transferred following commencement of the fixed term, unless prior written consent is obtained from the
 Postal Service.

5. APPLICABLE CODES AND ORDINANCES

The Landlord, as part of the rental consideration, agrees to comply with all codes and ordinances applicable to the ownership and operation of the building in which the rented space is situated and to obtain all necessary permits and related items at no cost to the Postal Service. When the Postal Service or one of its contractors (other than the Landlord) is performing work at the premises, the Postal Service will be responsible for obtaining all necessary and applicable permits, related items, and associated costs.

6. SUBLEASE

NO

The Postal Service may sublet all or any part of the premises or assign this lease but shall not be relieved from any obligation under this lease by reason of any subletting or assignment.

ONLY UPON Written consent of Lesson and

7. RESTORATION AND ALTERATIONS

- a. Upon written notification by Landlord within 30 days of the expiration or termination of this Lease, the Postal Service shall restore the premises to a "broom clean" and usable condition, excepting the following: reasonable and ordinary wear and tear; and damages by the elements or by circumstances over which the Postal Service has no control. If Landlord provides the above notice, the Postal Service and Landlord shall negotiate and reach agreement on necessary items of restoration and the reasonable cost for restoration; the Postal Service shall pay Landlord this agreed-upon amount and shall have no further restoration duties under this Lease.
- b. The Postal Service shall have the right to make alterations, attach fixtures and erect additions, structures or signs in or upon the premises hereby leased (provided such alterations, additions, structures, or signs shall not be detrimental to or inconsistent with the rights granted to other tenants on the property or in the building in which said premises are located); which fixtures, additions or structures so placed in, upon or attached to the said premises shall be and remain the property of the Postal Service and may be removed or otherwise disposed of by the Postal Service.

General Conditions to USPS Lease

8. CLAIMS AND DISPUTES

- a. This contract is subject to the Contract Disputes Act of 1978 (41 U.S.C. 601-613) ("the Act").
- b. Except as provided in the Act, all disputes arising under or relating to this contract must be resolved under this clause.
- c. "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. However, a written demand or written assertion by the Landlord seeking the payment of money exceeding \$100,000 is not a claim under the Act until certified as required by subparagraph d below. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.
- d. A claim by the Landlord must be made in writing and submitted to the contracting officer for a written decision. A claim by the Postal Service against the Landlord is subject to a written decision by the contracting officer. For Landlord claims exceeding \$100,000, the Landlord must submit with the claim the following certification:
 - "I certify that the claim is made in good faith, that the supporting data are accurate and complete to the best of my knowledge and belief, that the amount requested accurately reflects the contract adjustment for which the Landlord believes the Postal Service is liable, and that I am duly authorized to certify the claim on behalf of the Landlord."

The certification may be executed by any person duly authorized to bind the Landlord with respect to the claim.

- e. For Landlord claims of \$100,000 or less, the contracting officer must, if requested in writing by the Landlord, render a decision within 60 days of the request. For Landlord-certified claims over \$100,000, the contracting officer must, within 60 days, decide the claim or notify the Landlord of the date by which the decision will be made.
- f. The contracting officer's decision is final unless the Landlord appeals or files a suit as provided in the Act.
- g. When a claim is submitted by or against a Landlord, the parties by mutual consent may agree to use an alternative dispute resolution (ADR) process to assist in resolving the claim. A certification as described in subparagraph d of this clause must be provided for any claim, regardless of dollar amount, before ADR is used.
- h. The Postal Service will pay interest on the amount found due and unpaid from:
 - 1. the date the contracting officer receives the claim (properly certified if required); or
 - 2. the date payment otherwise would be due, if that date is later, until the date of payment.
- i. Simple interest on claims will be paid at a rate determined in accordance with the Act.
- j. The Landlord must proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the contracting officer.
- 9. HAZARDOUS/TOXIC CONDITIONS CLAUSE

Sites cannot have any contaminated soil or water above applicable federal, state or local action levels or undisclosed underground storage tanks. Unless due to the act or negligence of the Postal Service, if contaminated soil, water, underground storage tanks or piping or friable asbestos material or any other hazardous/loxic materials or substances as defined by applicable Local, State or Federal law are subsequently identified on the premises, the Landlord agrees to remove such materials or substances upon notification by the Postal Service at Landlord's sole cost and expense in accordance with EPA and/or State guidelines; prior to accomplishing this task, Landlord must seek written approval by the USPS Contracting Officer of the contractor and scope of work, such approval not to be unreasonably withheld. If ACBM is subsequently found in the building which reasonably should have been determined, identified, or known to the Landlord, the Landlord agrees to conduct, at Landlord's sole expense, an asbestos survey pursuant to the standards of the Asbestos Hazard Emergency Response Act (AHERA), establish an Operations and Maintenance (O&M) plan for asbestos management, and provide the survey report and plan to the Postal Service. If the Landlord fails to remove any friable asbestos or hazardous/toxic materials or substances, or fails to complete an AHERA asbestos survey and O&M plan, the Postal Service has the right to accomplish the work and deduct the cost plus administrative costs, from future rent payments or recover these costs from Landlord by other means, or may, at its sole option, cancel this Lease. In addition, the Postal Service may proportionally abate the rent for any period the premises, or any part thereof, are determined by the Postal Service to have been rendered unavailable to it by reason of such condition.



General Conditions to USPS Lease

The Landlord hereby indemnifies and holds harmless the Postal Service and its officers, agents, representatives, and employees from all claims, loss, damage, actions, causes of action, expense, fees and/or liability resulting from, brought for, or on account of any violation of this clause.

10. FACILITIES NONDISCRIMINATION

- a. By executing this Lease, the Landlord certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform services at any location under its control where segregated facilities are maintained.
- b. The Landlord will insert this clause in all contracts or purchase orders under this Lease unless exempted by Secretary of Labor rules, regulations, or orders issued under Executive Order 11246.

11. CLAUSES REQUIRED TO IMPLEMENT POLICIES, STATUTES, OR EXECUTIVE ORDERS

The following clauses are incorporated in this Lease by reference. The text of incorporated terms may be found in the Postal Service's Supplying Principles and Practices, accessible at www.usps.com/publications.

Clause 1-5, Gratuities or Gifts (March 2006)

Clause 1-6, Contingent Fees (March 2006) Clause 9-3, Davis-Bacon Act (March 2006)

Clause 9-7, Equal Opportunity (March 2006)2

Clause 9-13, Affirmative Action for Handicapped Workers (March 2006)3

Clause 9-14, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (March 2006)⁴

Clause B-25, Advertising of Contract Awards (March 2006)

Note: For purposes of applying the above standard clauses to this Lease, the terms "supplier," "contractor," and "lessor" are synonymous with "Landlord," and the term "contract" is synonymous with "Lease."

For premises with net interior space in excess of 6,500 SF and involving construction work over \$2,000.

² For leases aggregating payments of \$10,000 or more.

⁹ For leases aggregating payments of \$10,000 or more.

For leases aggregating payments of \$25,000 or more.



Maintenance Rider USPS Responsibility (Partial)

- The Postal Service shall maintain the demised premises (including repair and replacement of items, if necessary), except for those items specifically made the responsibility of the Landlord in Paragraph 3 below. The responsibility of the Postal Service as stated herein will be fulfilled at such time and in such manner as the Postal Service considers necessary to keep the demised premises in proper condition.
- The term "demised premises" as used in this rider includes the premises described in the Lease, the improvements and appurtenances to such premises and all equipment and fixtures furnished, or to be furnished, by the Landlord under this Lease.
- 3. During the continuance of the Lease, the Landlord is responsible for maintenance of, repairs to, and, if necessary, replacement of:
 - a. All common or joint use interior and exterior areas and common or joint use equipment and systems that may be included as part of this lease.
 - b. All structural elements, including but not limited to: the foundation; column supports; bearing walls; floors, not including floor covering.
 - c. All parts of the roof system including, but not limited to: the roof covering; flashing and insulation; roof beams, joists, and deck; soffit and fascia; and gutters and downspouts. The Postal Service will be responsible for regular cleaning of gutters and downspouts connected to the outer edge (i.e., the eaves area) of the roof; Landlord will be responsible for regular cleaning of any other gutters, downspouts, troughs, scuppers, roof drains, etc.
 - d. Damage resulting from termites and any other wood-eating insects, including inspection, prevention and eradication.
 - e. Defects in building construction or installation of equipment, fixtures, or appurtenances furnished by the Landlord.
 - f. Damage from fire or other casualties, unless such casualties were caused by the negligence of employees or agents of the Postal Service.
 - g. Items of repair performed by the Postal Service due to the failure of any element for which the Landlord is responsible.
 - h. Landlord is responsible for any necessary replacement of the well and septic systems, including lateral fields, during the continuance of the lease. If replacement of either system becomes necessary as a result of the failure of that system, the Landlord remains responsible for providing an operating well system and septic system. Landlord is also responsible for any inspections of these systems required by governing bodies. The Postal Service is responsible for maintenance of the well system and septic system, including any necessary pumping and cleaning of the septic system.
- 4. If the demised premises or any portion thereof are damaged or destroyed by fire or other casualty, Acts of God, of a public enemy, riot or insurrection, vandalism, or are otherwise determined by the Postal Service to be unfit for use and occupancy, or whenever there is a need for maintenance, repair, or replacement which is the Landlord's obligation under this Maintenance Rider, the Postal Service will require the Landlord to rebuild or repair the premises as necessary to restore them to tenantable condition to the satisfaction of the Postal Service. The Postal Service will, except in emergencies, provide the Landlord with written notice stating a reasonable time period for completion of all necessary repairs. (A copy of any such notice shall be sent to the Landlord's mortgagee and any assignee of monies due or to become due under this Lease whose names and addresses have been furnished to the Postal Service by the Landlord. Failure to give such written notice to the Landlord or to the mortgagee or assignee shall not affect the Postal Service's rights to recover expended costs under this provision, provided that the costs expended by the Postal Service are reasonable in amount.) The Postal Service, acting through the Contracting Officer, may proportionately abate the rent for any period the premises, or any part thereof, are determined by the Postal Service to have been rendered untenantable, or unfit for use and occupancy, by reason of such condition.



Maintenance Rider USPS Responsibility (Partial)

If the Landlord (or the mortgagee or assignee, on behalf of the Landlord) fails to prosecute the work with such diligence as will ensure its completion within the time specified in the notice (or any extension thereof as may be granted at the sole discretion of the Postal Service), or fails to complete the work within said time, the Postal Service shall have the right to perform the work (by contract or otherwise), and withhold the cost plus any administrative cost and/or interest, from rental payments due or to become due under this Lease. Alternatively, the Contracting Officer may, if the demised premises are determined to be untenantable or unfit for use or occupancy, with reasonable discretion, cancel this Lease in its entirety, without liability.

The remedies provided in this section are non-exclusive and are in addition to any remedies available to the Postal Service under applicable law.

5. The Landlord must:

- comply with applicable Occupational Safety and Health Standards, title 29 Code of Federal Regulations (CFR) (including but not limited to Parts 1910 and 1926), promulgated pursuant to the authority of the Occupational Safety and Health Act of 1970 (OSHA); and
- b. comply with any other applicable federal, state, or local regulation governing workplace safety to the extent they are not in conflict with a; and
- c. take all other proper precautions to protect the health and safety of:
 - any laborer or mechanic employed by the Landlord in performance of this agreement;
 and
 - (2) Postal Service employees; and,
 - (3) the public.

The Landlord must include this clause in all subcontracts hereunder and require its inclusion in all subcontracts of a lower tier. The term "Landlord" as used in this clause in any subcontract must be deemed to refer to the subcontractor.



Renewal Option Rider (Market Value)

Facility Name/ Location

ROSEVILLE - VERNON RETAIL STATION (056624-008) 330 VERNON ST. ROSEVILLE, CA 95678-9998

County: Placer Lease: F00000326607

The Postal Service may exercise an option to renew this Lease pursuant to Paragraph 4, for which the Lease does not designate a specific rental rate; the parties shall determine the appropriate, market value rent for that renewal term as follows:

- 1. Not less than 18 months or more than 24 months prior to the expiration of the current lease term, the Postal Service shall give written notice to Landlord advising Landlord of the Postal Service's opinion of the appropriate market value rent of the leased premises. This opinion shall be based on an appraisal procured by the Postal Service at its sole cost and performed by a "qualified appraiser" prepared in accordance with the attached Appraisal Report Specifications. A copy of the appraisal's summary page/transmittal letter (hereinafter referred to as the "summary") shall be provided to Landlord with the above notice. (A "qualified appraiser" is defined as someone who is State certified or designated by a national professional appraisal society, which said national society is a sponsoring organization of the Appraisal Foundation.)
- 2. Landlord and Postal Service shall attempt to agree in writing on the market value rent of the leased premises during the thirty (30) day period following delivery of the Postal Service's notice (the "initial negotiation period"). If the parties reach agreement on the market value rent figure, the Postal Service shall timely exercise the renewal option at the agreed rent. If the parties are unable to reach an agreement during the initial negotiation period, then Landlord shall at its sole cost within thirty (30) days following the initial negotiation period, procure an appraisal by a "qualified appraiser". A copy of the appraisal's summary page/transmittal letter (the summary) shall be provided to the Postal Service. If the Landlord fails to provide an appraisal summary as specified herein, then the renewal term rent shall be the market value rent established by the Postal Service's appraisal. The Postal Service shall then timely exercise the renewal option.
- 3. If the Landlord's appraisal summary amount is within ten percent (10%) of the Postal Service's appraisal summary amount, then the renewal term rent shall be the arithmetic average of the two appraisal summaries. The Postal Service shall then timely exercise the renewal option. If the difference between the two appraisal summaries is greater than ten percent, the Landlord and Postal Service shall attempt to agree in writing on the market value rent during the thirty (30) day period following delivery of the Landlord's appraisal summary to the Postal Service (the "final negotiation period.") If the parties reach agreement on the market value rent, the Postal Service shall timely exercise the renewal option. If the parties are unable to reach agreement during the final negotiation period, then the Landlord shall provide the Postal Service with a list of three qualified appraisers within ten (10) days after request from the Postal Service. The Postal Service shall select one appraiser from this list to perform an appraisal review (or, if Landlord fails to provide a list, the Postal Service shall select an appraiser). Within thirty (30) days, this appraiser shall review both full narrative appraisal reports; establish an appropriate annual market value rent for the renewal term and forward copies of the completed appraisal review to both the Postal Service and the Landlord. The annual rental amount established in the appraisal review shall be binding on both parties for the renewal term of the Lease. The Postal Service shall then timely exercise the renewal option.
- 4. Landlord and Postal Service shall share equally the cost of the appraisal review noted above, as follows. The Postal Service shall contract for such appraisal review using its standard Contract for Real Estate Services. Landlord shall reimburse the Postal Service fifty percent (50%) of the cost of the appraisal review within sixty (60) days of presentation of the appraiser's invoice(s). If the Landlord fails to pay this fifty percent (50%) share within said time period, the Postal Service may deduct that amount from the following month's rent without further notice to the Landlord.
- 5. In the event the parties have not completed the appraisal/market value rent determination process and the date for the Postal Service to exercise the renewal option is approaching, the Postal Service shall timely exercise the renewal option at the Postal Service appraiser's market value rent figure (pursuant to paragraph 1, above) and shall not be considered a holdover. Once the renewal term's appropriate market value rent has been determined as noted above, the Postal Service will pay to Landlord any incremental rental increase for this interim period.



Utilities, Services, & Equipment Rider

Facility Name/Location

ROSEVILLE - VERNON RETAIL STATION (056624-008) 330 VERNON ST, ROSEVILLE, CA 95678-9998

County: Placer

Lease: F00000326607

1. HEAT

Landlord must furnish heating system in good working order, in accordance with the Maintenance Rider, during the continuance of the lease. Any investigative or remediation cost associated with a release of fuel from the system, including any fuel tank, shall be the responsibility of the Landlord, unless the release is caused by the act or negligence of the Postal Service. The Postal Service pays all recurring fuel charges, provided such charges are separately metered for postal consumption.

2. AIR CONDITIONING

Landlord must furnish air conditioning equipment in good working order, in accordance with the Maintenance Rider, during the continuance of the lease. The Postal Service pays for recurring charges for power for the equipment, provided the power is separately metered for postal consumption.

3. ELECTRICITY

Landlord must furnish a separately metered electrical system in good working order for the demised premises, in accordance with the Maintenance Rider, during the continuance of the lease. The Postal Service will pay all recurring electric bills.

4. LIGHT

Landlord must provide light fixtures in good working order, in accordance with the Maintenance Rider, during the continuance of the lease. Landlord is not responsible for replacement of light bulbs.



Utilities, Services, & Equipment Rider

5. WATER

Landlord must furnish a potable water system in good working order, in accordance with the Maintenance Rider, during the continuance of the Lease. The Postal Service pays for all recurring water bills during the continuance of the Lease, provided a separate meter or separate invoice is furnished by the appropriate authority.

6. SEWER

Landlord must furnish a sewer system in good working order, in accordance with the Maintenance Rider, during the continuance of the Lease. The Postal Service pays for all recurring sewer bills during the continuance of the Lease, provided a separate meter, or separate invoice is furnished by the appropriate authority.

7. TRASH

The Postal Service agrees to furnish and pay for all trash removal for the demised premises during the continuance of the Lease.

8. SNOW

Not Applicable