

## LEASE AGREEMENT

This LEASE AGREEMENT (this "Lease") is made and entered into as of May 7th, 2025 (the "Effective Date"), by and between The City of Beaumont, a California general law city ("Landlord"), and Riverside County Office of Economic Development, a department of the County of Riverside ("Tenant").

1. Lease of Premises. Landlord hereby leases to Tenant, and Tenant leases from Landlord, the following described premises (hereinafter "Premises") being an individual suite, office or offices located at 514 California Avenue, Beaumont CA 92223, and being more particularly described and depicted in **Exhibit "A"** attached hereto and made a part hereof, inclusive of all easements, and other appurtenances and rights of way incident thereto benefiting the Premises. Tenant shall share the Premises equally with its partner Inland Empire Small Business Development Center ("Partner"). Tenant and Partner shall share the Premises and cooperate with each other in performing the obligations of the Tenant hereunder, Jointly and severally, as a matter with which the Landlord shall have no concern.

The Premises are part of the larger building ("Building") and are clearly outlined on the diagram attached as Exhibit "A". For all locations not specified in **Exhibit "A"** as being the area being non-exclusively leased to Tenant hereunder, it is understood that the larger building is leased out to multiple other tenants and certain portions of the Building are common to all occupants of the building as common area. The Premises shall include such portions of the land and Building, pavement, lighting fixtures and other improvements now or later installed or constructed upon the land, and all driveways, parking lots, walkways, landscaping and other such appurtenances and improvements customarily used in connection with the individual suite or Premises. The improvements existing within the Premises that are leased to the Tenant as it now exists or may exist in the future are referred to in this Lease as the "Improvements".

2. Term and Rent.

2.1 Term. Subject to the terms and conditions contained herein, this Lease shall be effective as of the Effective Date. The term of this Lease shall commence on the Effective Date and shall continue on a month-to-month basis. Landlord or Tenant may terminate this Lease by providing thirty days advanced written notice to the other.

2.2 Rent. Tenant agrees to make rental payments to Landlord (collectively, "Rent") in the amount of One Dollar (\$1.00) per year, without proration, which obligation to pay Rent shall commence on the date that Tenant opens for business for the public (the "Rent Commencement Date"). After the Rent Commencement Date, Rent shall be payable on the anniversary of the Rent Commencement date each year thereafter during the Term of this Lease. In the event that any rental payment becomes due on a Saturday, Sunday or local, state or federal holiday (each being a "business day"), then the rental payment shall be due on the next succeeding business day.

3. Delivery of Premises. On the Effective Date, Landlord shall deliver the Premises to Tenant in, and Tenant shall accept the Premises from Landlord in, "AS IS" "WHERE IS" condition except as otherwise provided herein.

4. Use; Conduct of Business.

4.1 Use. The Tenant shall have the affirmative duty and the right to use the Premises for the following purposes:

a. TENANT will offer a range of programs designed to meet the unique needs and goals of businesses.

b. TENANT will provide monthly reports to the City on work performed in the building, milestones achieved, and a schedule of events (trainings, workshops, jobs fairs, etc.).

(the forgoing a-b, collectively are referred to as the “Agreed Use”).

4.2 Conduct of Business. Tenant shall conduct business that at any time is being operated at the Premises in all material respects in accordance with all applicable laws and ordinances.

4.3 Priority of Use and Access by Landlord. Notwithstanding any other provision of this Lease, because the Landlord is the owner of the Premises and will maintain on-site staff presence, the City of Beaumont shall retain first priority access to and use of the Premises, including but not limited to offices, meeting rooms, and all common areas, as well as the surrounding grounds and exterior premises. Landlord shall have the exclusive right to designate and utilize office space for City staff at its discretion, and may access and use shared and common areas at any time without restriction. Tenant shall not unreasonably interfere with such access and shall coordinate activities to ensure continued availability and operational use of the Premises by Landlord personnel. In the event of any conflict regarding the use or scheduling of spaces within the Premises, the City of Beaumont’s determination shall control. Landlord shall always have access to all offices and enclosed spaces within the Premises as a matter of safety, security, and property oversight. Landlord’s access shall include, but not be limited to, administrative use, City-hosted events, maintenance, inspections, and emergency response. Tenant shall ensure that Landlord retains key or electronic access credentials for all such spaces and shall update Landlord promptly regarding any changes to access methods. Landlord reserves the right to reallocate or modify office assignments and workspace configurations as needed to support City operations, provided such changes do not unreasonably disrupt Tenant’s Agreed Use.

5. Improvements: Alterations: Maintenance.

5.1 Improvements: Alterations. Tenant shall not make any substantial repairs, alterations, or additions to the Premises that, in the aggregate with other repairs, alterations or additions to the Premises, cost more than \$100,000, including its HVAC, plumbing or electrical systems, or make any contract therefor, without (i) procuring Landlord’s written consent, which consent shall not be unreasonably withheld, conditioned or delayed, (ii) delivering to Landlord the applicable plans and specifications and copies of necessary permits upon request from Landlord, and (iii) furnishing indemnification against liens, costs, damages and expenses and satisfactory proof that all contractors and subcontractors are properly licensed and maintain adequate insurance, as Landlord may reasonably require. Landlord shall consent or object in writing to such repairs, alterations, or additions to the Premises within ten (10) days of receipt of notice thereof

from Tenant. Tenant may remove Tenant's Property, as defined in SECTION 6, below, at its election at any time during the Term, provided that the actual cost of repairing any damage to the Premises arising from such removal and restoring the same to their original condition shall be paid for by Tenant. Tenant shall promptly pay all contractors and materialmen, so as to avoid the possibility of a lien attaching to the Premises, and should any lien be made or filed, Tenant shall provide a copy of the same to Landlord within 48 hours of receipt and bond against or discharge the same within thirty (30) days after written request by Landlord. Nothing in this Lease shall be construed as a consent on the part of the Landlord so as to subject the Landlord's estate in the Premises to any lien or liability under the laws of the state in which the Premises are located.

5.2 Maintenance. During the Term of this Lease, except as otherwise specifically set forth in this Paragraph, Landlord shall, at its own expense, keep and maintain the entirety of the Building in good order and repair, subject to ordinary wear and tear. Landlord's maintenance obligations hereunder include, without limitation, the roof, foundation, structural walls and elements, heating, air conditioning and ventilation systems, glass, plate glass, windows and doors, sprinklers, fire sprinklers, electrical, all plumbing systems, fixtures, walls, floors, ceilings, all mechanical systems, electrical facilities and equipment, exhaust equipment and systems, exterior, curbs, parking lot, trash enclosures, landscaping and all other improvements. Tenant shall maintain and repair the Premises in a good and clean condition at all times at its sole cost and expense. Landlord may enter the Premises at all reasonable times to make such repairs as Landlord shall reasonably deem necessary to the Premises or as Landlord may be reasonably required to do by any governmental authority.

5.3 Liens. Tenant shall promptly pay its contractors, subcontractor, laborers, engineers and design professionals and materialmen for all work done and materials delivered or performed by or on behalf of Tenant, and secure unconditional lien releases so as to prevent the assertion or imposition of mechanic liens, materialmen's liens, design professional liens and other liens upon or against the Premises, and Tenant shall, upon request provide Landlord with such lien waivers obtained by Tenant. In the event any lien is asserted or filed against the Premises, Tenant shall bond against and discharge the same within thirty (30) days after written request by Landlord. In the event Tenant fails to remove or bond over and remove said lien within said thirty (30) day period, the Landlord may (but is not required to), at its sole discretion, elect to satisfy and remove the lien by paying the full amount claimed or otherwise, and Tenant shall pay Landlord upon demand, as additional Rent, the amount paid out by Landlord on Tenant's behalf, including Landlord's reasonable attorney's fees, costs and expenses with interest upon written demand or Tenant shall be in default hereunder without any further opportunity to cure. Landlord's election to discharge lien(s) as provided hereunder shall not be construed to be a waiver or cure of Tenant's default under this section.

5.4 Permits. Landlord agrees to cooperate with Tenant in securing any and all building permits and other permits and authorizations necessary from time to time for the performance of any construction, alteration or other work permitted to be done by Tenant under this Lease and duly approved by Landlord, but such cooperation by Landlord shall not be construed as the consent of Landlord to the filing of any mechanic's, materialman's or other lien or any claim relating thereto, nor to the performance of any labor or the furnishing of any materials on the account of Landlord in any construction to be done by Tenant on the Premises.

6. Trade Fixtures & Equipment. All trade fixtures and equipment, signs (including indoor and outdoor signage), and specifically designed components of improvements to the Premises, including decorative materials and accessories necessarily related to these items placed in or upon the Premises by Tenant (or any prior owner or occupant of the Premises) (hereinafter collectively referred to as the "Tenant's Property") shall at all times during the Term remain the property of Tenant, and Tenant shall have the right to remove the same at any time during the Term or within a reasonable time thereafter unless a Tenant Default has occurred and is continuing hereunder at the time of removal. Tenant shall further be permitted to install, use on and about, and remove from the Premises at any time during the Term all other personal property which are not a component of the Building(s) located or to be located on the Premises, all of which at all times during the Term shall be deemed to be part of Tenant's Property with the right of removal by Tenant at or before the expiration or termination of this Lease. Tenant's Property shall also include without limitation: (1) removable decor items and office equipment, including but not limited to computers, POS equipment, telephones and fax machines; (2) building lettering, trade dress, signs, sign posts and sign standards; (3) trade fixtures, inventory, equipment, and all personal property used in connection with the business conducted at the Premises; and (4) parts and service equipment, including but not limited to such equipment as may be attached to the building whether by bolts, screws, utility connections or otherwise, such as lifts, compressors and water heaters.

7. Insurance: Indemnification.

7.1. Tenant's alterations, installations, trade fixtures and personal property shall be insured by Tenant not by Landlord. Such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender). Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed \$5,000 per occurrence, and Tenant shall be liable for such deductible amount in the event of an Insured Loss. Tenant shall also obtain and keep in force a policy or policies in the name of Landlord with loss payable to Landlord and any Lender, insuring the loss of Rent for one year with an extended period of indemnity for an additional 180 days ("Rental Value insurance"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Tenant, for the next 12-month period. Tenant shall be liable for any deductible amount in the event of such loss.

7.2 (a) Liability and Other Insurance. At all times during the Term of this Lease, Tenant shall, at its sole cost and expense, maintain or cause to be maintained: (a) Commercial General Liability Insurance (as that term is commonly used in the insurance industry) covering liability arising from the Premises or operations, contractual liability, and personal liability with a limit of not less than Two Million and 00/100 Dollars (\$2,000,000.00) Per Occurrence (as that term is commonly used in the insurance industry) on each of the following coverages: (i) Covered Autos (ii) General Liability Bodily Injury and Property Damage Liability (iii) Personal and Advertising Injury Liability (iv) Damages to Premises Rented to Tenant and Five Million and 00/100 Dollars (\$5,000,000.00) Aggregate (as that term is commonly used in the insurance industry); (b) Commercial Umbrella Insurance (as that term is commonly used in the insurance industry) of no less

than Five Million and 00/100 Dollars (\$5,000,000.00); (c) workers' compensation insurance on its employees at the Premises in the amounts required by law; and (d) flood insurance, if the Premises (or any portion thereof) is located within (either currently or at any time during the Term of this Lease) a federally designated "special flood hazard area" in an amount equal to or greater than the replacement value of the improvements at the Premises.

(b) Property Damage. Tenant shall obtain and maintain insurance coverage on all of Tenant's personal property, trade fixtures, and owned alterations and utility installations. Such insurance shall be full Replacement Cost coverage with a deductible of not to exceed \$1,000 per occurrence. The proceeds from any such insurance shall be used by Tenant for the replacement of personal property, trade fixtures and tenant owned alterations and utility installations.

(c) No Representation of Adequate Coverage. Landlord makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Tenant's property, business operations or obligations under this Lease.

(d) Tenant may provide insurance through a JPIA.

(e) If Tenant fails to maintain the insurance required hereunder, Landlord may (but need not) obtain such insurance and Tenant shall pay Landlord the actual cost thereof plus interest at the rate of ten percent per annum and administrative fee of ten percent (10%) of the actual cost forthwith no later than thirty (30) days after being provided invoices for same.

7.3 Insurance Carrier; Endorsements. Landlord, its employees and public officials shall be named as additional insured on certificates of liability insurance required under this Lease. Tenant shall provide Landlord with a copy of the certificates of insurance on or before the Rent Commencement Date, upon any renewal of such insurance prior to the expiration of the term of such coverage, and otherwise upon Landlord's written request. Tenant's insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to or maintained by Landlord. The Commercial General Liability Insurance (as that term is commonly used in the insurance industry) certificate shall be written on ISO Occurrence Form CG 0001-0798 (or a substitute form providing equivalent coverage). Tenant shall place said insurance with reputable insurance companies qualified to do business in the state where the Premises are located with at least an A, VII rating in "Best's Insurance Guide". In the event of the payment of insurance proceeds resulting from any damage or destruction to the Premises, and under the terms of this Lease, Tenant is required to repair or restore same, then such insurance proceeds shall be made available to Tenant for the purpose of making such repairs or replacements on reasonable terms as determined by Landlord. In the event of cancellation of the liability insurance policy, Tenant shall notify Landlord at least fifteen (15) days prior thereto, and in the event of cancellation of the casualty insurance policy as a result of non-payment of premiums, Tenant shall notify Landlord at least thirty (30) days prior thereto. Prior to the effective date of any such cancellation, Tenant shall obtain replacement insurance on the terms provided in this Lease.

7.4 Tenant shall obtain a waiver of subrogation from its insurance companies for the benefit of Landlord.

7.5 Indemnification of Landlord. Tenant will protect, indemnify, save harmless and defend Landlord from and against all liabilities (statutory or otherwise), obligations, claims,

demands, damages, penalties, causes of action, costs and expenses (sometimes referred to in this Lease as "Claims," and including, without limitation, reasonable attorney's fees and expenses) imposed upon or incurred by Landlord by reason of any actual or alleged accident, injury to or death of persons or loss of or damage to property occurring on or about the Premises, Building or adjoining sidewalks and parking lot, or any other matter or thing arising out of the Tenant's use, occupation, management, or control of the Premises, or caused by the negligence, errors, acts or omissions of Tenant, or Tenant's employees, agents or representatives, customers, or invitees, on or about the Premises, or any failure on the part of the Tenant to perform or comply with any of Tenant's obligations under this Lease, excluding, however, any such Claims arising from any accident, injury, damage or loss to the extent caused by the negligence or willful misconduct of Landlord, or Landlord's employees, representatives or any of their agents as determined by a court of competent jurisdiction. All property of Tenant or any occupant of the Premises shall be there at the risk of Tenant or such person only, and, Landlord shall not be liable for damage thereto and theft or misappropriation thereof. Tenant's obligations under this section will survive the expiration or early termination of the Lease.

8. Damage to Premises.

8.1 Partial Damage - Insured Loss. If a Premises Partial Damage that is an Insured Loss occurs, then Tenant shall, at Tenant's expense, repair such damage

8.2 Total Destruction. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee.

9. Assignment/Subletting.

9.1 General Restriction. Tenant shall not assign its interest in this Lease, nor sublet the Premises or any portion thereof, nor otherwise transfer or encumber this Lease or any interest therein (each, an "Assignment"), without first obtaining the prior written consent of Landlord, not to be unreasonably withheld, conditioned, or delayed. At the time of any such proposed Assignment, and as a condition precedent thereto, a Tenant Default must not have occurred and be continuing at such time, under any terms of this Lease. If Tenant consummates an Assignment without obtaining the necessary consent of Landlord pursuant to the provisions of this section, the assignment shall be null and void and of no effect and an incurable Tenant Default shall thereby be deemed to have occurred. Notwithstanding the foregoing to the contrary, Tenant shall not be required to obtain Landlord's consent to, and the same shall not be deemed an assignment, in connection with the merger or consolidation of Tenant.

9.2 Assignment by Landlord. In the event any sale or exchange of the Premises by Landlord and assignment by Landlord of this Lease, the Landlord shall be entirely freed and relieved of its covenants and obligations contained in, or derived from the Lease arising out of any act, occurrence or omission relating to the Premises or this Lease occurring after the consummation of such sale or exchange and assignment, provided however, that the new owner shall assume and agree for the benefit of Tenant to perform all the covenants and obligations of Landlord contained herein from and following the date of the sale or exchange. In the event of such

sale or exchange, this Lease shall nevertheless remain unimpaired and in full force and effect and Tenant hereunder agrees to attorn to the then owner of the Premises.

10. Tenant Default and Remedies.

10.1 Tenant Default. The following shall constitute a default of Tenant under this Lease (each, a "Tenant Default"):

(a) If Tenant fails to pay any monthly installment of Rent or any other payment hereunder on the date that same is due and shall not cure such failure within ten (10) days following written notice thereof from Landlord;

(b) Tenant's failure to perform any of the other terms, conditions or covenants of this Lease to be observed or performed by Tenant for more than thirty (30) days after written notice thereof from Landlord; provided, however, that that if such failure cannot reasonably be cured in the thirty (30) day period, no default shall be deemed to have occurred so long as Tenant shall commence the cure of the same within thirty (30) days of receipt of Landlord's notice and shall thereafter diligently pursue the same to completion; or

(c) If Tenant makes a general assignment for the benefit of creditors or files a voluntary petition in bankruptcy, or if a decree is entered involuntarily adjudicating Tenant a bankrupt and such decree is not dissolved within ninety (90) days, or if a receiver shall be appointed for all the property of Tenant and shall not be discharged within ninety (90) days, then, any such action shall constitute a default by Tenant and, subject to the rights of a mortgagee, Landlord may give notice and terminate this Lease; provided, however, that no such act or event shall constitute a default hereunder or permit the termination of this Lease as long as the payment of all Rent and the other obligations to be performed by the Tenant shall be performed by Tenant or any party claiming under or acting on behalf of Tenant.

10.2 Landlord Remedies. Upon the occurrence of a Tenant Default, following the expiration of any applicable notice and cure periods, Landlord shall have the option to pursue any one or more of the following remedies without notice or demand, in addition to all other rights and remedies available to Landlord at law or in equity, but in all instances, Landlord shall use commercially reasonable efforts to mitigate its damages:

(a) Landlord may enter upon and take possession of the Premises and Tenant's Property without terminating this Lease and without relieving Tenant of its obligation to make the monthly payments of Rent herein reserved, and as provided by applicable law expel or remove Tenant and any Tenant's Property located therein (and any other person who may be occupying the Premises or any part thereof) and relet the Premises in the name of Landlord at any rent readily obtainable, and receive the rent therefor. In such event, Tenant shall pay to Landlord monthly, upon demand, any deficiency in the monthly payments of Rent herein reserved that may arise by reason of such reletting and the expenses of such reletting, until the expiration of the Term of this Lease.

(b) Landlord may elect to terminate this Lease forthwith. In the event of such termination, Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may enter upon and take possession of the Premises and Tenant's Property as provided by applicable law and expel or remove Tenant and any other person who may be occupying said

Premises or any part thereof, and any personal property or trade fixtures located therein. In the event of forfeiture of this Lease as herein provided, Tenant agrees that any prepaid Rent being held by Landlord hereunder shall be forfeited to Landlord as liquidated damages for Tenant's default, which liquidated damages shall be in addition to and not in lieu of any unpaid Rent or any other damages accruing to Landlord by reason of such violation by Tenant of any of the terms, provisions and covenants of this Lease.

11. Landlord Default and Tenant Remedies. Landlord shall be in default in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within thirty (30) days after the receipt of written notice from Tenant specifying in detail Landlord's failure to perform; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, Landlord shall not be deemed in default if it shall commence such performance within thirty (30) days and thereafter diligently pursues the same to completion. Upon default by Landlord which is not cured within any applicable notice and cure period, Tenant may pursue its rights and remedies at law or in equity. If Landlord shall be in default in the performance of any obligation required to be performed by Landlord under this Lease, or in the event Landlord or its agents causes the damage or destruction as set forth herein, Tenant shall have the right to recover from Landlord all amounts necessary to compensate Tenant for all the detriment proximately caused by such default or which would be likely to result therefrom; provided, however, in no event shall Landlord be liable for business interruption loss, lost profits or consequential or punitive damages except to the extent arising from any fraud, intentional misrepresentation or gross negligence of Landlord. Notwithstanding the forgoing, the total maximum liability of the Landlord for any damages of the Tenant under this Lease or any loss or damage to Tenant or its employees guest or invitees shall not exceed the amount of rent paid by the Tenant to the Landlord under this Lease.

12. Waste. Tenant shall not cause injury or waste to the Premises, reasonable wear and tear, effects of time, and damage by the elements or casualty excepted. Tenant shall keep the Premises clean and free from rubbish, trash and garbage, and, at its own expense, arrange for removal of same.

13. Parking. The Premises currently has a parking lot (the "Parking Lot"). Tenant shall have use of the Parking Lot in common with all others of any open parking spaces, twenty-four (24) hours a day, seven (7) days a week, every day of the year.

14. Signage and Building Identity. Tenant, at Tenant's sole cost and expense, shall be entitled to install signage on and about the Premises, including without limitation exterior signage at all lawful locations or as otherwise approved by appropriate governmental authority. Such signage shall be subject to all applicable laws.

15. Hazardous Substances.

15.1 (a) Tenant shall comply with all applicable laws relating to environmental conditions on, under or about the Premises including, but not limited to, soil and ground water conditions. Without limiting the generality of the foregoing, Tenant shall not transport, use, store, maintain, generate, manufacture, handle, dispose, release or discharge any Hazardous Substance (as defined below) upon or about the Premises, nor permit its respective employees, agents, invitees or contractors to engage in such activities upon or about the Premises. However, the foregoing provisions shall not prohibit the transportation to and from, and the use, storage, maintenance and

handling within, the Premises of substances customarily used in connection with normal business use provided: (a) such substances shall be used and maintained only in such quantities as are reasonably necessary for the then-existing use of the Premises, strictly in accordance with applicable laws and the manufacturers' instructions therefor, (b) such substances shall not be disposed or discharged within the Premises, and shall be transported to and from the Premises in compliance with all applicable laws, and (c) if any applicable law or Tenant's trash removal contractor requires that any such substances be disposed of separately from ordinary trash, Tenant shall make arrangements at Tenant's expense for such disposal directly with a qualified and licensed disposal company at a lawful disposal site. The term "Hazardous Substances" shall mean any product, substance, chemical, material or waste whose presence, nature, quantity and/or intensity of existence, use, manufacture, disposal, transportation, spill, release or effect is either: (i) potentially injurious to the public health, safety or welfare, the environment, or the Premises, or (ii) regulated or monitored by any governmental authority having jurisdiction over the Premises or (iii) a basis for potential liability of Landlord to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, byproducts or fractions thereof. Tenant shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Landlord and timely compliance (at Tenant's expense) with all Applicable Requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Tenant may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use, and including ordinary office supplies (copier toner, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Landlord to any liability therefor. In addition, Landlord may condition its consent to any Reportable Use upon receiving such additional assurances as Landlord reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) Duty to Inform Landlord. If Tenant knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Landlord, Tenant shall immediately give written notice of such fact to Landlord, and provide Landlord with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) Tenant Remediation. Tenant shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Tenant's expense, comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether

or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Tenant, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Tenant, or any third party.

(d) Tenant Indemnification. Tenant shall indemnify, defend and hold Landlord, its council members, officers, agents, employees, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' and consultants' fees arising out of or involving any Hazardous Substance first brought onto the Premises by or for Tenant, or any third party from and after the Effective Date (provided, however, that Tenant shall have no liability under this Lease with respect to any Hazardous Substances existing on, under or about the Premises prior to the Effective Date or any underground migration of any Hazardous Substance under the Premises from adjacent properties not caused or contributed to by Tenant). Tenant's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Tenant, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Landlord and Tenant shall release Tenant from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Landlord in writing at the time of such agreement.

15.2 Landlord represents and warrants that it is not aware of and has no knowledge of any person or entity that has used, generated, manufactured, produced, stored, released, discharged or disposed of on, under, or about the Premises (or off-site of the Premises that might affect the Premises), or transferred to or from the Premises, any Hazardous Substances except for the transportation to and from, and the use, storage, maintenance and handling within, the Premises of substances customarily used in connection with normal business use. Landlord shall protect, indemnify, defend and hold harmless Tenant and its directors, officers, members, managers, contractors, employees, agents, parents, subsidiaries, successors and assigns from and against any and all loss, damage, cost, expense, or liability (including reasonable attorneys' fees and costs) arising out of or attributable to the actions or omissions of Landlord or its agents, or a breach by Landlord of any representation, warranty, covenant or agreement contained in this Section and from any Hazardous Substances located on, under or about the Premises prior to the Effective date. It is the intent of Landlord and Tenant that Tenant shall have no liability for damage to the environment or natural resources, for abatement, removal or clean-up of, or otherwise, with respect to the environmental condition (known or unknown) of the Premises or any property adjacent thereto prior to the Effective Date of the Lease; and that Landlord shall have no liability for damage to the environment or natural resources, for abatement, removal or clean-up of, or otherwise, with respect to the environmental condition (known or unknown) of the Premises or any property adjacent thereto arising during the term of this Lease or attributable to the actions or omissions of Tenant. The warranties and indemnifications made by the parties in this Section shall survive the termination of this Lease, provided that, with respect to a release associated with an Environmental Regulatory Action, as defined below, the indemnifications shall terminate on receipt of a "no further action" letter or equivalent, from the governmental body concerned, or, if no such letter is available, upon the issuance of a report by Tenant's consultant, which consultant has been approved by Landlord in its reasonable

discretion, stating that in the opinion of the consultant, all actions likely to be taken by a governmental body have been taken with respect to the release.

15.3 In the event there is a release of Hazardous Substances (including without limitation Hazardous Substances originating from any adjoining property or any property in the vicinity of the Premises) in, on or around the Premises, which results in an enforcement action or actions or proceedings brought against the Landlord or Premises by a governmental body having jurisdiction to compel an investigation, remediation, cleanup, response action, removal action or other regulatory response (the “Environmental Regulatory Action”), that arose prior to the Effective Date, Landlord shall take all required Environmental Regulatory Action and shall have the right to access the Premises as may be reasonably required for the performance of such obligations, provided that if the cost of performing such remediation is not contained within the approved annual budget, it may instead terminate this Lease without incurring any liability. Tenant shall be responsible for any Environmental Regulatory Action during the term of this Lease in which case the indemnities set forth below shall apply. If any corrective, remedial or responsive action includes any alterations to the Premises or such alterations are required by Environmental Laws, said alterations shall be performed at the expense of the party responsible for such Environmental Regulatory Action. In the event of an Environmental Regulatory Action not arising during the term of this Lease and which Environmental Regulatory Action causes a material, adverse effect on Tenant’s business operations in the Premises, the rent shall abate to the extent of any diminution in the use of the Premises for each day from the date of the Environmental Regulatory Action until such time as the Hazardous Substances affecting the Premises have remediated, and the earlier of the date when: (i) Landlord obtains a “no further action” letter or equivalent or a report by Landlord’s consultant, which consultant has been approved by Tenant in its reasonable discretion, stating that in the opinion of the consultant, all actions likely to be taken by a governmental body have been taken with respect to the release and delivered the same to Tenant, or (ii) the Tenant has resumed its normal business operations at the Premises. Tenant shall have no obligation to conduct or otherwise pay for any investigative, engineering or remedial expenses, including, but not limited to, consultant fees for preparation of a report by Landlord’s consultant with respect to any release directly attributable to Landlord or its agents or representatives, but shall be responsible for all such investigative, engineering or remedial expenses, including consultant fees, with respect to any release occurring during the term of this Lease.

16. No Waiver of Covenants and Agreements. The failure of Landlord or Tenant to insist in any instance on the strict keeping, observance or performance of any covenant or agreement contained in this Lease, or the exercise of any election contained in this Lease, shall not be construed as a waiver or relinquishment for the future of such covenant or agreement, but the same shall continue and remain in full force and effect. No waiver of any condition or covenant of this Lease by either party shall be deemed to imply or constitute a further waiver of the same or any other condition or covenant of said lease.

17. Right of Entry. Upon the occurrence and during the continuance of a Tenant Default, Landlord and its representatives may enter on to the Premises during normal business hours upon reasonable advance written notice to Tenant. At any time during the Term or Renewal Term, as applicable, Landlord may enter the Premises during all business hours for any purpose. Any entry by Landlord and/or its representatives shall be accomplished in a manner which will minimize any interruption or interference with Tenant’s business operations within the Premises.

18. Surrender of Premises. Tenant shall promptly surrender the Premises to Landlord at the expiration or sooner termination of the Term of this Lease and leave the Premises in good condition and repair, subject to reasonable wear and tear, broom clean and free of all debris, waste and by-products. Tenant may remove all of Tenant's Property from the Premises, as permitted in this Lease. Upon removal of any trade fixtures affecting the building systems, Tenant shall cap or cover such building system upon removal of the trade fixtures. Any of Tenant's property remaining in the Premises at the expiration of the Term of this Lease shall be deemed abandoned by Tenant, and Landlord may claim the same and shall in no circumstances have any liability to Tenant therefor. Upon termination, Tenant shall also surrender all keys for the Premises to Landlord and, if applicable, inform Landlord of any combinations of locks or safes in the Premises. The provisions of this paragraph shall survive the expiration or termination of this Lease.

19. Holding Over. Any holding over after the expiration of the Term hereof, with or without the consent of Landlord, shall be construed to be a tenancy from month to month at the Rent herein specified (prorated on a monthly basis) and shall otherwise be on the terms and conditions herein specified, so far as applicable; provided, however, if such holding over is without the consent of Landlord; Rent for such holdover period shall be 100% the Rent due for the last year of the Term.

20. No Consequential or Punitive Damages. Notwithstanding any provision of this Lease to the contrary, under no circumstances shall either party be liable to the other for any consequential, special, exemplary or punitive damages or lost profits.

21. Separability and Survivability. The illegality, invalidity or unenforceability of any term, condition, or provision of the Lease shall in no way impair or invalidate any other term, provision or condition of the Lease, and all such other terms, provisions and conditions shall remain in full force and effect. In the event that Landlord or Tenant lawfully terminates this Lease, the provisions of this Lease shall otherwise remain in effect to the extent necessary to allow Landlord and Tenant to enforce rights and obligations accruing prior to the termination of this Lease and attributable to the period of time prior to the termination of this Lease.

22. Governing Law and Venue. The Lease shall be governed by and construed pursuant to the laws of the state of California. Venue for any action under or related to this lease shall be exclusively in the state or federal courts located in the County of Riverside. Any judgment rendered in such an action may be enforced in any other jurisdiction domestic or foreign subject to applicable law and treaty.

23. Notices. All notices required under this Lease shall be deemed to be properly served if delivered in writing personally, sent by certified mail with return receipt requested or sent by nationally recognized overnight carrier, to the party at the address set forth below, or to any subsequent address which Tenant or Landlord may designate in writing to the other party for such purposes. The date of service of a notice shall be deemed received (a) when delivered, if delivered personally, (b) three (3) days after being deposited in the United States mail, certified mail, postage prepaid, or (c) one (1) day after being sent using a reliable overnight carrier. All notices shall be addressed as follows:

If to Landlord:

City of Beaumont  
c/o City Manager  
550 East Sixth Street  
Beaumont, CA 92223

If to Tenant:

Michael Franklin, Deputy Director  
County of Riverside Office of Economic Development  
3403 10<sup>th</sup> Street, 4<sup>th</sup> Floor  
Riverside, CA 92501  
Telephone: (951) 955-6673  
Email: [MFranklin@rivco.org](mailto:MFranklin@rivco.org)

24. Binding Effect. Except as otherwise herein provided, this Lease and all the covenants, terms, provisions and conditions herein contained shall inure to the benefit of and be binding upon the heirs, representatives, successors and assigns of each party hereto, and all covenants herein contained shall run with the land and bind any and all successors in title to Landlord.

25. Attorneys' Fees. If either Landlord or Tenant commences or engages in any action or litigation or arbitration against the other party arising out of or in connection with the Lease, the Premises and/or the Building, including but not limited to, any action for recovery of any payment owed by either party under the Lease, or to recover possession of the Premises, or for damages for breach of the Lease, the prevailing party in any such action shall be entitled to have and recover from the losing party reasonable attorneys' fees and other costs incurred in connection with the action and in preparation for said action. This provision shall survive the termination of the Lease.

26. Cooperation. Landlord shall fully cooperate with Tenant throughout the Term of this Lease to secure or maintain proper zoning, building and other permits for the Premises, and to assist Tenant in complying with all applicable laws. Landlord shall execute any petitions, requests, applications and the like as Tenant shall reasonably request in order to obtain any permit, license, variances and approvals which, in the reasonable judgment of Tenant, are necessary for the lawful construction and/or operation of Tenant's business on the Premises.

27. Entire Agreement and Amendment. This Lease constitutes the complete and entire agreement between the parties. All negotiations, considerations, representations and understandings between Landlord and Tenant are merged herein and may be modified or altered only by agreement in writing between Landlord and Tenant. No act or omission of any employee or agent of Landlord shall alter, change, or modify any of the provisions hereof.

28. Authority. Each party warrants and represents to the other party that (a) it is duly organized, validly existing and in good standing in the state of its organization; (b) it has all requisite power and authority to own and lease property in the state where the Premises are located; (c) it is fully authorized to enter into this Lease and that all required actions have been taken to authorize the execution of this Lease; and (d) this Lease constitutes a legally binding agreement enforceable against Landlord and Tenant, respectively, in accordance with its terms.

29. Counterparts. This Lease may be executed in one or more counterparts, all of which, when taken together shall constitute one agreement. A signed copy of this Lease delivered by facsimile,

PDF, e-mail or other electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Lease.

30. Exhibits. All Exhibits and Recitals referenced herein and attached hereto are made a part hereof.

31. Time. Time is of the essence with regard to all obligations and covenants of this Lease.

[Signature page to follow]

IN WITNESS WHEREOF, said parties have executed and delivered this Lease as of the date and year first above written.

**TENANT:**

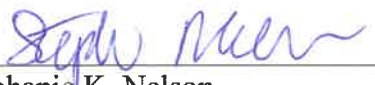
COUNTY OF RIVERSIDE, a political subdivision of the State of California, by and through its Office of Economic Development

By:  \_\_\_\_\_  
Suzanne Holland, Director  
Office of Economic Development

Date: \_\_\_\_\_

**APPROVED AS TO FORM:**

Minh Tran  
County Counsel

By:  \_\_\_\_\_  
Stephanie K. Nelson  
Deputy County Counsel

**LANDLORD:**

CITY OF BEAUMONT, a California general law city

By: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_

**APPROVED AS TO FORM:**

SBEMP LLP

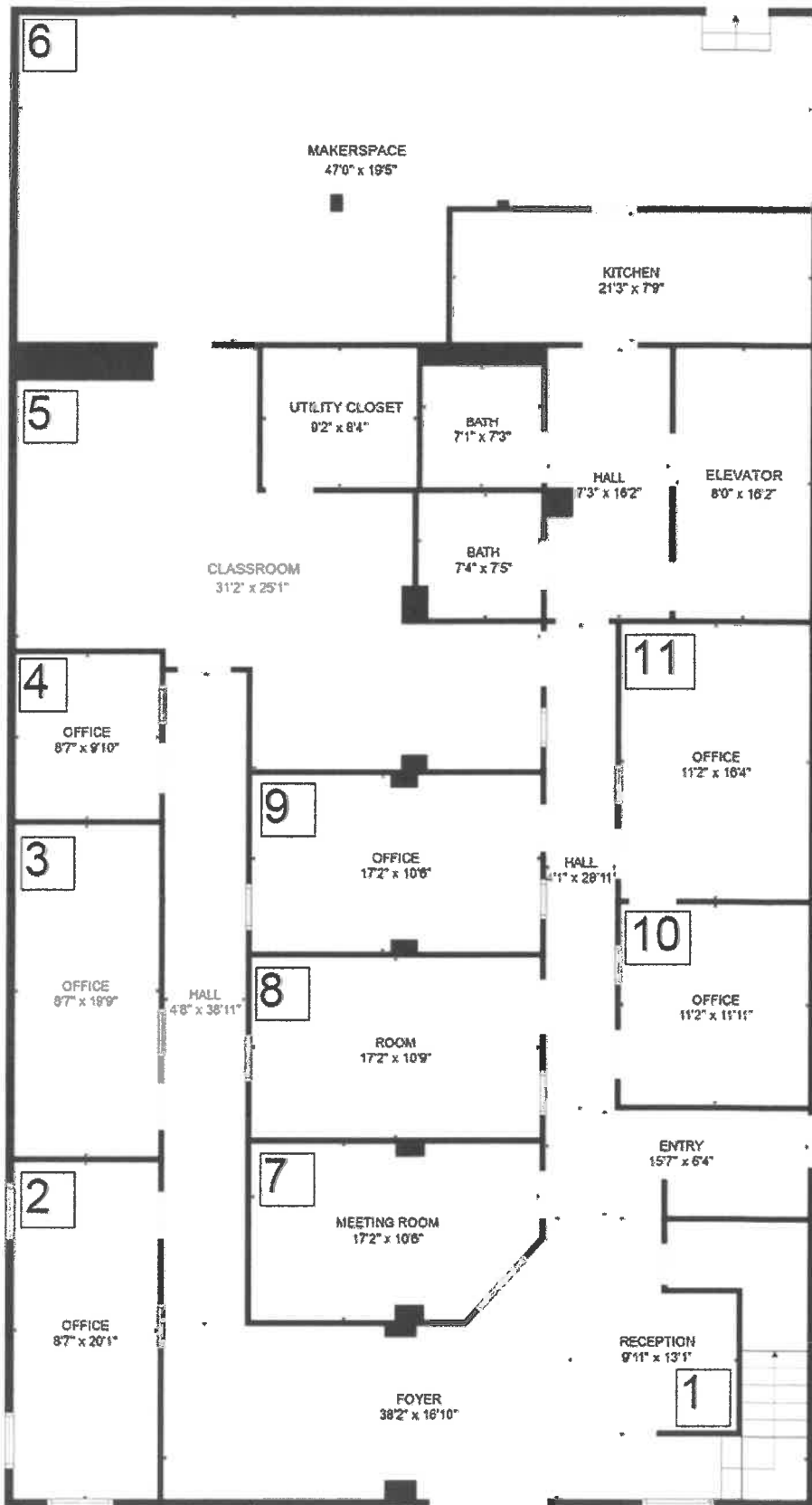
\_\_\_\_\_  
John O. Pinkney

EXHIBIT "A"

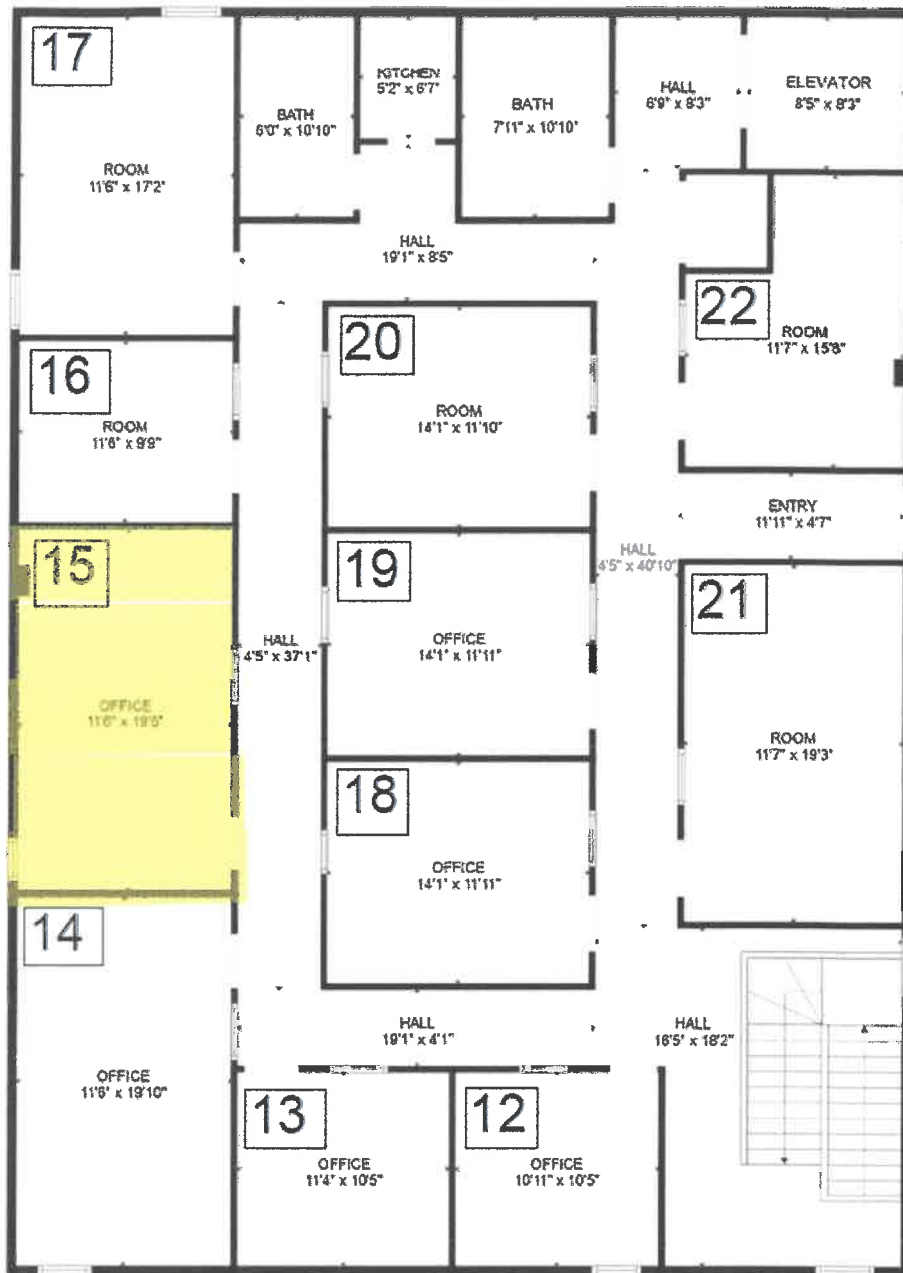
LEGAL

DESCRIPTION

1. Location: 514 N. California Ave.; Beaumont, CA 92223
2. Landlord will make the building accessible to Program Provider: Monday-Thursday, 7:30AM-5:30PM; Fridays, 7:30AM-12:00PM & other hours as agreed by the landlord.
3. Building spaces designated for tenant use with space numbering corresponding to the attached building floorplan map:
  - a. Space #15



FLOOR 1



FLOOR 2