



# WASHOE COUNTY

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## STAFF REPORT

BOARD MEETING DATE: September 27, 2016

**DATE:** September 1, 2016

**TO:** Board of County Commissioners

**FROM:** Dave Solaro, Arch., P.E., Director  
Community Services Department, 328-2040, [dsolaro@washoecounty.us](mailto:dsolaro@washoecounty.us)

**THROUGH:** Kevin Schiller, Assistant County Manager

**SUBJECT:** Approve the following Lease Agreements for two non-profit entities to lease the Washoe County Plumas Street Building:

- (1) a lease agreement between Washoe County and Keep Truckee Meadows Beautiful from October 1, 2016, through June 30, 2021, with two three-year extensions, and
- (2) a lease agreement between Washoe County and the Nevada Land Trust from October 1, 2016, through June 30, 2021, with two three-year extensions. (Commission District 1.)

### SUMMARY

Staff requests consideration of a Lease Agreement between Washoe County and Keep Truckee Meadows Beautiful, and a Lease Agreement between Washoe County and Nevada Land Trust, Nevada Non-profit Corporations, for lease of the Washoe County Plumas Street Building (former Parks and Open Space building) to provide support for community-wide parks, trails and open space efforts.

The proposed Lease Agreements are for 58 month terms and allows for two renewal terms of three years each. Also, either party may cancel this Lease Agreement by providing 30 day written notice, without cause or penalty.

Pursuant to NRS 244.284, Washoe County may enter into certain leases for civic and charitable purposes without competitive bidding and without charging fair market value for rent. Keep Truckee Meadows Beautiful and the Nevada Land Trust are Nevada non-profit Corporations and will continue to operate the facility rent-free for civic and charitable purposes.

Strategic Objective supported by this item: Stewardship of our Community.

### PREVIOUS ACTION

On December 20, 2005 and on November 20, 2009 – The Board of County Commissioners (Board) approved a Lease Agreement for the use of the Jesch property to Keep Truckee Meadows Beautiful and a separate Lease Agreement for Nevada Land Trust for the same property.

AGENDA ITEM # 6.D.

June 27, 2000 – The Board approved a Lease Agreement for the use of the Bartley Ranch House to Keep Truckee Meadows Beautiful and a separate Lease Agreement for Nevada Land Trust for the same property.

### **BACKGROUND**

Being located within County-owned property has served to reinforce the strong public/private partnership between Washoe County and the two not for profits, Keep Truckee Meadows Beautiful and the Nevada Land Trust. This has created a tremendous benefit to the programs in their endeavors to make Northern Nevada a better place for all of us to share and enjoy.

For many years since the inception of both entities Washoe County has served as the host agency allowing occupancy initially in the Administration complex at 9<sup>th</sup> Street, and most recently the Jesch property adjacent to Anderson Park. The success of these programs has grown as can be seen in the attached request for continued occupancy in County owned space. This growth has precipitated the request to move into larger space. The Washoe County Community Services Department vacated the Plumas facility in 2014 and has tried without success to find a suitable county program or need to fill the space.

Benefits to the community are numerous. Specifically noted benefits to Washoe County can be found in the attachments to this report. Some of the highlights include 13,805 volunteer hours in 2014/2015, invasive weed abatement within our parks, and assistance with fire restoration and planning efforts for the Washoe Drive fire.

The proposal is for continued space provided at no cost. As can be seen, the benefit in yearly volunteer hours alone provides a great benefit to Washoe County Parks far outweighing any potential lease costs that could be charged.

Additionally both not-for profit entities work with the Truckee Meadows Parks Foundation and will be allowed to sublease space as necessary to help support various programs by that non-profit as well. An example is the up to 13 AmeriCorps members that will work with all three not-for profits and will need a home base for their time in the area.

### **FISCAL IMPACT**

It is recommended that the space be provided at a no cost rent. Both Keep Truckee Meadows Beautiful and the Nevada Land Trust have agreed to pay for costs associated with electricity, gas, and water at the facility. Currently Washoe County is paying for utility services at the building which is vacant.

### **RECOMMENDATION**

It is recommended the Board of County Commissioners approve the following Lease Agreements for two non-profit entities to lease the Washoe County Plumas Street Building:

- (1) a lease agreement between Washoe County and Keep Truckee Meadows Beautiful from October 1, 2016, through June 30, 2021, with two three-year extensions, and
- (2) a lease agreement between Washoe County and the Nevada Land Trust from October 1, 2016, through June 30, 2021, with two three-year extensions.

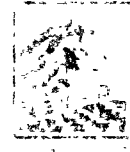
**POSSIBLE MOTION**

Should the Board agree with staff's recommendation, a possible motion would be: "Move to approve the following Lease Agreements for two non-profit entities to lease the Washoe County Plumas Street Building:

- (1) a lease agreement between Washoe County and Keep Truckee Meadows Beautiful from October 1, 2016, through June 30, 2021, with two three-year extensions, and
- (2) a lease agreement between Washoe County and the Nevada Land Trust from October 1, 2016, through June 30, 2021, with two three-year extensions."

June 20, 2016

Mr. Dave Solaro, Director  
Washoe County Community Services Department  
P.O. Box 11130  
Reno, NV 89512



Dear Mr. Solaro,

Keep Truckee Meadows Beautiful and Nevada Land Trust thank you for considering our organizations as potential occupants of the currently vacant former Washoe County Parks and Open Space Department office on Plumas Street. Providing this space as part of a partnership agreement would help both Keep Truckee Meadows Beautiful (KTMB) and Nevada Land Trust (NLT) continue to provide support and potentially expand our service levels within Washoe County. We understand that several agencies have looked at the space since it was vacated by Parks, determining it did not match their needs. Both NLT and KTMB are deeply grateful for the opportunity to operate out of County-owned space on Del Monte Lane, following NLT's acquisition of the property through bridge financing and fundraising, and eventual transfer to Washoe County in 2008. We have outgrown the current space, which, though it has served us well, was not designed to be a high-traffic office. The original vision on the part of Washoe County was to provide a space in which key natural resources partners could generate friends and funds (public and private, cash and in-kind, volunteer services, etc.) for parks, trails, and open spaces.

For KTMB and NLT, both 501(c)(3) nonprofit charitable organizations, the potential new space represents a significant opportunity in terms of capacity and service delivery. First, our organizations have continued to grow strategically, with projects and programs often developed in response to needs identified and/or supported by Washoe County agencies. Second, the continuing investment in our missions by Washoe County through providing office space allows us to bring additional public and private funds to those projects and programs, leveraging Washoe County's contribution. Third, the space provides better opportunities for outreach to and engagement with the public from a professional base with good parking and accessibility.

The attached summaries, presented to the Washoe County Commission during our joint presentation in October 2015, underscore the long history each organization has with Washoe County, and the benefits to Washoe County residents as a result of our work. Whether it is KTMB's record-breaking Great Community Cleanup held this past April that resulted in 750 volunteers providing 3,000 hours and the removal of 76 tons of trash and invasive weeds from park and open space sites across the County, or NLT's rapid response to raise funds for and manage emergency watershed stabilization after recent Washoe County fires – we have proven our value to Washoe County time and time again. Other examples include KTMB's Truckee River Cleanup Day this past September, during which over 1,000 volunteers removed over 41 tons of debris from the corridor. NLT received an 18-acre gift this past December to protect the Bull Wheel historic site above Incline Village in the Tahoe Basin. Work is underway now to move a section of the Incline Flume Trail away from the historic complex for greater protection, and create a more family-friendly hiking and biking experience in the process.

The benefits of being in a shared space results in unique and powerful collaborations. Perhaps the best example is the launch this past year of the ambitious One Truckee River Initiative by KTMB and NLT. As a result of our shared interest in and experience with projects and programs on and along the Truckee

*Mr. D. Solaro, 6/20/16*

River, we realized that the lack of a single comprehensive plan and limited communication between all the stakeholders was impacting not only our own results, but keeping the region from realizing a clean, beautiful, well-functioning Truckee River corridor from the state line to Pyramid Lake. As of this writing, over 150 stakeholders have engaged in helping draft the goals and objectives for Phase 1, which covers the area from West McCarran to Vista. The Core Planning Team sees the interrelationship between pressing social issues, ecosystem health, recreation, culture, and education as wholly relevant and is reflected in the plan. Washoe County is heavily engaged, with representatives sitting on the Core Planning Team, as well as participating in (and in some cases leading) the subcommittees on Social Issues, Funding, Public Safety, and Recreation. We hope to provide an update to the joint Commission and City Councils meeting on August 1, in advance of moving for adoption by those bodies individually in September/October. Please see the attachments for additional information on this effort, or visit the One Truckee River Initiative's website at [www.onetruckeerriver.org](http://www.onetruckeerriver.org).

A second example of the collaboration that is made possible due to Washoe County's provision of office space can be seen in the AmeriCorps project coming online this fall, which is a collaboration between KTMB, NLT, and the Truckee Meadows Park Foundation (TMPF). By allowing us to remain focused on delivering services and support to our agency partners rather than meeting a monthly rent payment, we will be bringing up to 13 new AmeriCorps members on board to provide educational services and management assistance to parks and other projects across the region. At least two will be dedicated to the One Truckee River program, and others will staff education and parks projects for Washoe County, Nevada Department of Wildlife, and the City of Reno. The City of Reno provides the primary office space for TMPF. The Plumas office would provide the necessary space to house the AmeriCorps manager, as well as provide the home office base required to support the significant field work to be performed by the team.

As mentioned in our October presentation, both NLT and KTMB have a long history with Washoe County. NLT was developed in part from the specific direction by and support of the Washoe County Commission and Community Development Department to assist with implementation of the Regional Open Space Plan. As a result of that initial support and seed funding, NLT was able to become a strong partner and assist with numerous land acquisitions important to wildlife, recreation, and flood control. NLT has helped expand Bartley-Anderson, Bowers Mansion, and Rancho San Rafael Regional parks, helped develop new funding sources for conservation, and has stepped in to manage restoration and other natural resource issues as a partner to the remaining County oversight staff.

KTMB has facilitated the contribution of hundreds of thousands of volunteer hours over the years, effectively and jointly addressed key issues with the Commission and county departments such as illegal dumping and pet waste, and worked to change attitudes and behaviors among youth to develop future generations that are more likely to care for our region. Over the years, Washoe County has provided funding and guidance in return for what has been significant service to its residents through the efforts of KTMB.

If you and the Commission agree to provide the Plumas office space for our two organizations, KTMB and NLT would request that the move take place in early fall, and be completed by October 30, 2016. Existing project and staff schedules through the summer field and event season would be significantly and negatively impacted by a move prior to October 1. NLT may be able to move in September, but KTMB's signature Truckee River Cleanup is September 24. In addition, both organizations will need time to raise the cash and in-kind contributions required to move and set up new office systems.

*Mr. D. Solaro, 6/20/16*

Though the final terms would be determined after a decision is made by the Commission, we anticipate that the space itself and the maintenance of the exterior and building grounds would be contributed by Washoe County.

We both thank you for considering our request to continue providing office space to our organizations, and are happy to provide additional information in support of our proposal. Neither NLT nor KTMB would be where we are today without the support of and partnership with Washoe County. We are all stronger for it – which in turn benefits all residents of Washoe County.

Sincerely,



Alicia Reban  
Executive Director  
Nevada Land Trust  
P.O Box 20288  
Reno, NV 89515



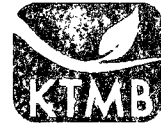
Christi Cakiroglu  
Executive Director  
Keep Truckee Meadows Beautiful  
P.O. Box 7412  
Reno, NV 89510

Attachments:

- 1) Nevada Land Trust and Washoe County Partnership Highlights 2010-2015
- 2) Keep Truckee Meadows and Washoe County Partnership 2014-2015

*Mr. D. Solaro, 6/20/16*

Working with the community to maintain a high quality of life in the Truckee Meadows.



KEEP TRUCKEE MEADOWS  
BEAUTIFUL

## KTMB's Impact in Washoe County 2014-15

- ✦ **\$843,789.51** total in-kind support for projects in Washoe County
- ✦ **3957 volunteers**
- ✦ **13,805 total volunteers hours** valued at **\$318,481.35**
- ✦ **419,900 pounds of waste removed** from WC parks and open space
- ✦ **1,112 tires** removed from WC open space
- ✦ **132,620 pounds** of invasive and noxious weeds removed from WC parks and open space
- ✦ **10,262** Christmas trees recycled

## KTMB and Washoe County Partnership 2014-15

**3957 volunteers** participated in cleanup, beautification and recycling programs in Washoe County for a total of **13,805 hours** valued at **\$318,481.35** (using \$19.81 identified as the hourly volunteer value for Nevada according to [independentsector.org](http://independentsector.org))

KTMB removed **419,900 pounds** of trash, invasive and noxious weeds, tires, and abandoned cars from Washoe County parks and open space areas in 2014-15 (**210 US tons**)

**\$11,074.20** total in-kind dumpster support for 2014-15 cleanups in Washoe County. **\$1000** total in-kind composting by RT Donovan for six WC Great Community Cleanup sites

Total KTMB in-kind support is valued at **\$843,789.51** (program and volunteer coordination, volunteer value, project tools and supplies, community education, and project promotion)

### KTMB's Christmas Tree Recycling Program

- ✦ Christmas Tree Recycling sites in Washoe County kept **10,262 Christmas trees** out of the landfill for use in park beautification and weed abatement projects
- ✦ **\$106,748.13** in-kind support (program and volunteer coordination, volunteer value, project tools and supplies, community education, tree chipping, and project promotion)

### KTMB's Great Community Cleanup Abandoned Car Removal Project

- ✦ **335 total man hours** were given by Nevada National Guard, NV DMV and WCSO personnel to support the removal of 18 abandoned cars from Washoe County open space on May 2<sup>nd</sup>
- ✦ **\$83,000** total in-kind support from Nevada National Guard for this project

### Make It Clean, Keep It Safe

- ✦ More than 1500 free cleanup kits have been distributed by KTMB and the WCSO to community members through this unique partnership to KTMB every day

# Nevada Land Trust and Washoe County Partnership Highlights 2010-2015



## Restoration & Rehabilitation Leadership:

**Caughlin Fire:** Led the Burn Area Emergency Rehabilitation (BAER) Team following Caughlin Fire to identify and lead highest priority emergency watershed stabilization in Manzanita Canyon, Bartley Ranch/Windy Hill, and Evans Creek. Coordinated and raised funds for fire restoration activities. Monitoring continues today.

**Washoe Drive Fire:** Part of BAER team; raised funds for and coordinated fire restoration activities in Steamboat Creek canyon, critical part of Truckee River watershed. Partnered with Nevada Division of Forestry to distribute native grass seeds to victims of the fire. Monitoring continues today.

**Parks and Public Area Weed Abatement:** 1000 acres invasive weeds treated at 30 sites across Truckee Meadows including: Rancho San Rafael, Dorostkar, Swan Lake, Crystal Peak, Mayberry, and South Valleys Parks, Bartley-Anderson Regional Park, Riverbend, and Evans Canyon open space.

## Technical Expertise:

**Resource Group Coordination:** NLT currently leads the Truckee Meadows Weed Coordinating Group and Swan Lake Advisory Group.

**Conservation Easements and Planning:** Consulted with SEC project on conservation easement potential, weed management plan, wetland mitigation and monitoring, stream design and planting palette.

**Fire Restoration and Planning:** Washoe Drive Fire Habitat Restoration Plan completed for 800 acres of World Properties in cooperation with Washoe County.

**Alum Creek:** Asked by local government to help address persistent water quality issues with Alum Creek. Completed Water Quality Monitoring Report and engaged Caughlin Ranch homeowners and other stakeholders in reducing nonpoint-source pollution from runoff and planting trees.

**Facilitation & Planning:** Developed concept in partnership with KTMB for "One Truckee River Initiative" and are co-leading efforts with KTMB to convene stakeholders, produce a comprehensive plan, encourage collaboration and communication, and leverage funding and other resources in support of a clean, healthy, safe, thriving Truckee River from the state line to Pyramid Lake.

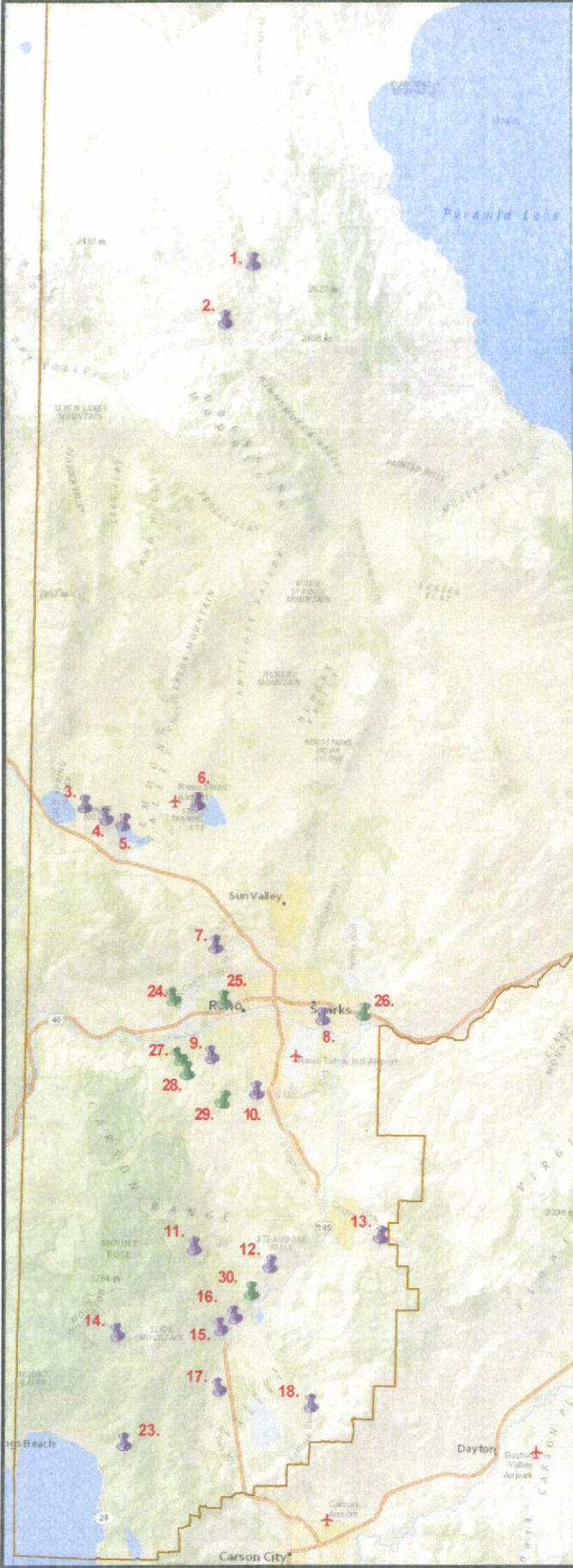
## Land for Wildlife and Recreation

acquired by NLT in Washoe County  
2010-2015:

- 1.76 acres Tahoe Meadows
- 218 acres Silver Lake
- 1,000 acres Winnemucca Ranch
- 271 acres Old Toll Road
- 130+ acres Sheldon National Wildlife Refuge
- 45.5 acres in Washoe Valley under conservation easement (adding to 2000+ acres NLT has protected in Washoe Valley since 1999)



# Nevada Land Trust Washoe County Projects 1998-2015



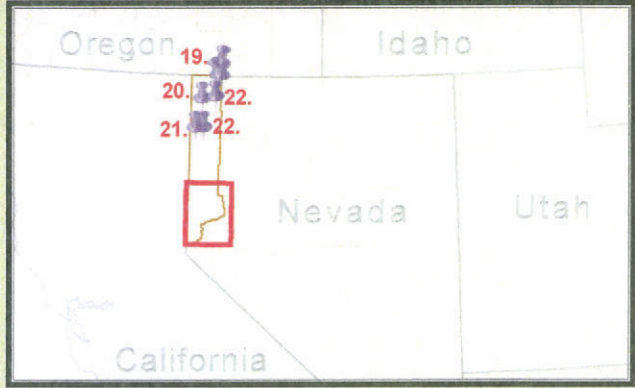
## Land & Water

1. Upper Black Canyon @ Winnemucca Ranch - 800 Acres
2. Lower Black Canyon @ Winnemucca Ranch - 200 Acres-NLT
3. Heinz Ranch - 406 Acres
4. Sprenger - 85 Acres-NLT
5. Silver Lake - 500 Acres (218 Acres-NLT)
6. Swan Lake Nature Study Area - 500 Acres
7. Rancho San Rafael Regional Park Expansion - 120 Acres
8. Truckee River Washoe County Flood Project - 112 Acres
9. Red Tail Acres - 12 Acres-CE
10. Bartley Anderson Regional Park Expansion - 3 Acres
11. Galena Creek Regional Park Expansion - 4 Acres
12. Galena Canyon Trailhead - 2 Acres
13. Toll Road Canyon - 271 Acres
14. Tahoe Meadows - 2 Acres
15. Davis Creek Park - 34 Acres
16. Winters Ranch - 1600 Acres
17. Rusk Ranch - 45 Acres-CE
18. Greil Ranch- 113 Acres-CE
19. Sheldon NWR, 3 Properties - 130 Acres-NLT
20. Home Camp - 14,824 Acres
21. Granites/Wall Canyon/Bufalo Hills - 17,493 Acres
22. High Rock/Poodle Mtn. - 1,283 Acres
23. Incline Village Area - 18 Acres

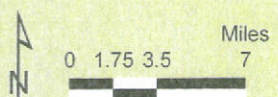
## Stewardship

24. Invasive Plant Management
25. One Truckee River Initiative
26. Steamboat Creek
27. Alum Creek
28. Hawken Fire
29. Caughlin Fire
30. Washoe Drive Fire

NLT - Owned by NLT    CE - Conservation Easement



As of 10/15/2015



National Geographic, Esri, DeLorme, HERE, UNEP-WCMC, USGS, NASA, ESA, METI, NRCAN, GEBCO, NOAA, increment P Corp. Date: 10/13/2015

## **LEASE AGREEMENT**

**THIS AGREEMENT (“Agreement”)** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by and between Washoe County, Nevada, a political subdivision of the State of Nevada, hereinafter called “Lessor” and Keep Truckee Meadows Beautiful (KTMB), Nevada nonprofit charitable organization, called, “Lessee”.

### **WITNESSETH:**

**WHEREAS**, Lessor is the sole owner of the Premises described below, which area is not currently needed for the public purposes of Washoe County, and Lessor by virtue of NRS 244.284, and may enter into certain leases for civic and charitable purposes without competitive bidding and without charging fair market value for rent; and

**WHEREAS**, a Lessee, Nevada nonprofit 501 ( c ) ( 3 ) charitable organization currently in good standing, which provide support to our Community Services Department and desires to lease space from Lessor, which space Lessee agrees will be used only for civic or charitable purposes; and

**WHEREAS**, the Parties desire by this Agreement to define their respective rights, duties and liabilities relating to the Premises.

**NOW THEREFORE**, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

### **SECTION ONE**

#### **DESCRIPTION OF PREMISES**

Lessor hereby leases unto Lessee, and Lessee hereby leases from Lessor, space in the building generally known as the former Parks and Open Space building, 2601 Plumas St., Reno, Nevada 89509, together with the nonexclusive use of parking areas.

Unless otherwise specified, “Premises” shall include the entire building used by Lessee and Nevada Land Trust under a separate lease agreement.

### **SECTION TWO**

#### **TERM OF THIS AGREEMENT**

The term of this Agreement shall be fifty eight months, commencing October 1, 2016, and will terminate June 30, 2021, unless sooner terminated or extended upon mutual agreement of the parties or as otherwise provided herein.

**SECTION THREE**  
**RENTAL**

As long as Lessee remains a non-profit Nevada corporation in good standing, engaged primarily in civic or charitable work, Lessee may occupy the Premises rent-free for the term of this Agreement.

**SECTION FOUR**  
**RENEWAL OPTION**

In the event Lessee is in compliance with its duties and obligations under this Agreement, remains a non-profit Nevada corporation in good standing engaged primarily in civil or charitable work, and continues to use the Premises only for a charitable or civic purpose, Lessee shall have two successive options to renew this Agreement for three years each option, under the same terms and conditions as set forth in this Agreement. Said options shall be exercised automatically unless Lessor or Lessee delivers to the other a written request to terminate this Agreement not less than thirty (30) days prior to the end of the then current term.

**SECTION FIVE**  
**USE OF PREMISES**

A. Lessee shall not use or permit the Premises or any part thereof to be used for any purpose other than the conduct of the necessary business of the Lessee as a non-profit corporation engaged in civil or charitable work.

B. Lessee shall not conduct or at any time knowingly permit its employees, agents or visitors to conduct activity on the Premises that is unlawful or in violation of any federal or state statute, code or regulation. The Premises shall not be used for storage, transfer, processing, etc. of any toxic or hazardous materials.

C. Lessee may with written consent of the Lessor permit sub-lease agreements for the premises to organizations with similar civic or charitable purposes. Such sub-lease agreements shall include a copy of this agreement as an exhibit to set the minimum requirements of such sub-lease. No collection of rent will be permitted in such sub-lease agreements.

**SECTION SIX**  
**ALTERATIONS AND IMPROVEMENTS**

A. Lessee hereby acknowledges that the Premises are in a condition architecturally acceptable to Lessee, and shall not be altered, repaired or changed without the prior written

consent of Lessor. Prior to commencement of any alteration or improvement, Lessee shall prepare plans and specifications of such work and submit same to Lessor.

B. Lessee agrees that it shall not paint, erect partitions, install or change any doors or windows, or place any nails, screws or other implements or fasteners into the woodwork or walls without the prior written consent of the Lessor.

C. Lessor reserves the right from time to time at its own expense to make such improvements, alterations, renovations, changes, and repairs in and about the Premises as Lessor shall deem desirable. Except where such improvements, alterations, changes and repairs unreasonably disrupt Lessee's use and peaceful enjoyment of the Premises, Lessee shall make no claim against Lessor for abatement of rent for interference with Lessee's leasehold interest or for loss or damage to its business during such improvements, alterations, renovations, changes and repairs.

D. The parties agree that all the erections, additions, fixtures and improvements, excepting only decorative items and movable office furniture, made in or upon the Premises shall be Lessor's property and shall remain upon the Premises at the termination of this Agreement by lapse of time or otherwise, without compensation to Lessee.

E. The erection, construction, installation or making of any approved improvements shall be accomplished and completed in a workmanlike manner and in compliance with all applicable state and municipal laws and regulations.

F. Lessee shall keep the Premises free from any liens arising out of any work performed, or materials furnished, or obligations incurred by Lessee.

## **SECTION SEVEN**

### **UTILITIES, TELEPHONE AND WASTE REMOVAL**

A. Lessee shall be responsible for the costs of electricity, gas, and water.

B. Lessee will be responsible for the installation and payment of all telephone service, including fax and computer lines, incident to its business. Any work in this regard must be first submitted to Lessor's attention.

C. Lessee shall be provided keys to the front door entrance. It is agreed and understood that normal business days of operation shall be 7:00 a.m. to 8:00 p.m., Monday through Friday. Lessee agrees not to duplicate any keys and shall request copies from Lessor. In the event that Lessee has a lost or missing key, Lessee shall pay for all costs associated with re-keying the Premises and replacement keys.

D. In the event Lessee does not secure the building and Lessor is required to respond with a staff member, Lessor shall bill and Lessee shall pay for reasonable charges for Lessor's emergency response.

## **SECTION EIGHT**

### **JANITORIAL**

Lessee shall provide janitorial services to the Premises at the sole cost and expense of Lessee.

## **SECTION NINE**

### **COMMON AREA MAINTENANCE, REPAIRS AND INSPECTIONS**

A. Lessor shall be responsible for making all routine repairs and for performing routine maintenance to the Premises, at Lessor's sole expense. Lessee agrees that all damage done to the Premises by Lessee or its invitees or any person present because of Lessee's occupation of the Premises, shall be paid by Lessee.

B. Lessee shall keep the Premises free from any liens arising out of any work performed, or materials furnished, or obligations incurred by Lessee.

C. Lessor shall maintain, at its sole cost and expense, the roof, exterior walls and windows of said building in which the Premises are located.

D. Lessee shall be responsible for providing snow removal to the entrance of the Premises.

E. Lessee shall permit Lessor or its authorized agents to enter into and upon the Premises at all reasonable times for the purpose of inspecting the same, or for the purpose of making repairs or maintaining the building in which the Premises are located.

## **SECTION TEN**

### **SIGNS**

Lessee agrees that no sign or advertisement shall be painted or affixed to any part of the outside or inside of the building in which the Premises are located except as described and authorized on Exhibit A, Rules and Regulations attached hereto, or upon approval by the Director of Community Services Department.

## **SECTION ELEVEN**

### **WAIVER**

Any failure on the part of either party to take action against the other for any breach of covenant herein shall not be construed to constitute a waiver of any other or subsequent breach.

## **SECTION TWELVE DESTRUCTION OF PREMISES**

A. In the event of a partial destruction of said Premises or the building of which the said Premises is a part from any cause attributable to the fault of Lessor, Lessor shall forthwith repair the same within sixty (60) days, provided such repair can be made within said period under the laws and regulations of state, federal, county or municipal authorities and Lessor wishes to make such repairs. If required repairs are commenced promptly, this Agreement shall not be modified. If such repairs cannot be made in sixty (60) days or if Lessor does not wish to make the repairs, this Agreement may be terminated at the option of Lessor. In the event that the building in which the Premises may be situated be destroyed to the extent of not less than thirty-three and one-third (33 1/3) percent of the replacement cost thereof, Lessor may elect to terminate the Agreement, whether the Premises be injured or not. A total destruction of the building in which said Premises are situated shall terminate this Agreement. This provision is not intended to affect the rights of either party to seek recovery against the person responsible for the damages.

B. Lessor shall provide Lessee with notice of intent regarding the decision to make or delay repairs within ten (10) working days of the event creating the damage or destruction contemplated in this Agreement.

## **SECTION THIRTEEN CONDEMNATION**

In the event that any part of the Premises shall be condemned or taken by any county, federal, state or other authority for any purpose, then the term of this Agreement shall cease on the part so taken from the day the possession of that part is required for any public purpose. Thereafter the Lessee or the Lessor shall have the right to either cancel this Agreement or to continue in the possession of the remainder of the same under the terms herein provided, except that the area of occupancy shall be reduced in proportion to the area of that portion of the Premises taken for such public purpose. All damages awarded for the taking of the Premises for any public purpose shall belong to and be the property of the party suffering such damage whether such damage is awarded as compensation for diminution in value to the leasehold or to the fee of the Premises.

**SECTION FOURTEEN  
INDEMNIFICATION**

A. Lessee shall hold harmless, indemnify and defend Lessor, its officers, agents and employees from any loss or liability, financial or otherwise resulting from any claim, demand, suit, action or other cause of action based on bodily injury including death or property damage to any person, including Lessee's employees, that is caused by any action, either direct or passive, or the omission or failure to act or negligence on the part of the Lessee, its employees, agents or representatives, or caused by any action arising out of the use of the Premises or Lessee's duties and responsibilities under this Agreement.

B. Pursuant to Nevada Revised Statutes, Chapter 41 and without waiving any provisions thereof, Lessor shall hold harmless, indemnify and defend Lessee from and against any loss, damage, claim, suit or liability due to injury, including death, or property damage, to any third party arising out of the negligent or alleged negligent acts or omissions of the Lessor, its agents, contractors or employees, concerning the Premises and the Lessor's duties and responsibilities pursuant to this Agreement.

**SECTION FIFTEEN  
INSURANCE**

A. Lessor, at its sole cost and expense, shall:

(1) Secure and maintain fire and extended insurance, or provide for such through its Self-funded Insurance Program, on the building in which the Premises is located in an amount and coverage determined by Lessor during the term or any extended term of this Agreement.

(2) Secure and maintain through its Risk Management Division a Self-Funded Insurance Program, of comprehensive or commercial general liability coverage (occurrence form), in an amount of not less than \$1,000,000 per occurrence, and at least \$2,000,000 annual aggregate during the term of this Agreement.

(3) Lessor hereby expressly waives and releases any cause of action or right of recovery which Lessor may have hereafter against the Lessee for any loss or damage to the demised Premises, or to the contents thereof belonging to either, caused by fire, explosion, or any other risk covered by insurance; and,

B. Lessee, at its sole cost and expense, shall:

(1) Secure fire insurance on all contents owned by the Lessee located at the demised Premises.

(2) Lessee may fund any financial obligation relating to its negligence and liability through either a self- funded program or through an Insurance Carrier maintaining an A rating by A.M. Best. Any and all claims related to the use of the demised Premises by Lessee shall be forwarded to Lessor in a timely manner.

(3) Lessee hereby expressly waives and releases any cause of action or right of recovery which Lessee may have hereafter against the Lessor for any loss or damage to the demised Premises, or to the contents thereof belonging to either, caused by fire, explosion, or any other risk covered by Lessee's insurance and,

(4) Lessee shall obtain a waiver from any insurance carrier with which Lessee carries fire, explosion or any other risk coverage insuring the Premises or the contents thereof releasing its subrogation rights against Lessor.

(5) In the event Lessee's occupancy causes any increase of premium for Lessor's insurance on the Premises, or any parts thereof, above the rate applicable to the type of occupancy identified in this Agreement, Lessee shall have fifteen (15) days after receipt of written notification from Lessor of such increase to correct or mitigate said circumstances which resulted in the need for a premium increase. If Lessee is unable to mitigate or correct said hazardous occupancy, Lessee shall upon written agreement pay the increased premium or terminate said Agreement.

## **SECTION SIXTEEN**

### **FUNDING OUT CLAUSE**

Pursuant to NRS 244.320, in the event Lessor fails to appropriate budget funds specifically for the purpose of maintaining the Premises, in any subsequent fiscal year after the effective date of the Agreement, Lessee hereby agrees to cancel this Agreement and hold Lessor harmless from any penalty, charge or sanction. Lessor agrees to provide written notice to Lessee of this eventuality, should it occur.

## **SECTION SEVENTEEN**

### **COSTS AND ATTORNEY'S FEES**

Should either party hereto institute any action or proceeding to enforce or interpret any provision hereof or for damages by reason of an alleged breach of any provision of this Agreement, neither party shall be entitled to recover any amount as a reasonable attorney's fee, for any reason, even if said party is deemed to be the prevailing party in such action or proceeding. Cost of suit may be awarded as allowed by law.



**SECTION EIGHTEEN**  
**CHOICE OF LAW; VENUE**

This Agreement shall be construed in accordance with and be governed by the laws of the State of Nevada. All parties hereto consent to the personal jurisdiction of any state or federal court of competent jurisdiction located in Washoe County, Nevada and to the service of process by any means authorized by any such state or federal court or under the laws of the State of Nevada. The exclusive venue of any action, proceeding or counterclaim arising out of or in connection with this Agreement shall be Washoe County, Nevada.

**SECTION NINETEEN**  
**QUIET ENJOYMENT**

Lessee, while in compliance with the terms and covenants herein, is entitled to the quiet enjoyment of the Premises for the term hereby created.

**SECTION TWENTY**  
**NOTICES**

All notices and demands which may be required to be served upon the respective parties to this Agreement shall be in writing and may be served either personally or by certified mail, postage prepaid, addressed to Lessee, at the address of the Premises herein demised and upon Lessor, to Director of Community Services Department, P.O. Box 11130, Reno, NV 89520-0027 or at such other address as the parties may designate and serve upon the other. Any service by mail shall be deemed served upon deposit with the United States Post Office.

**SECTION TWENTY-ONE**  
**HAZARDOUS SUBSTANCES**

A. Lessee shall not cause or permit any hazardous substances to be used, stored, manufactured, released or disposed in or upon the Premises, except in the minimum quantities as are customary and usual in connection with Lessee's permitted use. If the Premises become contaminated as a result of a violation by Lessee of this Section Twenty One, for which Lessee is legally liable, Lessee shall indemnify, defend and hold Lessor harmless from all related claims, judgments, penalties, costs or losses, including all expenses incurred for investigation, removal, remediation and restoration mandated by federal, state and local governments.

B. If hazardous substances have been used, stored, manufactured or disposed in or upon the Premises or connected areas outside the Premises, or if the Premises or connected areas

outside the Premises, are or become contaminated in any manner, for which Lessor is legally liable, Lessor shall indemnify, defend and hold Lessee harmless from all related claims, judgments, penalties, costs or losses, including all expenses incurred for investigation, removal, remediation and restoration mandated by federal, state and local governments.

C. "Hazardous Substances" mean all toxic, ignitable, reactive and corrosive substances regulated by federal, state or local governments.

## **SECTION TWENTY-TWO RULES AND REGULATIONS**

The rules and regulations of Lessor set forth as Exhibit "A", which may be amended from time to time, are expressly made part of this Agreement and Lessee agrees to abide by the same to the extent said rules and regulations are not inconsistent with the terms of this Agreement.

## **SECTION TWENTY-THREE TERMINATION**

A. Upon termination of this Agreement, Lessee shall quit the Premises peaceably, with no damage to the Premises, normal wear and tear excepted. Lessee shall remove all personal property therein.

B. It is understood and agreed that either party may cancel this Agreement with or without cause upon providing 90 days written notice to the other party or as specifically defined below.

C. The failure by Lessee or Lessor to make any payment or observe or perform any covenants, conditions or provisions of this Agreement required to be made, observed or performed by such party, after thirty (30) days written notice of such default shall constitute a default of this Agreement by such party; provided, however, that if the nature of the default (other than the payment of money) is such that more than thirty (30) days are reasonably required for its cure, then the defaulting party shall not be deemed to be in default if such party commences such cure within the thirty (30) day period and thereafter diligently prosecutes such cure to completion. Upon default, the non-defaulting party may pursue all remedies available under Nevada law, including termination of this Agreement and recovery of all damages caused by such default.

**SECTION TWENTY-FOUR  
EFFECT OF AGREEMENT**

A. This Agreement constitutes the entire contract between the parties and no obligations other than those set forth herein will be recognized unless endorsed hereon in writing.

B. The covenants and agreements herein contained are binding on the parties hereto, their successors, assigns and legal representatives.

**IN WITNESS WHEREOF**, the parties hereto have set their hands as of the day and year first above written.

LESSOR:

Washoe County, acting by and through its Board of County Commissioners

LESSEE:

Keep Truckee Meadows Beautiful  
a Nevada Non-profit Corporation

By \_\_\_\_\_  
Kitty K. Jung  
Chair, Washoe County Commission

By \_\_\_\_\_  
Christi Cakiroglu  
Executive Director

STATE OF NEVADA    )  
                              :  
COUNTY OF WASHOE )

On this \_\_\_\_ day of \_\_\_\_\_, 2016, before me a Notary Public in and for the County of Washoe, State of Nevada, personally appeared **Kitty K. Jung**, known or proved to me to be the person described herein and who acknowledged to me that she executed the same freely and voluntarily and for the uses and purposes therein mentioned.

\_\_\_\_\_  
Notary Public

STATE OF NEVADA    )  
                              :  
COUNTY OF WASHOE )

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\_\_\_\_\_  
Notary Public

## **EXHIBIT "A"**

### **Lease (Office) Rules and Regulations of the Building**

**First:** Lessee, its agents, employees, invitees and any person present because of Lessee's occupation of the Premises, shall not in any way obstruct the sidewalks, entry passages, corridors, halls, stairways, or use the same in any other way than as a means of passage to and from their respective offices, not permit anything to be done in the Premises, nor bring nor keep anything therein, which will in any way increase or tend to increase the rate of fire insurance, or which will obstruct or interfere with the rights of other tenants, or in any way injure or annoy them, or which shall conflict with the regulations of the Fire Department or the fire laws or with any insurance policy on the building or any part thereof, or with rules or ordinances established by the District Board of Health; and they shall not make or permit any improper noises in the building, nor throw substances of any kind out of the windows or doors, or in the halls or passageways, nor sit on nor place anything upon the window sills, nor bring into nor keep within the building any animal, bicycle, or motorcycle; and Lessee agrees that it will pay any damages that Lessor may suffer by a violation of this clause.

**Second:** The sash doors, sashes, windows, glass doors, partitions, lights and skylights, that reflect or admit light into the halls or other places of the building shall not be covered or obstructed. In this connection, no drapes or other type window covering may be utilized without prior approval of Lessor.

**Third:** The waterclosets and urinals shall not be used for any purposes other than for which they were constructed and no plaster of Paris, sweepings, rubbish, ashes, newspaper or other substances of any kind shall be thrown into them. Waste and excessive use of water or heat will not be allowed.

**Fourth:** No sign, advertisement or notice shall be inscribed, painted, or affixed on any part of the outside or inside of said building without the written consent of Lessor, and if such consent shall be given by Lessor, any such sign, advertisement or notice shall be inscribed, painted or affixed by Lessor, but the cost of any painting, inscribing, of affixing shall be charged to and paid by Lessee.

**Fifth:** When electric wiring of any kind is introduced it must be connected as directed by Lessor and no boring or cutting of walls, woodwork or wires shall be done without the consent of

Lessor. The location of telephones, telegraph instruments, electric appliances, call boxes, etc. shall be prescribed by Lessor. All work related to the wiring must be presented to and approved by Lessor's Community Services Department.

**Sixth:** Lessor shall have the right to prescribe the weight, size and position of all safes and other property brought into the building and also the times and manner of moving the same in and out of the building and all such moving must be done under the supervision of Lessor. Lessor will not be responsible for loss of damage to any such safe or property from any cause but all damage done to the building by moving or maintaining any such safe or property shall be repaired at expense to Lessee. At Lessor's election all safes shall stand on timbers of such size and shall be designated by Lessor.

**Seventh:** Lessee must observe strict care not to leave the Premises exposed to the elements and for any default or carelessness in this respect Lessee shall make good all injuries or damages sustained by other tenants in the building and by Lessor.

**Eighth:** All glass, locks and trimmings in or upon the doors and windows belonging to the building, shall be kept whole and whenever any part thereof shall be broken, the same shall immediately be replaced or repaired and put in order under the direction and to the satisfaction of Lessor and shall be left whole or in good repair, together with the same number and kind of keys as may be received by Lessee on entering upon possession and of any part of said building, or during tenancy.

**Ninth:** The Premises shall not be used for lodging or sleeping purposes.

## **LEASE AGREEMENT**

**THIS AGREEMENT (“Agreement”)** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by and between Washoe County, Nevada, a political subdivision of the State of Nevada, hereinafter called “Lessor” and Nevada Land Trust (NLT), Nevada nonprofit charitable organization, called, “Lessee”.

### **W I T N E S S E T H:**

**WHEREAS**, Lessor is the sole owner of the Premises described below, which area is not currently needed for the public purposes of Washoe County, and Lessor by virtue of NRS 244.284, and may enter into certain leases for civic and charitable purposes without competitive bidding and without charging fair market value for rent; and

**WHEREAS**, a Lessee, Nevada nonprofit 501 ( c ) ( 3 ) charitable organization currently in good standing, which provide support to our Community Services Department and desires to lease space from Lessor, which space Lessee agrees will be used only for civic or charitable purposes; and

**WHEREAS**, the Parties desire by this Agreement to define their respective rights, duties and liabilities relating to the Premises.

**NOW THEREFORE**, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

### **SECTION ONE**

#### **DESCRIPTION OF PREMISES**

Lessor hereby leases unto Lessee, and Lessee hereby leases from Lessor, space in the building generally known as the former Parks and Open Space building, 2601 Plumas St., Reno, Nevada 89509, together with the nonexclusive use of parking areas.

Unless otherwise specified, “Premises” shall include the entire building used by Lessee and Keep Truckee Meadows Beautiful under a separate lease agreement.

### **SECTION TWO**

#### **TERM OF THIS AGREEMENT**

The term of this Agreement shall be fifty eight months, commencing October 1, 2016, and will terminate June 30, 2021, unless sooner terminated or extended upon mutual agreement of the parties or as otherwise provided herein.

### **SECTION THREE**

#### **RENTAL**

As long as Lessee remains a non-profit Nevada corporation in good standing, engaged primarily in civic or charitable work, Lessee may occupy the Premises rent-free for the term of this Agreement.

### **SECTION FOUR**

#### **RENEWAL OPTION**

In the event Lessee is in compliance with its duties and obligations under this Agreement, remains a non-profit Nevada corporation in good standing engaged primarily in civil or charitable work, and continues to use the Premises only for a charitable or civic purpose, Lessee shall have two successive options to renew this Agreement for three years each option, under the same terms and conditions as set forth in this Agreement. Said options shall be exercised automatically unless Lessor or Lessee delivers to the other a written request to terminate this Agreement not less than thirty (30) days prior to the end of the then current term.

### **SECTION FIVE**

#### **USE OF PREMISES**

A. Lessee shall not use or permit the Premises or any part thereof to be used for any purpose other than the conduct of the necessary business of the Lessee as a non-profit corporation engaged in civil or charitable work.

B. Lessee shall not conduct or at any time knowingly permit its employees, agents or visitors to conduct activity on the Premises that is unlawful or in violation of any federal or state statute, code or regulation. The Premises shall not be used for storage, transfer, processing, etc. of any toxic or hazardous materials.

C. Lessee may with written consent of the Lessor permit sub-lease agreements for the premises to organizations with similar civic or charitable purposes. Such sub-lease agreements shall include a copy of this agreement as an exhibit to set the minimum requirements of such sub-lease. No collection of rent will be permitted in such sub-lease agreements.

### **SECTION SIX**

#### **ALTERATIONS AND IMPROVEMENTS**

A. Lessee hereby acknowledges that the Premises are in a condition architecturally acceptable to Lessee, and shall not be altered, repaired or changed without the prior written

consent of Lessor. Prior to commencement of any alteration or improvement, Lessee shall prepare plans and specifications of such work and submit same to Lessor.

B. Lessee agrees that it shall not paint, erect partitions, install or change any doors or windows, or place any nails, screws or other implements or fasteners into the woodwork or walls without the prior written consent of the Lessor.

C. Lessor reserves the right from time to time at its own expense to make such improvements, alterations, renovations, changes, and repairs in and about the Premises as Lessor shall deem desirable. Except where such improvements, alterations, changes and repairs unreasonably disrupt Lessee's use and peaceful enjoyment of the Premises, Lessee shall make no claim against Lessor for abatement of rent for interference with Lessee's leasehold interest or for loss or damage to its business during such improvements, alterations, renovations, changes and repairs.

D. The parties agree that all the erections, additions, fixtures and improvements, excepting only decorative items and movable office furniture, made in or upon the Premises shall be Lessor's property and shall remain upon the Premises at the termination of this Agreement by lapse of time or otherwise, without compensation to Lessee.

E. The erection, construction, installation or making of any approved improvements shall be accomplished and completed in a workmanlike manner and in compliance with all applicable state and municipal laws and regulations.

F. Lessee shall keep the Premises free from any liens arising out of any work performed, or materials furnished, or obligations incurred by Lessee.

## **SECTION SEVEN**

### **UTILITIES, TELEPHONE AND WASTE REMOVAL**

A. Lessee shall be responsible for the costs of electricity, gas, and water. .

B. Lessee will be responsible for the installation and payment of all telephone service, including fax and computer lines, incident to its business. Any work in this regard must be first submitted to Lessor's attention.

C. Lessee shall be provided keys to the front door entrance. It is agreed and understood that normal business days of operation shall be 7:00 a.m. to 8:00 p.m., Monday through Friday. Lessee agrees not to duplicate any keys and shall request copies from Lessor. In the event that Lessee has a lost or missing key, Lessee shall pay for all costs associated with re-keying the Premises and replacement keys.



D. In the event Lessee does not secure the building and Lessor is required to respond with a staff member, Lessor shall bill and Lessee shall pay for reasonable charges for Lessor's emergency response.

## **SECTION EIGHT**

### **JANITORIAL**

Lessee shall provide janitorial services to the Premises at the sole cost and expense of Lessee.

## **SECTION NINE**

### **COMMON AREA MAINTENANCE, REPAIRS AND INSPECTIONS**

A. Lessor shall be responsible for making all routine repairs and for performing routine maintenance to the Premises, at Lessor's sole expense. Lessee agrees that all damage done to the Premises by Lessee or its invitees or any person present because of Lessee's occupation of the Premises, shall be paid by Lessee.

B. Lessee shall keep the Premises free from any liens arising out of any work performed, or materials furnished, or obligations incurred by Lessee.

C. Lessor shall maintain, at its sole cost and expense, the roof, exterior walls and windows of said building in which the Premises are located.

D. Lessee shall be responsible for providing snow removal to the entrance of the Premises.

E. Lessee shall permit Lessor or its authorized agents to enter into and upon the Premises at all reasonable times for the purpose of inspecting the same, or for the purpose of making repairs or maintaining the building in which the Premises are located.

## **SECTION TEN**

### **SIGNS**

Lessee agrees that no sign or advertisement shall be painted or affixed to any part of the outside or inside of the building in which the Premises are located except as described and authorized on Exhibit A, Rules and Regulations attached hereto, or upon approval by the Director of Community Services Department.

## **SECTION ELEVEN**

### **WAIVER**

Any failure on the part of either party to take action against the other for any breach of covenant herein shall not be construed to constitute a waiver of any other or subsequent breach.

## **SECTION TWELVE**

### **DESTRUCTION OF PREMISES**

A. In the event of a partial destruction of said Premises or the building of which the said Premises is a part from any cause attributable to the fault of Lessor, Lessor shall forthwith repair the same within sixty (60) days, provided such repair can be made within said period under the laws and regulations of state, federal, county or municipal authorities and Lessor wishes to make such repairs. If required repairs are commenced promptly, this Agreement shall not be modified. If such repairs cannot be made in sixty (60) days or if Lessor does not wish to make the repairs, this Agreement may be terminated at the option of Lessor. In the event that the building in which the Premises may be situated be destroyed to the extent of not less than thirty-three and one-third (33 1/3) percent of the replacement cost thereof, Lessor may elect to terminate the Agreement, whether the Premises be injured or not. A total destruction of the building in which said Premises are situated shall terminate this Agreement. This provision is not intended to affect the rights of either party to seek recovery against the person responsible for the damages.

B. Lessor shall provide Lessee with notice of intent regarding the decision to make or delay repairs within ten (10) working days of the event creating the damage or destruction contemplated in this Agreement.

## **SECTION THIRTEEN**

### **CONDEMNATION**

In the event that any part of the Premises shall be condemned or taken by any county, federal, state or other authority for any purpose, then the term of this Agreement shall cease on the part so taken from the day the possession of that part is required for any public purpose. Thereafter the Lessee or the Lessor shall have the right to either cancel this Agreement or to continue in the possession of the remainder of the same under the terms herein provided, except that the area of occupancy shall be reduced in proportion to the area of that portion of the Premises taken for such public purpose. All damages awarded for the taking of the Premises for any public purpose shall belong to and be the property of the party suffering such damage whether such damage is awarded as compensation for diminution in value to the leasehold or to the fee of the Premises.

**SECTION FOURTEEN  
INDEMNIFICATION**

A. Lessee shall hold harmless, indemnify and defend Lessor, its officers, agents and employees from any loss or liability, financial or otherwise resulting from any claim, demand, suit, action or other cause of action based on bodily injury including death or property damage to any person, including Lessee's employees, that is caused by any action, either direct or passive, or the omission or failure to act or negligence on the part of the Lessee, its employees, agents or representatives, or caused by any action arising out of the use of the Premises or Lessee's duties and responsibilities under this Agreement.

B. Pursuant to Nevada Revised Statutes, Chapter 41 and without waiving any provisions thereof, Lessor shall hold harmless, indemnify and defend Lessee from and against any loss, damage, claim, suit or liability due to injury, including death, or property damage, to any third party arising out of the negligent or alleged negligent acts or omissions of the Lessor, its agents, contractors or employees, concerning the Premises and the Lessor's duties and responsibilities pursuant to this Agreement.

**SECTION FIFTEEN  
INSURANCE**

A. Lessor, at its sole cost and expense, shall:

(1) Secure and maintain fire and extended insurance, or provide for such through its Self-funded Insurance Program, on the building in which the Premises is located in an amount and coverage determined by Lessor during the term or any extended term of this Agreement.

(2) Secure and maintain through its Risk Management Division a Self-Funded Insurance Program, of comprehensive or commercial general liability coverage (occurrence form), in an amount of not less than \$1,000,000 per occurrence, and at least \$2,000,000 annual aggregate during the term of this Agreement.

(3) Lessor hereby expressly waives and releases any cause of action or right of recovery which Lessor may have hereafter against the Lessee for any loss or damage to the demised Premises, or to the contents thereof belonging to either, caused by fire, explosion, or any other risk covered by insurance; and,

B. Lessee, at its sole cost and expense, shall:

(1) Secure fire insurance on all contents owned by the Lessee located at the demised Premises.

(2) Lessee may fund any financial obligation relating to its negligence and liability through either a self-funded program or through an Insurance Carrier maintaining an A rating by A.M. Best. Any and all claims related to the use of the demised Premises by Lessee shall be forwarded to Lessor in a timely manner.

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(4) Lessee shall obtain a waiver from any insurance carrier with which Lessee carries fire, explosion or any other risk coverage insuring the Premises or the contents thereof releasing its subrogation rights against Lessor.

(5) In the event Lessee's occupancy causes any increase of premium for Lessor's insurance on the Premises, or any parts thereof, above the rate applicable to the type of occupancy identified in this Agreement, Lessee shall have fifteen (15) days after receipt of written notification from Lessor of such increase to correct or mitigate said circumstances which resulted in the need for a premium increase. If Lessee is unable to mitigate or correct said hazardous occupancy, Lessee shall upon written agreement pay the increased premium or terminate said Agreement.

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### **FUNDING OUT CLAUSE**

Pursuant to NRS 244.320, in the event Lessor fails to appropriate budget funds specifically for the purpose of maintaining the Premises, in any subsequent fiscal year after the effective date of the Agreement, Lessee hereby agrees to cancel this Agreement and hold Lessor harmless from any penalty, charge or sanction. Lessor agrees to provide written notice to Lessee of this eventuality, should it occur.

## **SECTION SEVENTEEN**

### **COSTS AND ATTORNEY'S FEES**

Should either party hereto institute any action or proceeding to enforce or interpret any provision hereof or for damages by reason of an alleged breach of any provision of this Agreement, neither party shall be entitled to recover any amount as a reasonable attorney's fee, for any reason, even if said party is deemed to be the prevailing party in such action or proceeding. Cost of suit may be awarded as allowed by law.

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This Agreement shall be construed in accordance with and be governed by the laws of the State of Nevada. All parties hereto consent to the personal jurisdiction of any state or federal court of competent jurisdiction located in Washoe County, Nevada and to the service of process by any means authorized by any such state or federal court or under the laws of the State of Nevada. The exclusive venue of any action, proceeding or counterclaim arising out of or in connection with this Agreement shall be Washoe County, Nevada.

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QUIET ENJOYMENT**

Lessee, while in compliance with the terms and covenants herein, is entitled to the quiet enjoyment of the Premises for the term hereby created.

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NOTICES**

All notices and demands which may be required to be served upon the respective parties to this Agreement shall be in writing and may be served either personally or by certified mail, postage prepaid, addressed to Lessee, at the address of the Premises herein demised and upon Lessor, to Director of Community Services Department, P.O. Box 11130, Reno, NV 89520-0027 or at such other address as the parties may designate and serve upon the other. Any service by mail shall be deemed served upon deposit with the United States Post Office.

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HAZARDOUS SUBSTANCES**

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B. If hazardous substances have been used, stored, manufactured or disposed in or upon the Premises or connected areas outside the Premises, or if the Premises or connected areas

outside the Premises, are or become contaminated in any manner, for which Lessor is legally liable, Lessor shall indemnify, defend and hold Lessee harmless from all related claims, judgments, penalties, costs or losses, including all expenses incurred for investigation, removal, remediation and restoration mandated by federal, state and local governments.

C. "Hazardous Substances" mean all toxic, ignitable, reactive and corrosive substances regulated by federal, state or local governments.

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The rules and regulations of Lessor set forth as Exhibit "A", which may be amended from time to time, are expressly made part of this Agreement and Lessee agrees to abide by the same to the extent said rules and regulations are not inconsistent with the terms of this Agreement.

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C. The failure by Lessee or Lessor to make any payment or observe or perform any covenants, conditions or provisions of this Agreement required to be made, observed or performed by such party, after thirty (30) days written notice of such default shall constitute a default of this Agreement by such party; provided, however, that if the nature of the default (other than the payment of money) is such that more than thirty (30) days are reasonably required for its cure, then the defaulting party shall not be deemed to be in default if such party commences such cure within the thirty (30) day period and thereafter diligently prosecutes such cure to completion. Upon default, the non-defaulting party may pursue all remedies available under Nevada law, including termination of this Agreement and recovery of all damages caused by such default.

**SECTION TWENTY-FOUR**  
**EFFECT OF AGREEMENT**

A. This Agreement constitutes the entire contract between the parties and no obligations other than those set forth herein will be recognized unless endorsed hereon in writing.

B. The covenants and agreements herein contained are binding on the parties hereto, their successors, assigns and legal representatives.

**IN WITNESS WHEREOF**, the parties hereto have set their hands as of the day and year first above written.

**LESSOR:**

Washoe County, acting by and through its  
Board of County Commissioners

By \_\_\_\_\_  
Kitty K. Jung  
Chair, Washoe County Commission

**LESSEE:**

Nevada Land Trust  
a Nevada Non-profit Corporation

By \_\_\_\_\_  
Alicia Reban  
Executive Director

STATE OF NEVADA    )  
                              :  
COUNTY OF WASHOE )

On this \_\_\_\_ day of \_\_\_\_\_, 2016, before me a Notary Public in and for the County of Washoe, State of Nevada, personally appeared **Kitty K. Jung**, known or proved to me to be the person described herein and who acknowledged to me that she executed the same freely and voluntarily and for the uses and purposes therein mentioned.

\_\_\_\_\_  
Notary Public

STATE OF NEVADA    )  
                              :  
COUNTY OF WASHOE )

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## **EXHIBIT "A"**

### **Lease (Office) Rules and Regulations of the Building**

**First:** Lessee, its agents, employees, invitees and any person present because of Lessee's occupation of the Premises, shall not in any way obstruct the sidewalks, entry passages, corridors, halls, stairways, or use the same in any other way than as a means of passage to and from their respective offices, not permit anything to be done in the Premises, nor bring nor keep anything therein, which will in any way increase or tend to increase the rate of fire insurance, or which will obstruct or interfere with the rights of other tenants, or in any way injure or annoy them, or which shall conflict with the regulations of the Fire Department or the fire laws or with any insurance policy on the building or any part thereof, or with rules or ordinances established by the District Board of Health; and they shall not make or permit any improper noises in the building, nor throw substances of any kind out of the windows or doors, or in the halls or passageways, nor sit on nor place anything upon the window sills, nor bring into nor keep within the building any animal, bicycle, or motorcycle; and Lessee agrees that it will pay any damages that Lessor may suffer by a violation of this clause.

**Second:** The sash doors, sashes, windows, glass doors, partitions, lights and skylights, that reflect or admit light into the halls or other places of the building shall not be covered or obstructed. In this connection, no drapes or other type window covering may be utilized without prior approval of Lessor.

**Third:** The waterclosets and urinals shall not be used for any purposes other than for which they were constructed and no plaster of Paris, sweepings, rubbish, ashes, newspaper or other substances of any kind shall be thrown into them. Waste and excessive use of water or heat will not be allowed.

**Fourth:** No sign, advertisement or notice shall be inscribed, painted, or affixed on any part of the outside or inside of said building without the written consent of Lessor, and if such consent shall be given by Lessor, any such sign, advertisement or notice shall be inscribed, painted or affixed by Lessor, but the cost of any painting, inscribing, or affixing shall be charged to and paid by Lessee.

**Fifth:** When electric wiring of any kind is introduced it must be connected as directed by Lessor and no boring or cutting of walls, woodwork or wires shall be done without the consent of



Lessor. The location of telephones, telegraph instruments, electric appliances, call boxes, etc. shall be prescribed by Lessor. All work related to the wiring must be presented to and approved by Lessor's Community Services Department.

**Sixth:** Lessor shall have the right to prescribe the weight, size and position of all safes and other property brought into the building and also the times and manner of moving the same in and out of the building and all such moving must be done under the supervision of Lessor. Lessor will not be responsible for loss of damage to any such safe or property from any cause but all damage done to the building by moving or maintaining any such safe or property shall be repaired at expense to Lessee. At Lessor's election all safes shall stand on timbers of such size and shall be designated by Lessor.

**Seventh:** Lessee must observe strict care not to leave the Premises exposed to the elements and for any default or carelessness in this respect Lessee shall make good all injuries or damages sustained by other tenants in the building and by Lessor.

**Eighth:** All glass, locks and trimmings in or upon the doors and windows belonging to the building, shall be kept whole and whenever any part thereof shall be broken, the same shall immediately be replaced or repaired and put in order under the direction and to the satisfaction of Lessor and shall be left whole or in good repair, together with the same number and kind of keys as may be received by Lessee on entering upon possession and of any part of said building, or during tenancy.

**Ninth:** The Premises shall not be used for lodging or sleeping purposes.