## CITY MANAGER'S REPORT APRIL 10, 2023 CITY COUNCIL REGULAR MEETING

ITEM:	RATIFICATION OF THE CITY MANAGER'S SIGNATURE AND APPROVE OPTION AND TOWER LEASE AGREEMENT WITH VERIZON WIRELESS FOR USE OF CITY OWNED TOWER	
RECOMMENDATION:	Adopt Resolution Ratifying City Manager's Signature and Approving Option and Tower Lease Agreement With Verizon Wireless for Use of City Tower.	

## SUMMARY:

River Islands Development, LLC ("RID") completed construction of a large utility facility that includes water tanks, a water booster pump station, a significant sewer pump station, and a SCADA tower. RID decided to construct a SCADA tower that was taller than required so that the tower could include cell antennae to improve cell service in the River Islands Project and create a revenue stream from the lease payments by telecom companies ("rent"). RID transferred the land within the Employment Center to River Islands Employment Center, LLC (RI-EC). Therefore, that is the entity with whom the City will enter into the Agreement for Operations of a Communications Tower in River Islands ("Agreement").

Verizon Wireless has requested the City to enter into an Option and Tower Lease Agreement ("Lease Agreement") to lease space on the City cell tower site and on the cell tower itself. The Lease Agreement has been negotiated with Verizon Wireless, who will occupy the second to the top location on the cell tower (the top location is reserved for the City facilities) and will provide monthly rent for \$2,250 to the City, to reimburse RID based on the approved Agreement.

Staff recommends that the City Council adopt a resolution to ratify the City Manager's signature and approve Option and Tower Lease Agreement with Verizon Wireless.

## BACKGROUND:

Various entitlements require RID as the developer for the River Islands Project to construct certain public facilities and infrastructure that will be of benefit to their property. RID completed the construction of a large utility facility that includes water tanks, a water booster pump station, a significant sewer pump station, and a SCADA tower. RID developed a communications tower site ("Site") within the Employment Center District of the River Islands at Lathrop project and erected a communications tower ("Tower") to serve national cellular communication providers ("Providers"), including the City of Lathrop ("City"), River Islands, related public agencies, Lathrop Police Department and Lathrop-Manteca Fire District.

## CITY MANAGER'S REPORT

## APRIL 10, 2023 CITY COUNCIL REGULAR MEETING RATIFICATION OF THE CITY MANAGER'S SIGNATURE AND APPROVE OPTION AND TOWER LEASE AGREEMENT WITH VERIZON WIRELESS FOR USE OF CITY OWNED TOWER

RID transferred the land within the Employment Center to River Islands Employment Center, LLC (RI-EC).

The Site provides space for the equipment to serve four (4) separate cell companies, and the tower itself includes an area for four (4) cell antennae. Now that the City owns the Site and Tower, the City can enter into lease agreements with Providers.

Verizon Wireless has requested the City of Lathrop enter into an Option and Tower Lease Agreement ("Lease Agreement") to lease space on the Site and the Tower. The Lease Agreement has been negotiated with Verizon Wireless, who will occupy the second to the top location on the cell tower (the top location is reserved for the City facilities) and will provide monthly rent for \$2,250 to the City, to be used for reimbursement with RI-EC based on the approved Agreement. Under the Lease Agreement, rent paid by Verizon will increase by three (3) percent each year, beginning in year two (2). The initial term of the lease will be ten (10) years and will automatically renew for four (4) additional five (5) year terms.

# **REASON FOR RECOMMENDATION:**

By placing their cell antennae on the cell tower, Verizon will enable the increase and improvement of wireless and cellular mobile communications capacities, for not only businesses and residents within the area but also for essential emergency response, community safety, commerce, recreation, and tourists/commuters/travelers that rely on consistent and reliable wireless communication all along the Interstate 5 corridor. Police vehicles in the River Island area experience network service issues while the officers are attempting to utilize the equipment within the vehicles such as computers and radios. This cell tower would improve the network service in this area and rectify this issue, allowing officers to work more efficiently and effectively. Additionally, the City will be paid monthly rent during the time the tower is used. Staff recommends that the City Council adopt a resolution to ratify the City Manager's signature and approve Option and Tower Lease Agreement with Verizon Wireless.

# FISCAL IMPACT:

Lease payments (\$27,000) received will be shared between the City and River Islands Employment Center, LLC (RI-EC), 75% until fully reimbursed and 25% to the City in accordance with the Agreement for Operations of a Communications Tower in River Islands. Verizon Wireless will make payment to The City and the City will pay 75% of the payment to RI-EC. The total amount that will be reimbursed in a single year will be \$20,050 to RI-EC. The amount due to complete reimbursement fully is \$246,798.40. The City will recognize the revenue of \$6,750 in Fiscal Year budget 2022-23. Lease payments will fully fund maintenance of the site and the tower structure and will repay River Islands for increasing the tower height. The City's share of the lease payments in excess of the maintenance costs will be available to the City for any use.

## CITY MANAGER'S REPORT PAGE 3 APRIL 10, 2023 CITY COUNCIL REGULAR MEETING RATIFICATION OF THE CITY MANAGER'S SIGNATURE AND APPROVE OPTION AND TOWER LEASE AGREEMENT WITH VERIZON WIRELESS FOR USE OF CITY OWNED TOWER

Staff requests the following budget amendment for FY 2022-2023:

Increase Revenue

Communications 1010-15-10-371-90-01 \$6,750

# **ATTACHMENTS:**

- A. Resolution to Ratify City Mangers signature and approve Option and Tower Lease Agreement with New Verizon Wireless for Use of City Tower and Related Budget Amendment
- B. Option and Tower Lease Agreement with Verizon Wireless

## **CITY MANAGER'S REPORT APRIL 10, 2023 CITY COUNCIL REGULAR MEETING RATIFICATION OF THE CITY MANAGER'S SIGNATURE AND APPROVE OPTION** AND TOWER LEASE AGREEMENT WITH VERIZON WIRELESS FOR USE OF CITY **OWNED TOWER APPROVALS:**

Forty Fernandes Information Systems Director

Cari James

Finance Director

4-5-2023

Date

Date

Michael King Assistant City Manager

Date

Date

Salvador Navarrete **City Attorney** 

Stephen J. Salvatore City Manager

4.6.23

Date

## **RESOLUTION NO. 23-**

## A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP RATIFYING CITY MANGER'S SIGNATURE AND APPROVING AN OPTION AND TOWER LEASE AGREEMENT WITH VERIZON WIRELESS FOR USE OF CITY TOWER.

**WHEREAS**, River Islands Development, LLC, ("RID") the developer for the River Islands Project, is required under various entitlements to construct certain public facilities and infrastructure that will be of benefit to their property; and

**WHEREAS,** RID is completing construction of a large utility facility that includes water tanks, a water booster pump station, a significant sewer pump station, and a SCADA tower; and

**WHEREAS**, RID has developed a communications tower site ("Site") within the Employment Center District of the River Islands at Lathrop project to erect a communications tower ("Tower") to serve national cellular communication providers ("Providers"), including City, River Islands, related public agencies and possibly Lathrop-Manteca Fire District; and

**WHEREAS**, RID has transferred the land within the Employment Center to River Islands Employment Center, LLC (RI-EC), and so that is the entity with whom the City will enter into the Agreement for Construction and Operations of a Communications Tower in River Islands ("Agreement"); and

**WHEREAS,** it has been determined that the additional height of the Tower can only be allowed if the City of Lathrop ("City") owns the facility, and so RI-EC offered to dedicate the Site and the Tower to the City; and

**WHEREAS,** Verizon Wireless has requested the City of Lathrop enter into an Option and Tower Lease Agreement ("Lease Agreement") in order to lease space on the cell tower site and the cell tower; and

**WHEREAS,** Verizon Wireless will occupy the second to the top location on the cell tower (the top location is reserved for the City facilities) and will provide monthly rent in the amount of \$2,250 to the City, to be shared with RID based on the approved Agreement; and

**WHEREAS,** accordance with the Lease Agreement, rent paid by Verizon Wireless will increase by 3 percent each year beginning in year two (2); and

**WHEREAS,** the initial term of the lease will be ten (10) years, and will automatically renew for four (4) additional five (5) year terms; and

**WHEREAS**, Lease payments (\$27,000) received will be shared between the City and River Islands Employment Center, LLC (RI-EC), 75% until fully reimbursed

and 25% to the City in accordance with the Agreement for Construction and Operations of a Communications Tower in River Islands; and

**NOW, THEREFORE, BE IT RESOLVED,** that the City Council of the City of Lathrop does hereby ratify City Manager's signature and approve Option and Tower Lease Agreement with Verizon Wireless for the use of City-owned tower.

The foregoing resolution was passed and adopted this  $10^{th}$  day of April 2023, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

**ABSTAIN:** 

Sonny Dhaliwal, Mayor

ATTEST:

**APPROVED AS TO FORM:** 

Teresa Vargas, City Clerk

Salvador Navarrete, City Attorney

Market Northern California Cell Site Number: 558247 Search Ring Name: New Lathrop Cell Site Name Cirrus Court

#### **OPTION AND TOWER LEASE AGREEMENT**

THIS OPTION AND TOWER LEASE AGREEMENT ("Agreement"), dated as of the latter of the signature dates below (the "Effective Date"), is entered into by the City of Lathrop, a California municipal corporation, having a mailing address of 390 Towne Centre Drive, Lathrop, CA 95330 ("Landlord"), and Sacramento-Valley Limited Partnership, a California limited partnership d/b/a Verizon Wireless, having a mailing address of One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920, Attention: Network Real Estate ("Tenant").

#### BACKGROUND

Landlord owns that certain plot, parcel or tract of land, as described on **Exhibit 1**, improved with a tower structure (the "**Tower**"), together with all rights and privileges arising in connection therewith, located in the City of Lathrop, County of San Joaquin, State of California (collectively, the "**Property**"). Tenant desires to use a portion of the Property in connection with its federally licensed communications business. Landlord desires to grant to Tenant the right to use a portion of the Property in accordance with this Agreement.

The parties agree as follows:

#### 1. <u>OPTION TO LEASE.</u>

(a) Landlord grants to Tenant an option (the "Option") to lease a portion of the Property consisting of:

(i) approximately three hundred (300) square feet of ground space including the air space above such ground space, as described on attached **Exhibit 1**, for the placement of Tenant's Communication Facility;

(ii) space for any structural steel or other improvements to support Tenant's equipment (collectively, the space referenced in (i) and (ii) is the "Equipment Space");

(iii) the portion of the Tower selected by Tenant and dedicated for Tenant's exclusive use with a rad center of ninety feet (90') above ground level as generally depicted on **Exhibit 1** (the "Tenant **RAD Center**"), and consisting of an envelope of five (5) contiguous vertical feet above the Tenant RAD Center and five (5) contiguous vertical feet below the Tenant RAD Center (for an aggregate of ten (10) contiguous vertical feet of space) (collectively, the "Antenna Space Envelope"). Tenant shall have the right to locate, operate or maintain its communication equipment and improvements within the Antenna Space Envelope. The Antenna Space Envelope includes any area on a horizontal plane, extending in all directions from the Tower, that is perpendicular to such ten foot (10') vertical envelope; and

(iv) those certain areas where Tenant's conduits, wires, cables, cable trays and other necessary connections (and the cables, wires, and other necessary connections and improvements of such third parties related to Tenant, such as Tenant's utility providers) are located between the Equipment Space and the Antenna Space Envelope, and between the Equipment Space and the electric power, telephone, fiber and fuel sources for the Property (hereinafter collectively referred to as the "Connection Space"). Landlord agrees that Tenant shall have the right to install connections between Tenant's equipment in the Equipment Space and the electric power, telephone, and fuel sources for the Property, and any other improvements. Landlord further agrees that Tenant shall have the right to install, replace and maintain utility lines, wires, poles, cables, conduits, pipes and other necessary connections over or along any right-of-way extending from the aforementioned

public right-of-way to the Premises. Notwithstanding the foregoing, Tenant, to the extent feasible, shall locate all lines, wires, conduits and cables on existing poles extending from the roadway into Landlord's Property. The Equipment Space, Antenna Space, and Connection Space, are hereinafter collectively referred to as the "Premises."

During the Option Term, and during the Term of this Agreement, Tenant and its agents, (b) engineers, surveyors and other representatives will have the right to enter upon the Property to inspect, examine, conduct soil borings, drainage testing, material sampling, radio frequency testing and other geological or engineering tests or studies of the Property (collectively, the "Tests"), to apply for and obtain licenses, permits, approvals, or other relief required of or deemed necessary or appropriate at Tenant's sole discretion for its use of the Premises and include, without limitation, applications for zoning variances, zoning ordinances, amendments, special use permits, and construction permits (collectively, the "Government Approvals"), initiate the ordering and/or scheduling of necessary utilities, and otherwise to do those things on or off the Property that, in the opinion of Tenant, are necessary in Tenant's sole discretion to determine the physical condition of the Property, the environmental history of the Property, Landlord's title to the Property and the feasibility or suitability of the Property for Tenant's Permitted Use, all at Tenant's expense. Tenant will not be liable to Landlord or any third party on account of any pre-existing defect or condition on or with respect to the Property, whether or not such defect or condition is disclosed by Tenant's inspection. Tenant will restore the Property to its condition as it existed at the commencement of the Option Term, reasonable wear and tear and loss by casualty or other causes beyond Tenant's control excepted.

(c) In consideration of Landlord granting Tenant the Option, Tenant agrees to pay Landlord the sum of Five Hundred and No/100 Dollars (\$500.00) within thirty (30) business days of the Effective Date. The Option will be for an initial term of one (1) year commencing on the Effective Date (the "Initial Option Term") and may be renewed by Tenant for an additional one (1) year (the "Renewal Option Term") upon notification to Landlord and the payment of an additional Five Hundred and No/100 Dollars (\$500.00) prior to the expiration date of the Initial Option Term. The Initial Option Term and any Renewal Option Term are collectively referred to as the "Option Term."

(d) The Option may only be sold, assigned or transferred at any time by Tenant to an Affiliate of Tenant. Otherwise, the Option may not be sold, assigned or transferred without the written consent of Landlord, such consent not to be unreasonably withheld, conditioned or delayed. From and after the date the Option has been sold, assigned or transferred by Tenant to an Affiliate or a third party agreeing to be subject to the terms hereof, Tenant shall immediately be released from any and all liability under this Agreement, including the payment of any rental or other sums due, without any further action.

(e) During the Option Term, Tenant may exercise the Option by notifying Landlord in writing. If Tenant exercises the Option, then Landlord leases the Premises to Tenant subject to the terms and conditions of this Agreement. If Tenant does not exercise the Option during the Option Term or any extension thereof, this Agreement will terminate and the parties will have no further liability to each other.

(f) If during the Option Term, or during the Term of this Agreement, Landlord decides to subdivide, sell, or change the status of the zoning of the Premises, Property or any of Landlord's contiguous, adjoining or surrounding property (the "Surrounding Property", which includes without limitation the remainder of the Tower) or in the event of foreclosure, Landlord shall immediately notify Tenant in writing. Landlord agrees that during the Option Term, or during the Term of this Agreement if the Option is exercised, Landlord shall not initiate or consent to any change in the zoning of the Premises, Property or Surrounding Property or impose or consent to any other use or restriction that would prevent or limit Tenant from using the Premises for the Permitted Use. Any and all terms and conditions of this Agreement that by their sense and context are intended to be applicable during the Option Term shall be so applicable.

2. PERMITTED USE. Tenant may use the Premises for the transmission and reception of communications signals and the installation, construction, maintenance, operation, repair, replacement and upgrade of its communications fixtures and related equipment, cables, accessories and improvements, which may include a suitable support structure, associated antennas, I beams, equipment shelters or cabinets and fencing and any other items necessary to the successful and secure use of the Premises (collectively, the "Communication Facility"), as well as the right to test, survey and review title on the Property; Tenant further has the right, but not the obligation, to add, modify and/or replace equipment in order to be in compliance with any current or future federal, state or local mandated application, including, but not limited to, emergency 911 communication services, at no additional cost to Tenant or Landlord (collectively, the "Permitted Use"). Landlord and Tenant agree that any portion of the Communication Facility that may be conceptually described on Exhibit 1 will not be deemed to limit Tenant's Permitted Use. If Exhibit 1 includes drawings of the initial installation of the Communication Facility, Landlord's execution of this Agreement will signify Landlord's approval of Exhibit 1. Landlord grants Tenant, its subtenants, licensees and sublicensees, the right to use such portions of Landlord's Surrounding Property as may reasonably be required during construction and installation of the Communication Facility. Tenant has the right to install and operate transmission cables from the equipment shelter or cabinet to the antennas, electric lines from the main feed to the equipment shelter or cabinet and communication lines from the Property's main entry point to the equipment shelter or cabinet, and to make other improvements, alterations, upgrades or additions appropriate for Tenant's Permitted Use, including the right to construct a fence around the Premises, install warning signs to make individuals aware of risks, install protective barriers, install any other control measures reasonably required by Tenant's safety procedures or applicable law, and undertake any other appropriate means to secure the Premises at Tenant's expense. Tenant has the right to install, modify, supplement, replace, upgrade, expand the equipment, increase the number of antennas or relocate the Communication Facility within the Premises at any time during the Term of this Agreement. Tenant will be allowed to make such alterations to the Property in order to ensure that Tenant's Communication Facility complies with all applicable federal, state or local laws, rules or regulations. In the event Tenant desires to modify or upgrade the Communication Facility, in a manner that requires an additional portion of the Property (the "Additional Premises") for such modification or upgrade. Landlord shall comply with all Federal and State laws and agrees to negotiate a reasonable amended compensation structure to this Agreement in a timely manner, and will not unreasonably withhold approval.

#### 3. <u>TERM.</u>

(a) The initial lease term will be ten (10) years ("Initial Term"), commencing on the first day of the month following Tenant's exercise of the Option (the "Term Commencement Date"). The Initial Term will terminate on the tenth (10<sup>th</sup>) anniversary of the Term Commencement Date.

(b) This Agreement will automatically renew for four (4) additional five (5) year term(s) (each additional five (5) year term shall be defined as an "Extension Term"), upon the same terms and conditions unless Tenant notifies Landlord in writing of Tenant's intention not to renew this Agreement at least sixty (60) days prior to the expiration of the Initial Term or then-existing Extension Term.

(c) Unless (i) Landlord or Tenant notifies the other in writing of its intention to terminate this Agreement at least six (6) months prior to the expiration of the final Extension Term, or (ii) the Agreement is terminated as otherwise permitted by this Agreement prior to the end of the final Extension Term, then upon the expiration of the final Extension Term this Agreement shall continue in force upon the same covenants, terms and conditions for a further term of one (1) year, and for annual terms thereafter ("Annual Term") until terminated by either party by giving to the other written notice of its intention to so terminate at least six (6) months prior to the end of any such Annual Term. Monthly rental during such Annual Terms shall be equal to the Rent paid for the last month of the final Extension Term.

(d) The Initial Term, any Extension Terms and any Annual Terms are collectively referred to as the "Term".

### 4. <u>RENT.</u>

(a) Commencing on the Term Commencement Date (which is also referred to herein as the "**Rent Commencement Date**"), Tenant will pay Landlord on or before the fifth (5<sup>th</sup>) day of each calendar month in advance Two Thousand Two Hundred fifty and No/100 Dollars (\$2,250.00) (the "**Rent**"), at the address set forth above. In any partial month occurring after the Rent Commencement Date, Rent will be prorated. The initial Rent payment will be forwarded by Tenant to Landlord within sixty (60) days after the Rent Commencement Date.

(b) In year two (2) of the Initial Term, and each year thereafter, including throughout any Extension Terms exercised, the monthly Rent will increase by Three Percent (3.0%) over the Rent paid during the previous year.

(c) All charges payable under this Agreement such as utilities and taxes shall be billed by Landlord within one (1) year from the end of the calendar year in which the charges were incurred; any charges beyond such period shall not be billed by Landlord, and shall not be payable by Tenant. The foregoing shall not apply to monthly Rent which is due and payable without a requirement that it be billed by Landlord. The provisions of this subsection shall survive the termination or expiration of this Agreement.

### 5. APPROVALS.

(a) Landlord agrees that Tenant's ability to use the Premises is contingent upon the suitability of the Premises and Property for Tenant's Permitted Use and Tenant's ability to obtain and maintain all Government Approvals. Landlord authorizes Tenant to prepare, execute and file all required applications to obtain Government Approvals for Tenant's Permitted Use under this Agreement and agrees to reasonably assist Tenant with such applications and with obtaining and maintaining the Government Approvals.

(b) Tenant has the right to obtain a title report or commitment for a leasehold title policy from a title insurance company of its choice and to have the Property surveyed by a surveyor of its choice.

(c) Tenant may also perform and obtain, at Tenant's sole cost and expense, soil borings, percolation tests, engineering procedures, environmental investigation or other tests or reports on, over, and under the Property, necessary to determine if Tenant's use of the Premises will be compatible with Tenant's engineering specifications, system, design, operations or Government Approvals.

6. <u>**TERMINATION.</u>** This Agreement may be terminated, without penalty or further liability, as follows:</u>

(a) by either party on thirty (30) days prior written notice, if the other party remains in default under Section 15 of this Agreement after the applicable cure periods;

(b) by Tenant upon written notice to Landlord, if Tenant is unable to obtain, or maintain, any required approval(s) or the issuance of a license or permit by any agency, board, court or other governmental authority necessary for the construction or operation of the Communication Facility as now or hereafter intended by Tenant;

(c) by Tenant, upon written notice to Landlord, if Tenant determines, in its sole discretion, due to the title report results or survey results, that the condition of the Premises is unsatisfactory for its intended uses;

(d) by Tenant upon written notice to Landlord for any reason or no reason, at any time prior to commencement of construction by Tenant; or

(e) by Tenant upon sixty (60) days' prior written notice to Landlord for any reason or no reason, so long as Tenant pays Landlord a termination fee equal to three (3) months' Rent, at the then-current rate, provided, however, that no such termination fee will be payable on account of the termination of this Agreement by Tenant under any termination provision contained in any other Section of this Agreement including the following: 6(a) Termination, 6(b) Termination, 6(c) Termination, 6(d) Termination, 11(d) Environmental, 18 Condemnation or 19 Casualty.

## 7. INSURANCE.

(a) During the Term, Tenant will carry, at its own cost and expense, the following insurance: (i) workers' compensation insurance as required by law; and (ii) commercial general liability (CGL) insurance with respect to its activities on the Property, such insurance to afford protection of up to Three Million Dollars (\$3,000,000) per occurrence and Six Million Dollars (\$6,000,000) general aggregate, based on Insurance Services Office (ISO) Form or a substitute form providing substantially equivalent coverage. Tenant's CGL insurance shall contain a provision including Landlord as an additional insured as their interests may appear under this Agreement. Such additional insured coverage:

(i) shall be limited to bodily injury, property damage or personal and advertising injury caused, in whole or in part, by Tenant, its employees, agents or independent contractors;

(ii) shall not extend to claims for punitive or exemplary damages arising out of the acts or omissions of Landlord, its employees, agents or independent contractors or where such coverage is prohibited by law or to claims arising out of the gross negligence of Landlord, its employees, agents or independent contractors; and

(iii) shall not exceed Tenant's indemnification obligation under this Agreement, if any.

(b) Notwithstanding the foregoing, Tenant shall have the right to self-insure the coverages required in subsection (a). In the event Tenant elects to self-insure its obligation to include Landlord as an additional insured, the following provisions shall apply (in addition to those set forth in subsection (a)):

(i) Landlord shall promptly and no later than thirty (30) days after notice thereof provide Tenant with written notice of any claim, demand, lawsuit, or the like for which it seeks coverage pursuant to this Section and provide Tenant with copies of any demands, notices, summonses, or legal papers received in connection with such claim, demand, lawsuit, or the like;

(ii) Landlord shall not settle any such claim, demand, lawsuit, or the like without the prior written consent of Tenant; and

(iii) Landlord shall fully cooperate with Tenant in the defense of the claim, demand, lawsuit, or the like.

## 8. <u>INTERFERENCE.</u>

(a) Prior to or concurrent with the execution of this Agreement, Landlord has provided or will provide Tenant with a copy of the pre-existing Lease to New Cingular Wireless PCS, LLC, a Delaware limited liability company ("Cingular Lease") and a list of radio frequency user(s) and frequencies used on the Property as of the Effective Date. Tenant warrants that its use of the Premises will not interfere with the tenant's currently permitted use under the Cingular Lease or the existing radio frequency user(s) operate and continue to operate within their respective frequencies and in accordance with all applicable laws and regulations.

(b) Landlord will not grant, after the Effective Date of this Agreement, a lease, license or any other right to any third party, if the exercise of such grant may in any way adversely affect or interfere with the Communication Facility, the operations of Tenant or the rights of Tenant under this Agreement. Landlord will notify Tenant in writing prior to granting any third party the right to install and operate communications equipment on the Property.

(c) Landlord will not, nor will Landlord permit its employees, tenants, licensees, invitees, agents or independent contractors to interfere in any way with the Communication Facility, the operations of Tenant or the rights of Tenant under this Agreement. Landlord will cause such interference to cease within two (2) business days after receipt of notice of interference from Tenant. In the event any such interference does not cease within the aforementioned cure period, Landlord shall cease all operations which are suspected of causing interference (except for intermittent testing to determine the cause of such interference) until the interference has been corrected.

(d) For the purposes of this Agreement, "interference" may include, but is not limited to, any use on the Property or Surrounding Property that causes electronic or physical obstruction with, or degradation of, the communications signals from the Communication Facility.

### 9. <u>INDEMNIFICATION.</u>

(a) Tenant agrees to indemnify, defend and hold Landlord harmless from and against any and all injury, loss, damage or liability (or any claims in respect of the foregoing), costs or expenses (including reasonable attorneys' fees and court costs) arising directly from the installation, use, maintenance, repair or removal of the Communication Facility or Tenant's breach of any provision of this Agreement, except to the extent attributable to the negligent or intentional act or omission of Landlord, its employees, agents or independent contractors.

(b) Landlord agrees to indemnify, defend and hold Tenant harmless from and against any and all injury, loss, damage or liability (or any claims in respect of the foregoing), costs or expenses (including reasonable attorneys' fees and court costs) arising directly from the actions or failure to act of Landlord, its employees, agents or independent contractors, or Landlord's breach of any provision of this Agreement, except to the extent attributable to the negligent or intentional act or omission of Tenant, its employees, agents or independent contractors.

(c) The indemnified party: (i) shall promptly provide the indemnifying party with written notice of any claim, demand, lawsuit, or the like for which it seeks indemnification pursuant to this Section and provide the indemnifying party with copies of any demands, notices, summonses, or legal papers received in connection with such claim, demand, lawsuit, or the like; (ii) shall not settle any such claim, demand, lawsuit, or the like without the prior written consent of the indemnifying party; and (iii) shall fully cooperate with the indemnifying party in the defense of the claim, demand, lawsuit, or the like. A delay in notice shall not relieve the indemnifying party of its indemnity obligation, except (1) to the extent the indemnifying party can show it was prejudiced by the delay; and (2) the indemnifying party shall not be liable for any settlement or litigation expenses incurred before the time when notice is given.

### 10. WARRANTIES.

(a) Tenant and Landlord each acknowledge and represent that it is duly organized, validly existing and in good standing and has the right, power and authority to enter into this Agreement and bind itself hereto through the party set forth as signatory for the party below.

(b) Landlord represents, warrants and agrees that: (i) Landlord solely owns the Property as a legal lot in fee simple, and solely owns the Tower; (ii) the Property is not and will not be encumbered by any liens, restrictions, mortgages, covenants, conditions, easements, leases, or any other agreements of record or not of record, which would adversely affect Tenant's Permitted Use and enjoyment of the Premises under this Agreement; (iii) as long as Tenant is not in default beyond all applicable notice and cure periods, then Landlord grants to Tenant sole, actual, quiet and peaceful use, enjoyment and possession of the Premises without hindrance or ejection by any persons lawfully claiming under Landlord; (iv) Landlord's execution and performance of this Agreement binding on Landlord; and (v) if the Property is or becomes encumbered by a deed to secure a debt, mortgage or other security interest, then Landlord will provide promptly to Tenant a mutually agreeable subordination, non-disturbance and attornment agreement executed by Landlord and the holder of such security interest.

### 11. ENVIRONMENTAL.

(a) Landlord represents and warrants that, except as may be identified in **Exhibit 11** attached to this Agreement, (i) the Property, as of the Effective Date of this Agreement, is free of hazardous substances, including asbestos-containing materials and lead paint, and (ii) the Property has never been subject to any contamination or hazardous conditions resulting in any environmental investigation, inquiry or remediation. Landlord and Tenant agree that each will be responsible for compliance with any and all applicable governmental laws, rules, statutes, regulations, codes, ordinances, or principles of common law regulating or imposing standards of liability or standards of conduct with regard to protection of the environment or worker health and safety, as may now or at any time hereafter be in effect, to the extent such apply to that party's activity conducted in or on the Property.

(b) Landlord and Tenant agree to hold harmless and indemnify the other from, and to assume all duties, responsibilities, and liabilities at the sole cost and expense of the indemnifying party for, payment of penalties, sanctions, forfeitures, losses, costs or damages, and for responding to any action, notice, claim, order, summons, citation, directive, litigation, investigation or proceeding ("Claims") to the extent arising from that party's breach of its obligations or representations under Section 11(a). Landlord agrees to hold harmless and indemnify Tenant from, and to assume all duties, responsibilities and liabilities at the sole cost and expense of Landlord for, payment of penalties, sanctions, forfeitures, losses, costs or damages, and for responding to any Claims, to the extent arising from subsurface or other contamination of the Property with hazardous substances prior to the Effective Date of this Agreement or from such contamination caused by the acts or omissions of Landlord during the Term. Tenant agrees to hold harmless and indemnify Landlord from, and to assume all liabilities at the sole cost and expense of Tenant for, payment of penalties, sanctions, forfeitures, losses, costs or damages, and indemnify Landlord from, and to assume all duties, responsibilities and liabilities at the sole cost and expense of Tenant for, payment of penalties, sanctions, forfeitures, losses, costs or damages, and for responding to any Claims, to the extent arising from subsurface or other contamination caused by the acts or omissions of Landlord during the Term. Tenant agrees to hold harmless and indemnify Landlord from, and to assume all duties, responsibilities and liabilities at the sole cost and expense of Tenant for, payment of penalties, sanctions, forfeitures, losses, costs or damages, and for responding to any Claims, to the extent arising from hazardous substances brought onto the Property by Tenant.

(c) The indemnifications of this Section 11 specifically include reasonable costs, expenses and fees incurred in connection with any investigation of Property conditions or any clean-up, remediation, removal or restoration work required by any governmental authority. The provisions of this Section 11 will survive the expiration or termination of this Agreement.

(d) In the event Tenant becomes aware of any hazardous substances on the Property, or any environmental, health or safety condition or matter relating to the Property that, in Tenant's sole determination, renders the condition of the Premises or Property unsuitable for Tenant's use, or if Tenant believes that the leasing or continued leasing of the Premises would expose Tenant to undue risks of liability to a government agency or other third-party liability, then Tenant will have the right, in addition to any other rights it may have at law or in equity, to terminate this Agreement upon written notice to Landlord.

12. ACCESS. At all times throughout the Term of this Agreement, and at no additional charge to Tenant, Tenant and its employees, agents, and subcontractors, will have twenty-four (24) hour per day, seven (7) day per week pedestrian and vehicular access ("Access") to and over the Property, from an open and improved public road to the Premises, for the installation, maintenance and operation of the Communication Facility and any utilities serving the Premises. As may be described more fully in Exhibit 1, Landlord grants to Tenant an easement for such Access and Landlord agrees to provide to Tenant such codes, keys and other instruments necessary for such Access at no additional cost to Tenant. Upon Tenant's request, Landlord will execute a separate recordable easement evidencing this right. Landlord shall execute a letter granting Tenant Access to the Property substantially in the form attached as Exhibit 12; upon Tenant's request, Landlord shall execute additional letters during the Term. If Tenant elects to utilize an Unmanned Aircraft System ("UAS") in connection with its installation, construction, monitoring, site audits, inspections, maintenance, repair, modification, or alteration activities at the Property, Landlord hereby grants Tenant, or any UAS operator acting on Tenant's behalf, express permission to fly over the applicable Property and Premises, and consents to the use of audio and video navigation and recording in connection with the use of the UAS. Landlord acknowledges that in the event Tenant cannot obtain Access to the Premises, Tenant shall incur significant damage. If Landlord fails to provide the Access granted by this Section 12, such failure shall be a default under this Agreement.

13. <u>**REMOVAL/RESTORATION.</u>** All portions of the Communication Facility brought onto the Property by Tenant will be and remain Tenant's personal property and, at Tenant's option, may be removed by Tenant at any time during or after the Term. Landlord covenants and agrees that no part of the Communication Facility constructed, erected or placed on the Premises by Tenant will become, or be considered as being affixed to or a part of, the Property, it being the specific intention of Landlord that all improvements of every kind and nature constructed, erected or placed by Tenant on the Premises will be and remain the property of Tenant and may be removed by Tenant at any time during or after the Term. Tenant will repair any damage to the Property resulting from Tenant's removal activities. Any portions of the Communication Facility that Tenant does not remove within one hundred twenty (120) days after the later of</u>

the end of the Term and cessation of Tenant's operations at the Premises shall be deemed abandoned and owned by Landlord. Notwithstanding the foregoing, Tenant will not be responsible for the replacement of any trees, shrubs or other vegetation.

### 14. MAINTENANCE/UTILITIES.

(a) Tenant will keep and maintain the Premises in good condition, reasonable wear and tear and damage from the elements excepted.

(b) Landlord will maintain and repair the Property and access thereto, the Tower, and all areas of the Premises where Tenant does not have exclusive control, in good and tenantable condition, subject to reasonable wear and tear and damage from the elements. Landlord will be responsible for maintenance of landscaping on the Property, including any landscaping installed by Tenant as a condition of this Agreement or any required permit. Landlord shall maintain the Tower's structural integrity at all times (which shall mean that at no time will Landlord allow the Tower's condition to become, or remain, overstressed under the applicable structural standards set forth in the then-current version of the ANSI TIA-222). Landlord shall at all times during the Term of this Agreement reserve and have ready for Tenant's immediate use sufficient structural loading capacity on the Tower to support Tenant's installation of up to thirty-five thousand square inches (35,000 sq. in.) of Wind Load Surface Area, in the aggregate, of Communication Facilities anywhere on the Tower (the "Allowed Wind Load Surface Area"). "Wind Load Surface Area" means the Flat Plate Equivalent Area, as defined in ANSI TIA standards, of any appurtenance (excluding all mounts, platforms, cables and other non-operating equipment) at ninety degrees (90°) perpendicular to wind direction, possessing the characteristics of flat material, with associated drag factors. Landlord shall be responsible for the costs of all structural modifications to the Tower, including the costs of related Government Approvals or other approvals, to support the Allowed Wind Load Surface Area. In the event that Tenant has used the Allowed Wind Load Surface Area and an installation of a portion of the Communication Facility within the Antenna Space Envelope will require structural modifications to comply with the structural standards generally accepted within the telecommunications industry, Tenant will pay Landlord for the portion of the structural modifications that is necessary to support Tenant's loading in excess of the Allowed Wind Load Surface Area. In no event shall Tenant be responsible for Tower modification costs to support the installations of other tenants, licensees or other users of the Tower, or for the Tower to comply with applicable Laws so long as Tenant's installation is within the Allowed Wind Load Surface Area.

Tenant will be responsible for paying on a monthly or quarterly basis all utilities charges for (c) electricity, telephone service or any other utility used or consumed by Tenant on the Premises. In the event Tenant cannot secure its own metered electrical supply, Tenant will have the right, at its own cost and expense, to submeter from Landlord. When submetering is required under this Agreement, Landlord will read the meter and provide Tenant with an invoice and usage data on a monthly basis. Landlord agrees that it will not include a markup on the utility charges. Landlord further agrees to provide the usage data and invoice on forms provided by Tenant and to send such forms to such address and/or agent designated by Tenant. Tenant will remit payment within forty-five (45) days of receipt of the usage data and required forms. As noted in Section 4(c) above, any utility fee recovery by Landlord is limited to a twelve (12) month period. If Tenant submeters electricity from Landlord, Landlord agrees to give Tenant at least twenty-four (24) hours advance notice of any planned interruptions of said electricity. Landlord acknowledges that Tenant provides a communication service which requires electrical power to operate and must operate twenty-four (24) hours per day, seven (7) days per week. If an interruption in electrical power service occurs for an extended period of time, in Tenant's reasonable determination, Landlord agrees to allow Tenant the right to bring in a temporary source of power for the duration of the interruption. Landlord will not be responsible for interference with, interruption of or failure, beyond the reasonable control of Landlord, of such services to be furnished or supplied by Landlord.

(d) Tenant will have the right to install utilities, at Tenant's expense, and to improve present utilities on the Property and the Premises. Landlord hereby grants to any company providing utility or similar services, including electric power and telecommunications, to Tenant an easement over the Property, from an open and improved public road to the Premises, and upon the Premises, for the purpose of constructing, operating and maintaining such lines, wires, circuits, and conduits, associated equipment cabinets and such appurtenances thereto, as such companies may from time to time require in order to provide such services to the Premises. Upon Tenant's or the service company's request, Landlord will execute a separate recordable easement evidencing this grant, at no cost to Tenant or the service company.

#### 15. DEFAULT AND RIGHT TO CURE.

(a) The following will be deemed a default by Tenant and a breach of this Agreement: (i) nonpayment of Rent if such Rent remains unpaid for more than thirty (30) days after written notice from Landlord of such failure to pay; or (ii) Tenant's failure to perform any other term or condition under this Agreement within forty-five (45) days after written notice from Landlord specifying the failure. No such failure, however, will be deemed to exist if Tenant has commenced to cure such default within such period and provided that such efforts are prosecuted to completion with reasonable diligence. Delay in curing a default will be excused if due to causes beyond the reasonable control of Tenant. If Tenant remains in default beyond any applicable cure period, Landlord will have the right to exercise any and all rights and remedies available to it under law and equity.

(b) The following will be deemed a default by Landlord and a breach of this Agreement: (i) Landlord's failure to provide Access to the Premises as required by Section 12 of this Agreement within twenty-four (24) hours after written notice of such failure; (ii) Landlord's failure to cure an interference problem as required by Section 8 of this Agreement within two (2) business days after written notice of such failure; or (iii) Landlord's failure to perform any term, condition, or breach of any warranty or covenant under this Agreement within forty-five (45) days of written notice from Tenant specifying the failure. No such failure, however, will be deemed to exist if Landlord has commenced to cure the default within such period and provided such efforts are prosecuted to completion with reasonable diligence. Delay in curing a default will be excused if due to causes beyond the reasonable control of Landlord. If Landlord remains in default beyond any applicable cure period, Tenant will have: (1) the right to cure Landlord's default and to deduct the costs of such cure from monies due to Landlord from Tenant, and (2) any and all other rights available to it under law and equity.

16. <u>ASSIGNMENT/SUBLEASE.</u> Tenant will have the right to assign this Agreement or sublease the Premises and its rights herein, in whole or in part only to Affiliate or subsidiary of the Tenant, without Landlord's consent. Upon notification to Landlord of such assignment, Tenant will be relieved of all future performance, liabilities and obligations under this Agreement to the extent of such assignment.

17. <u>NOTICES.</u> All notices, requests and demands hereunder will be given by first class certified or registered mail, return receipt requested, or by a nationally recognized overnight courier, postage prepaid, to be effective when properly sent and received, refused or returned undelivered. Notices will be addressed to the parties as follows:

- If to Landlord: City of Lathrop Attn: City Clerk 390 Towne Centre Drive Lathrop, CA 95330
- With a copy to: City of Lathrop Attn: City Attorney 390 Towne Centre Drive Lathrop, CA 95330

If to Tenant: Sacramento-Valley Limited Partnership d/b/a Verizon Wireless 180 Washington Valley Road Bedminster, New Jersey 07921 Attention: Network Real Estate Site: New Lathrop Cirrus Court

Either party hereto may change the place for the giving of notice to it by thirty (30) days' prior written notice to the other as provided herein.

18. <u>CONDEMNATION.</u> In the event Landlord receives notification of any condemnation proceedings affecting the Property, Landlord will provide notice of the proceeding to Tenant within forty-eight (48) hours. If a condemning authority takes all of the Property, or a portion sufficient, in Tenant's sole determination, to render the Premises unsuitable for Tenant, this Agreement will terminate as of the date the title vests in the condemning authority. The parties will each be entitled to pursue their own separate awards in the condemnation proceeds, which for Tenant will include, where applicable, the value of its Communication Facility, moving expenses, prepaid Rent, and business dislocation expenses. Tenant will be entitled to reimbursement for any prepaid Rent on a prorated basis.

19. CASUALTY. Landlord will provide notice to Tenant of any casualty or other harm affecting the Property within forty-eight (48) hours of the casualty or other harm. If any part of the Communication Facility or the Property is damaged by casualty or other harm as to render the Premises unsuitable, in Tenant's sole determination, then Tenant may terminate this Agreement by providing written notice to Landlord, which termination will be effective as of the date of such casualty or other harm. Upon such termination, Tenant will be entitled to collect all insurance proceeds payable to Tenant on account thereof and to be reimbursed for any prepaid Rent on a prorata basis. Landlord agrees to permit Tenant to place temporary transmission and reception facilities on the Property, but only until such time as Tenant is able to activate a replacement transmission facility at another location; notwithstanding the termination of this Agreement, such temporary facilities will be governed by all of the terms and conditions of this Agreement, including Rent. If Landlord or Tenant undertakes to rebuild or restore the Premises and/or the Communication Facility, as applicable, Landlord agrees to permit Tenant to place temporary transmission and reception facilities on the Property at no additional Rent until the reconstruction of the Premises and/or the Communication Facility is completed. If Landlord determines not to rebuild or restore the Property, Landlord will notify Tenant of such determination within thirty (30) days after the casualty or other harm. If Landlord does not so notify Tenant, and Tenant decides not to terminate under this Section, then Landlord will promptly rebuild or restore any portion of the Property interfering with or required for Tenant's Permitted Use of the Premises to substantially the same condition as existed before the casualty or other harm. Landlord agrees that the Rent shall be abated until the Property and/or the Premises are rebuilt or restored, unless Tenant places temporary transmission and reception facilities on the Property.

20. <u>WAIVER OF LANDLORD'S LIENS.</u> Landlord waives any and all lien rights it may have, statutory or otherwise, concerning the Communication Facility or any portion thereof. The Communication Facility shall be deemed personal property for purposes of this Agreement, regardless of whether any portion is deemed real or personal property under applicable law; Landlord consents to Tenant's right to remove all or any portion of the Communication Facility from time to time in Tenant's sole discretion and without Landlord's consent.

### 21. <u>TAXES.</u>

(a) Landlord shall be responsible for (i) all taxes and assessments levied upon the lands, improvements and other property of Landlord including any such taxes that may be calculated by a taxing authority using any method, including the income method, (ii) all sales, use, license, value added,

documentary, stamp, gross receipts, registration, real estate transfer, conveyance, excise, recording, and other similar taxes and fees imposed in connection with this Agreement, and (iii) all sales, use, license, value added, documentary, stamp, gross receipts, registration, real estate transfer, conveyance, excise, recording, and other similar taxes and fees imposed in connection with a sale of the Property or assignment of Rent payments by Landlord. Tenant shall be responsible for (y) any taxes and assessments attributable to and levied upon Tenant's leasehold improvements on the Premises if and as set forth in this Section 21 and (z) all sales, use, license, value added, documentary, stamp, gross receipts, registration, real estate transfer, conveyance, excise, recording, and other similar taxes and fees imposed in connection with an assignment of this Agreement or sublease by Tenant. Nothing herein shall require Tenant to pay any inheritance, franchise, income, payroll, excise, privilege, rent, capital stock, stamp, documentary, estate or profit tax, or any tax of similar nature, that is or may be imposed upon Landlord.

(b) In the event Landlord receives a notice of assessment with respect to which taxes or assessments are imposed on Tenant's leasehold improvements on the Premises, Landlord shall provide Tenant with copies of each such notice immediately upon receipt, but in no event later than thirty (30) days after the date of such notice of assessment. If Landlord does not provide such notice or notices to Tenant in a timely manner and Tenant's rights with respect to such taxes are prejudiced by the delay, Landlord shall reimburse Tenant for any increased costs directly resulting from the delay and Landlord shall be responsible for payment of the tax or assessment set forth in the notice, and Landlord shall not have the right to reimbursement of such amount from Tenant. If Landlord provides a notice of assessment to Tenant within such time period and requests reimbursement from Tenant as set forth below, then Tenant shall reimburse Landlord for the tax or assessments identified on the notice of assessment on Tenant's leasehold improvements, which has been paid by Landlord. If Landlord seeks reimbursement from Tenant, Landlord shall, no later than thirty (30) days after Landlord's payment of the taxes or assessments for the assessed tax year, provide Tenant with written notice including evidence that Landlord has timely paid same, and Landlord shall provide to Tenant any other documentation reasonably requested by Tenant to allow Tenant to evaluate the payment and to reimburse Landlord.

(c) For any tax amount for which Tenant is responsible under this Agreement, Tenant shall have the right to contest, in good faith, the validity or the amount thereof using such administrative, appellate or other proceedings as may be appropriate in the jurisdiction, and may defer payment of such obligations, pay same under protest, or take such other steps as permitted by law. This right shall include the ability to institute any legal, regulatory or informal action in the name of Landlord, Tenant, or both, with respect to the valuation of the Premises. Landlord shall cooperate with respect to the commencement and prosecution of any such proceedings and will execute any documents required therefor. The expense of any such proceedings shall be borne by Tenant and any refunds or rebates secured as a result of Tenant's action shall belong to Tenant, to the extent the amounts were originally paid by Tenant. In the event Tenant notifies Landlord by the due date for assessment of Tenant's intent to contest the assessment, Landlord shall not pay the assessment pending conclusion of the contest, unless required by applicable law.

(d) Landlord shall not split or cause the tax parcel on which the Premises are located to be split, bifurcated, separated or divided without the prior written consent of Tenant.

(e) Tenant shall have the right but not the obligation to pay any taxes due by Landlord hereunder if Landlord fails to timely do so, in addition to any other rights or remedies of Tenant. In the event that Tenant exercises its rights under this Section 21(e) due to such Landlord default, Tenant shall have the right to deduct such tax amounts paid from any monies due to Landlord from Tenant as provided in Section 15(b), provided that Tenant may exercise such right without having provided to Landlord notice and the opportunity to cure per Section 15(b).

(f) Any tax-related notices shall be sent to Tenant in the manner set forth in Section 17. Promptly after the Effective Date, Landlord shall provide Tenant's notice address to the taxing authority for the authority's use in the event the authority needs to communicate with Tenant. In the event that Tenant's tax address changes by notice to Landlord, Landlord shall be required to provide Tenant's new tax address to the taxing authority or authorities.

(g) Notwithstanding anything to the contrary contained in this Section 21, Tenant shall have no obligation to reimburse any tax or assessment for which the Landlord is reimbursed or rebated by a third party.

## 22. <u>SALE OF PROPERTY.</u>

(a) Landlord shall not be prohibited from the selling, leasing or use of any of the Property or the Surrounding Property except as provided below.

(b) If Landlord, at any time during the Term of this Agreement, decides to rezone or sell, subdivide or otherwise transfer all or any part of the Premises, or all or any part of the Property or Surrounding Property, to a purchaser other than Tenant, Landlord shall promptly notify Tenant in writing, and such rezoning, sale, subdivision or transfer shall be subject to this Agreement and Tenant's rights hereunder. In the event of a change in ownership, transfer or sale of the Property, within ten (10) days of such transfer, Landlord or its successor shall send the documents listed below in this subsection (b) to Tenant. Until Tenant receives all such documents, Tenant shall not be responsible for any failure to make payments under this Agreement and reserves the right to hold payments due under this Agreement.

- i. Old deed to Property
- ii. New deed to Property
- iii. Bill of Sale or Transfer
- iv. Copy of current Tax Bill
- v. New IRS Form W-9 & CA FTB Form 590
- vi. Completed and Signed Tenant Payment Direction Form
- vii. Full contact information for new Landlord including phone number(s)

(c) Landlord agrees not to sell, lease or use any areas of the Property or Surrounding Property for the installation, operation or maintenance of other wireless communications facilities if such installation, operation or maintenance would interfere with Tenant's Permitted Use or communications equipment as determined by radio propagation tests performed by Tenant in its sole discretion. Landlord or Landlord's prospective purchaser shall reimburse Tenant for any costs and expenses of such testing. If the radio frequency propagation tests demonstrate levels of interference unacceptable to Tenant, Landlord shall be prohibited from selling, leasing or using any areas of the Property or the Surrounding Property for purposes of any installation, operation or maintenance of any other wireless communications facility or equipment.

(d) The provisions of this Section shall in no way limit or impair the obligations of Landlord under this Agreement, including interference and access obligations.

23. **RENTAL STREAM OFFER.** If at any time after the Effective Date of this Agreement, Landlord receives a bona fide written offer from a third party seeking an assignment or transfer of Rent payments associated with this Agreement ("**Rental Stream Offer**"), Landlord shall immediately furnish Tenant with a copy of the Rental Stream Officer. Tenant shall have the right within thirty (30) days after it receives such copy to match the Rental Stream Offer and agree in writing to match the terms of the Rental Stream Offer. Such writing shall be in the form of a contract substantially similar to the Rental Stream Offer. If Tenant chooses not to exercise this right or fails to provide written notice to Landlord within the thirty (30) day period, Landlord may assign the right to receive Rent payments pursuant to the Rental Stream Offer, subject to the terms of this Agreement. If Landlord attempts to assign or transfer Rent payments without complying with this Section, the assignment or transfer shall be void. Tenant shall not be responsible for any failure to make payments under this Agreement and reserves the right to hold payments due under this Agreement until Landlord complies with this Section.

### 24. MISCELLANEOUS.

(a) **Amendment/Waiver.** This Agreement cannot be amended, modified or revised unless done in writing and signed by Landlord and Tenant. No provision may be waived except in a writing signed by both parties. The failure by a party to enforce any provision of this Agreement or to require performance by the other party will not be construed to be a waiver, or in any way affect the right of either party to enforce such provision thereafter.

(b) Memorandum/Short Form Lease. Contemporaneously with the execution of this Agreement, the parties will execute a recordable Memorandum of Lease substantially in the form attached as **Exhibit 24(b)**. Either party may record this Memorandum of Lease at any time during the Option Term or the Term, as the case may be, in its absolute discretion. Thereafter during the Term of this Agreement, either party will, at any time upon fifteen (15) business days' prior written notice from the other, execute, acknowledge and deliver to the other a recordable Memorandum of Lease.

(c) Limitation of Liability. Except for the indemnity obligations set forth in this Agreement, and otherwise notwithstanding anything to the contrary in this Agreement, Tenant and Landlord each waives any claims that each may have against the other with respect to consequential, incidental or special damages, however caused, based on any theory of liability.

(d) **Compliance with Law**. Tenant agrees to comply with all federal, state and local laws, orders, rules and regulations ("**Laws**") applicable to Tenant's use of the Communication Facility on the Property. Landlord agrees to comply with all Laws relating to Landlord's ownership and use of the Property and any improvements on the Property.

(e) **Bind and Benefit.** The terms and conditions contained in this Agreement will run with the Property and bind and inure to the benefit of the parties, their respective heirs, executors, administrators, successors and assigns.

(f) Entire Agreement. This Agreement and the exhibits attached hereto, all being a part hereof, constitute the entire agreement of the parties hereto and will supersede all prior offers, negotiations and agreements with respect to the subject matter of this Agreement. Exhibits are numbered to correspond to the Section wherein they are first referenced. Except as otherwise stated in this Agreement, each party shall bear its own fees and expenses (including the fees and expenses of its agents, brokers, representatives, attorneys, and accountants) incurred in connection with the negotiation, drafting, execution and performance of this Agreement and the transactions it contemplates.

(g) Governing Law. This Agreement will be governed by the laws of the state in which the Premises are located, without regard to conflicts of law.

(h) Interpretation. Unless otherwise specified, the following rules of construction and interpretation apply: (i) captions are for convenience and reference only and in no way define or limit the construction of the terms and conditions hereof; (ii) use of the term "including" will be interpreted to mean "including but not limited to"; (iii) whenever a party's consent is required under this Agreement, except as otherwise stated in this Agreement or as same may be duplicative, such consent will not be unreasonably withheld, conditioned or delayed; (iv) exhibits are an integral part of this Agreement and are incorporated by reference into this Agreement; (v) use of the terms "termination" or "expiration" are interchangeable; (vi) reference to a default will take into consideration any applicable notice, grace and cure periods; (vii) to the extent there is any issue with respect to any alleged, perceived or actual ambiguity in this Agreement, the ambiguity shall not be resolved on the basis of who drafted the Agreement; (viii) the singular use of words includes the plural where appropriate and (ix) if any provision of this Agreement is held invalid, illegal or unenforceable, the remaining provisions of this Agreement shall remain in full force if the overall purpose of the Agreement is not rendered impossible and the original purpose, intent or consideration is not materially impaired.

(i) Affiliates. All references to "Tenant" shall be deemed to include any Affiliate of Tenant using the Premises for any Permitted Use or otherwise exercising the rights of Tenant pursuant to this Agreement. "Affiliate" means with respect to a party to this Agreement, any person or entity that (directly or indirectly) controls, is controlled by, or under common control with, that party. "Control" of a person or entity means the power (directly or indirectly) to direct the management or policies of that person or entity, whether through the ownership of voting securities, by contract, by agency or otherwise.

(j) Survival. Any provisions of this Agreement relating to indemnification shall survive the termination or expiration hereof. In addition, any terms and conditions contained in this Agreement that by their sense and context are intended to survive the termination or expiration of this Agreement shall so survive.

(k) Standard Payment Direction Form/W-9/FTB 590. As a condition precedent to payment, Landlord agrees to provide Tenant with a properly completed (i) Standard Payment Direction Form of Tenant; and (ii) IRS Form W-9 and CA FTB Form 590, or their respective tax form equivalents, upon execution of this Agreement and at such other times as may be reasonably requested by Tenant, including, any change in Landlord's name or address.

(1) **Execution/No Option.** The submission of this Agreement to any party for examination or consideration does not constitute an offer, reservation of or option for the Premises based on the terms set forth herein. This Agreement will become effective as a binding Agreement only upon the handwritten legal execution, acknowledgment and delivery hereof by Landlord and Tenant. This Agreement may be executed in two (2) or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties. All parties need not sign the same counterpart.

(m) Attorneys' Fees. In the event that any dispute between the parties related to this Agreement should result in litigation, the prevailing party in such litigation shall be entitled to recover from the other party all reasonable fees and expenses of enforcing any right of the prevailing party, including without limitation, reasonable attorneys' fees and expenses. Prevailing party means the party determined by the court to have most nearly prevailed even if such party did not prevail in all matters. This provision will not be construed to entitle any party other than Landlord, Tenant and their respective Affiliates to recover their fees and expenses.

(n) **WAIVER OF JURY TRIAL**. EACH PARTY, TO THE EXTENT PERMITTED BY LAW, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING UNDER ANY THEORY OF LIABILITY ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR THE TRANSACTIONS IT CONTEMPLATES.

(o) **Incidental Fees.** Unless specified in this Agreement, no unilateral fees or additional costs or expenses are to be applied by either party to the other party, including review of plans, structural analyses, consents, provision of documents or other communications between the parties.

(p) **Further Acts.** Upon request, Landlord will cause to be promptly and duly taken, executed, acknowledged and delivered all such further acts, documents, and assurances as Tenant may request from time to time in order to effectuate, carry out and perform all of the terms, provisions and conditions of this Agreement and all transactions and permitted use contemplated by this Agreement.

(Signatures appear on following page)

IN WITNESS WHEREOF, the parties have caused this Agreement to be effective as of the last date written below.

## LANDLORD:

City of Lathrop, a California municipal corporation



Name: Stephen J. Salvatore Its: City Manager Date: **2.1...23** 

## **TENANT:**

Sacramento-Valley Limited Partnership, dba Verizon Wireless

By: AirTouch Cellular Inc., its General Partner, By: Name: Mod Zhu -Its: Executive Director Date: 2/2/ 23

**APPROVED AS TO FORM:** 

By:

Name: Salvador Navarrete Its: City Attorney Date: 2-8-2023

subject to connell ratification

#### **EXHIBIT 1**

DESCRIPTION OF PROPERTY & PREMISES

to the Option and Tower Lease Agreement dated as of <u>FCDYUUY</u>, 2022, by and between the City of Lathrop, a California municipal corporation, as Landlord, and Sacramento-Valley Limited Partnership, dba Verizon Wireless, as Tenant.

#### The Property is legally described as follows:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LATHROP, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

Being a portion of Parcel 1, as said parcel is shown on the map entitled "Tract 3876, River Islands, Phase 1B, Large Lot Final Map", filed March 31, 2016, in Book 42 of Maps and Plats, at Page 56, official records of San Joaquin County, more particularly described as follows:

BEGINNING at a point on the East line of J7 court, as said court is described in Document No. 2020-076610, of Official Records of San Joaquin County;

Thence along said East line, along a curve to the left, having a radius of 56.00 feet, from which point the radius point bears South 50° 36' 58" West, through a central angle of 05° 11' 29", an arc distance of 5.07 feet;

Thence, along a reverse curve, having a radius of 17.00 feet, through a central angle of 44° 34' 31", an arc distance of 13.23 feet;

Thence, North 24.30 feet; thence, leaving said East line, East 90.00 feet; thence, South 40.00 feet; thence, West 81.72 feet to said point of beginning.

#### The Premises are described and/or depicted as follows:

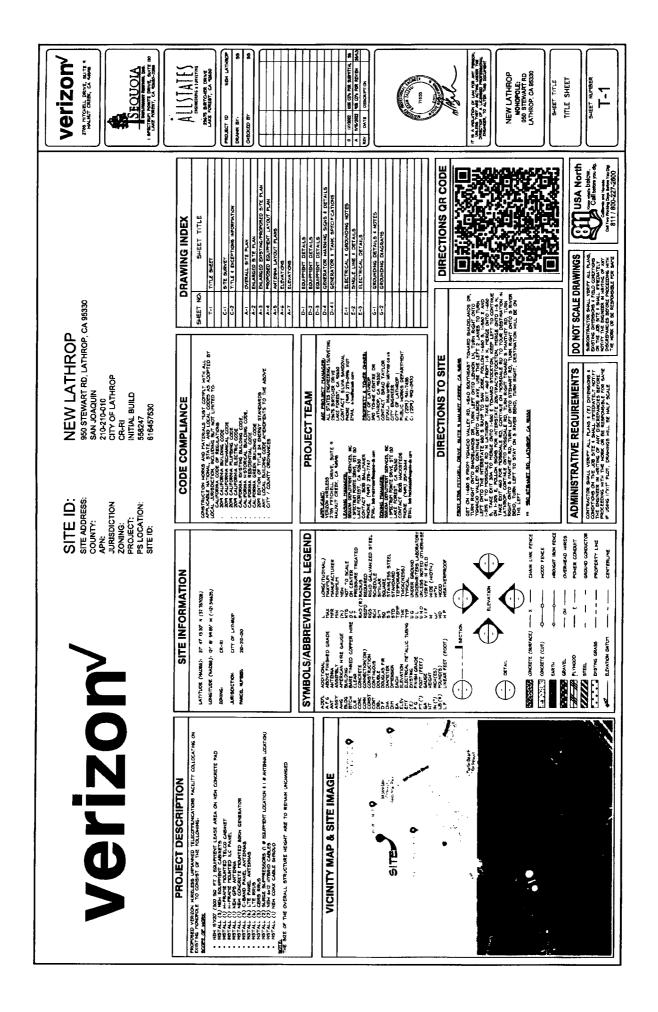
[100% Construction Drawings (Sheets T-1; C-1; C-2; A-1; A-2; A-3; A-4; A-5; A-6; A-7; D-1; D-2; D-3; D-4; D-4.1; E-1; E-2; E-3; G-1; G-2) Dated November, 2022, Prepared by Allstates Engineering & Surveying, and Consisting of twenty (20) Pages, Appear on Following Pages]

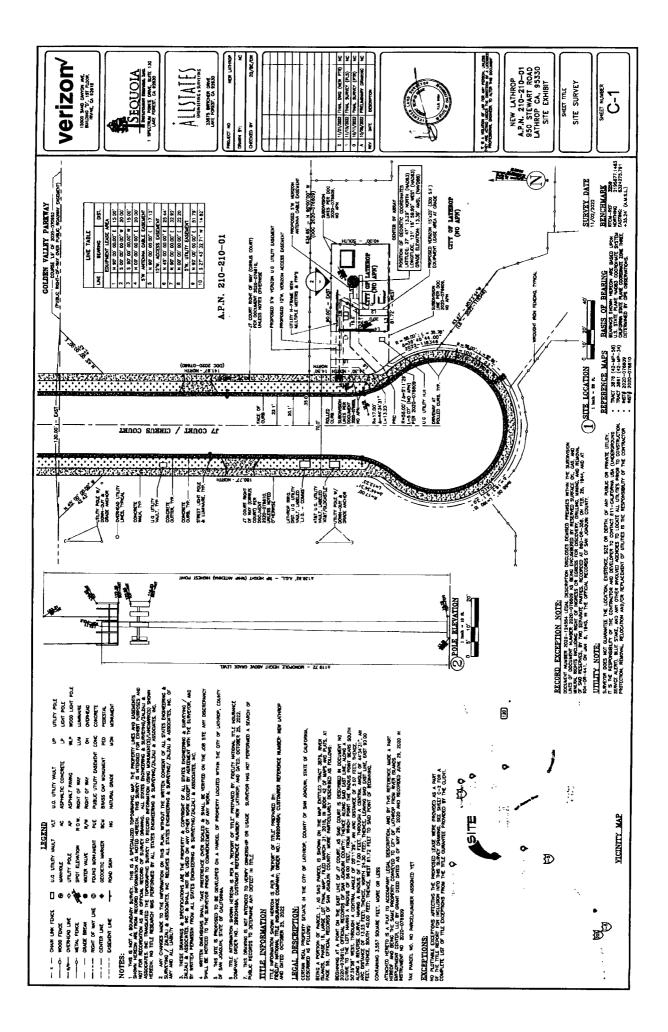
#### Notes:

- 1. THIS EXHIBIT MAY BE REPLACED BY A LAND SURVEY AND/OR CONSTRUCTION DRAWINGS OF THE PREMISES ONCE RECEIVED BY TENANT.
- 2. ANY SETBACK OF THE PREMISES FROM THE PROPERTY'S BOUNDARIES SHALL BE THE DISTANCE REQUIRED BY THE APPLICABLE GOVERNMENTAL AUTHORITIES.

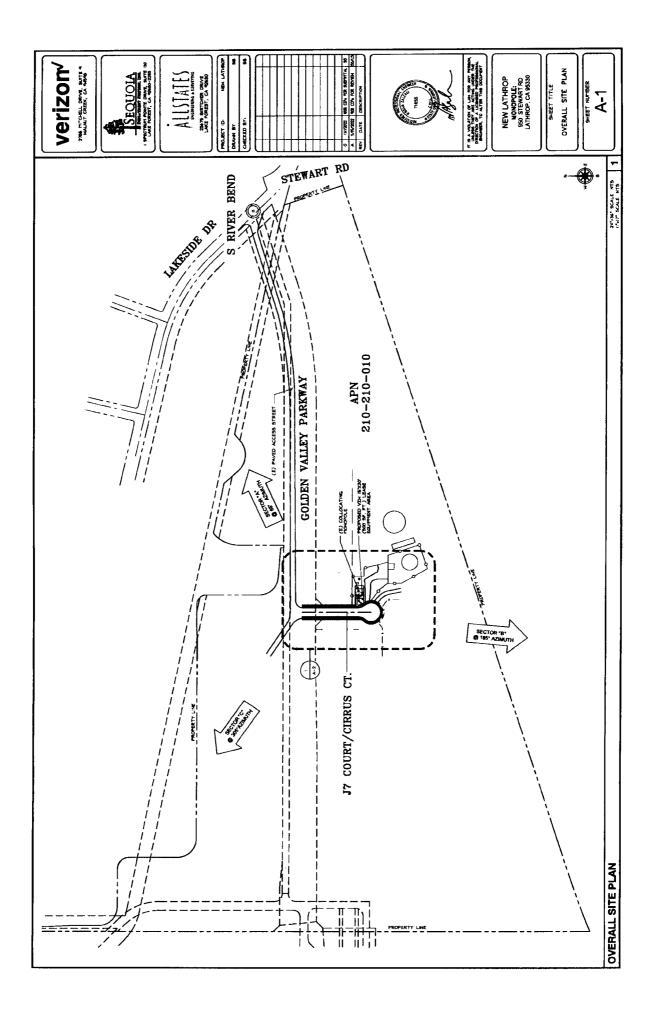
<sup>3.</sup> WIDTH OF ACCESS ROAD SHALL BE THE WIDTH REQUIRED BY THE APPLICABLE GOVERNMENTAL AUTHORITIES, INCLUDING POLICE AND FIRE DEPARTMENTS.

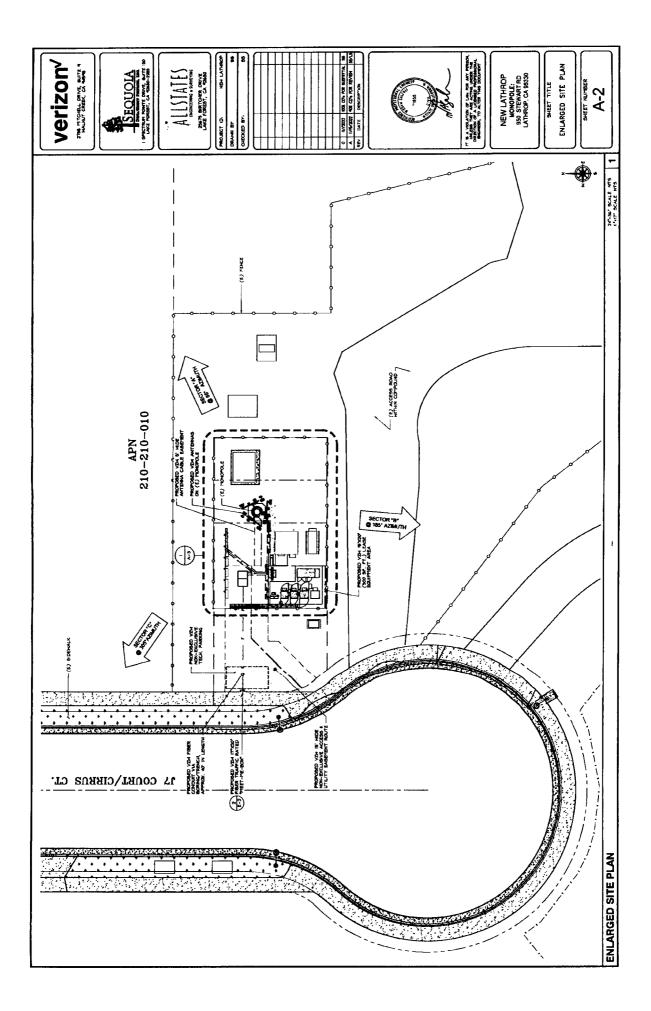
<sup>4.</sup> THE TYPE, NUMBER AND MOUNTING POSITIONS AND LOCATIONS OF ANTENNAS AND TRANSMISSION LINES ARE ILLUSTRATIVE ONLY. ACTUAL TYPES, NUMBERS AND MOUNTING POSITIONS MAY VARY FROM WHAT IS SHOWN ABOVE.

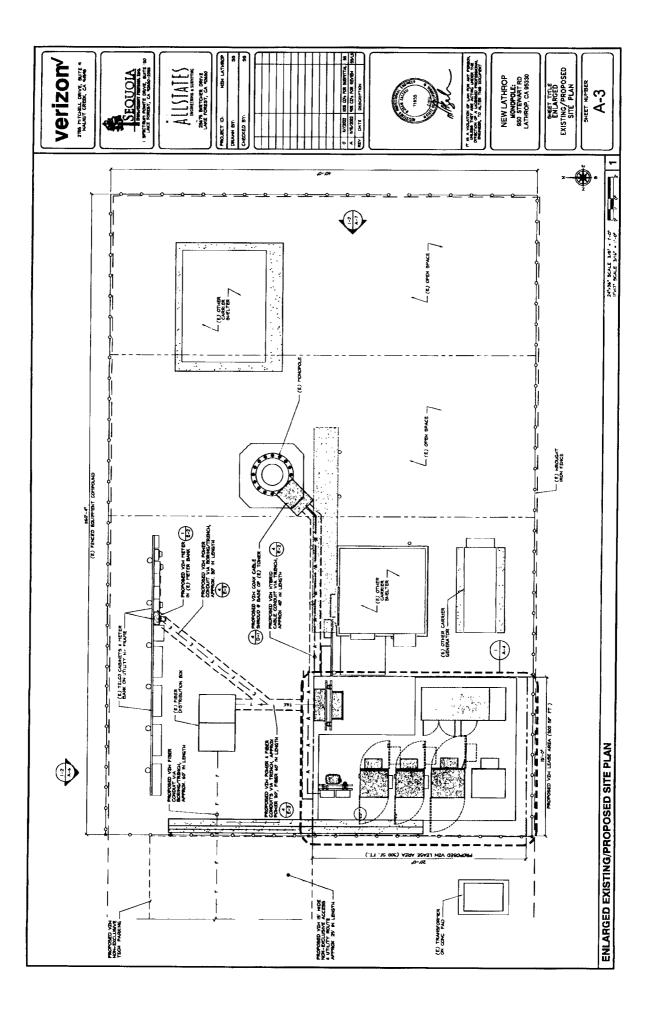


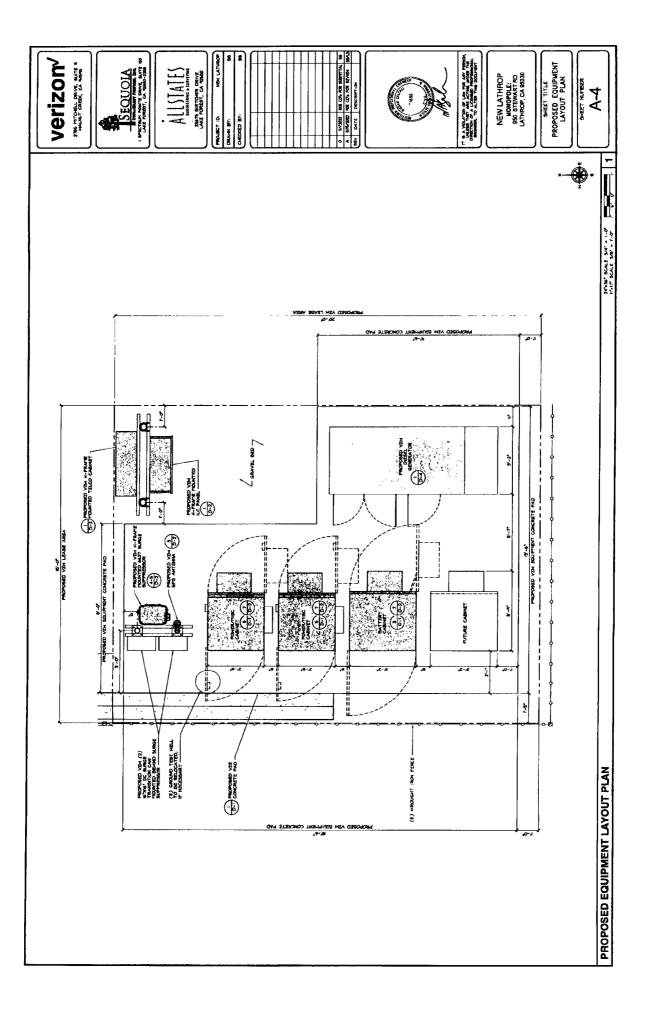


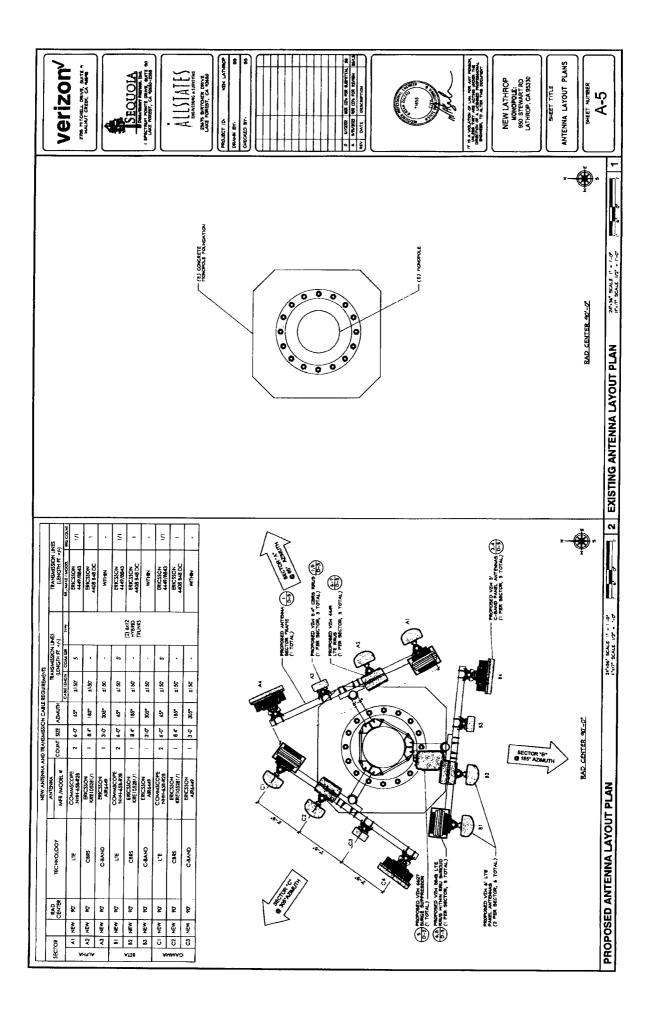
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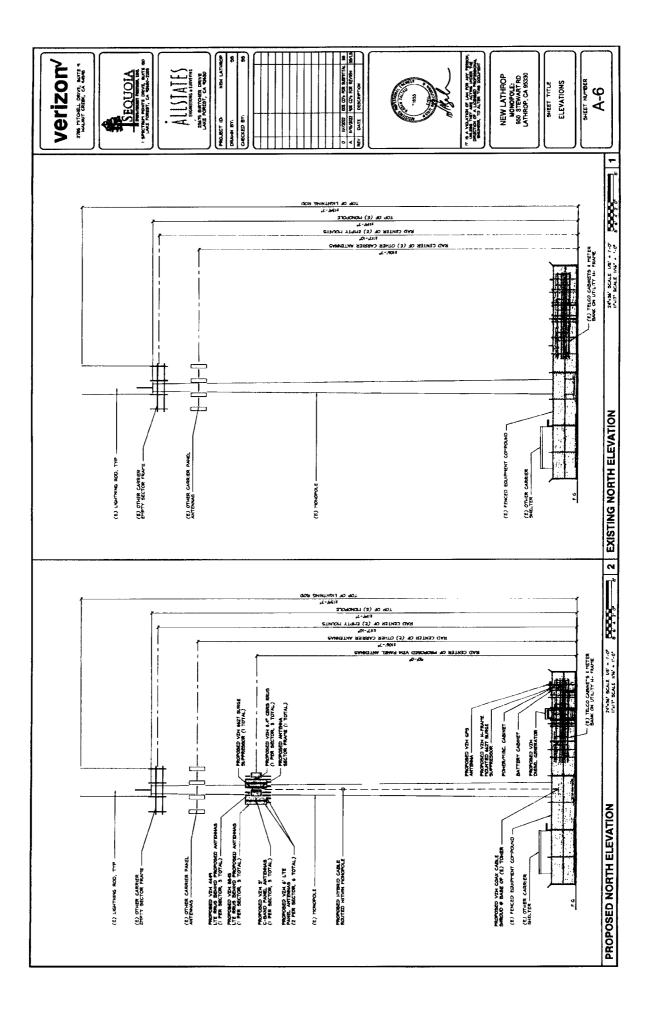


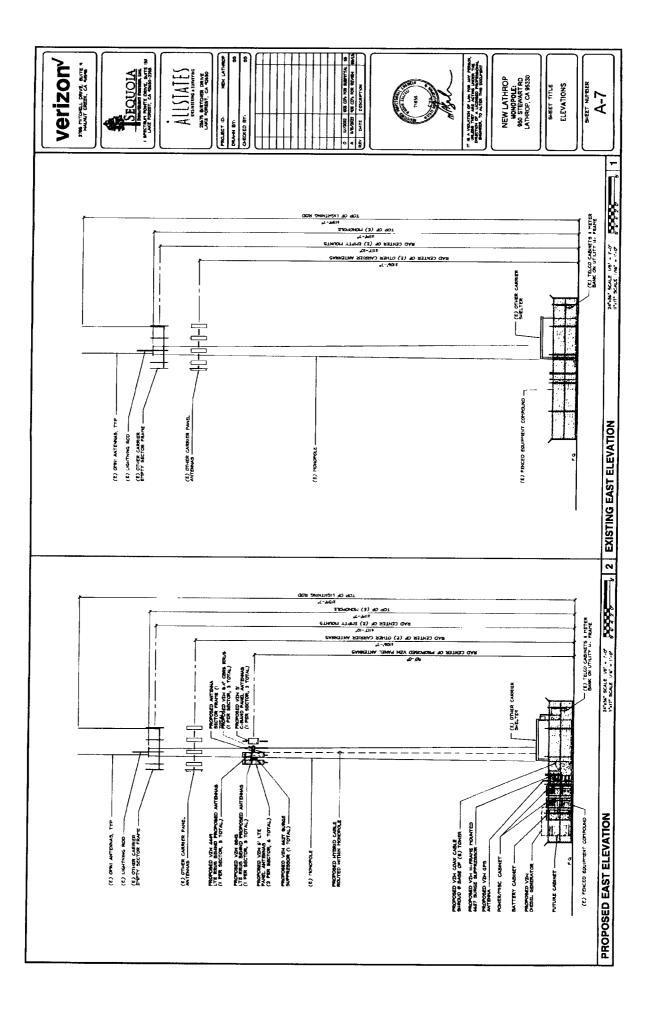


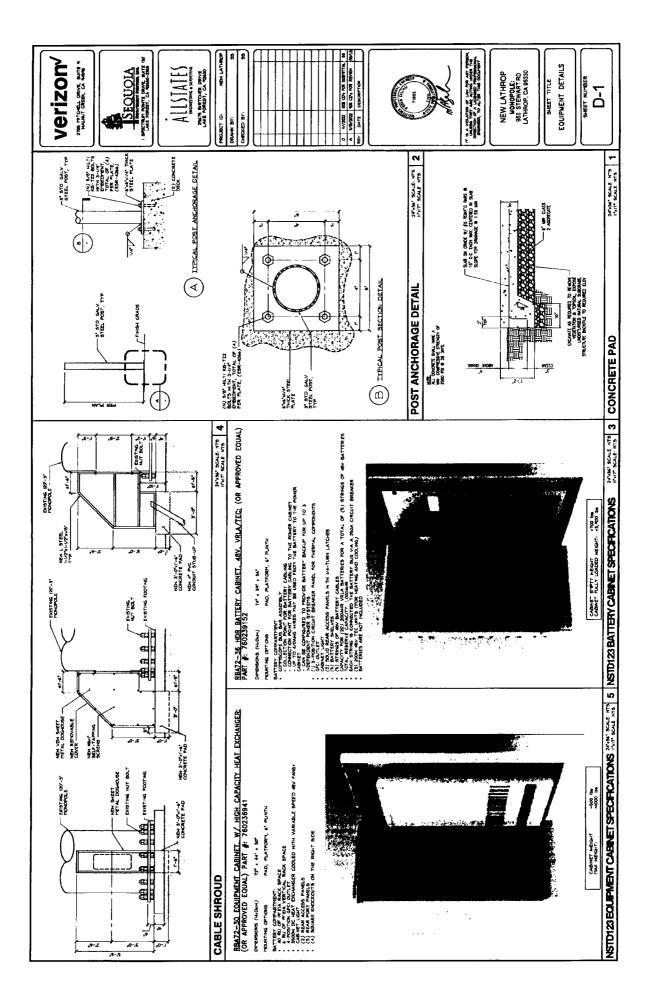


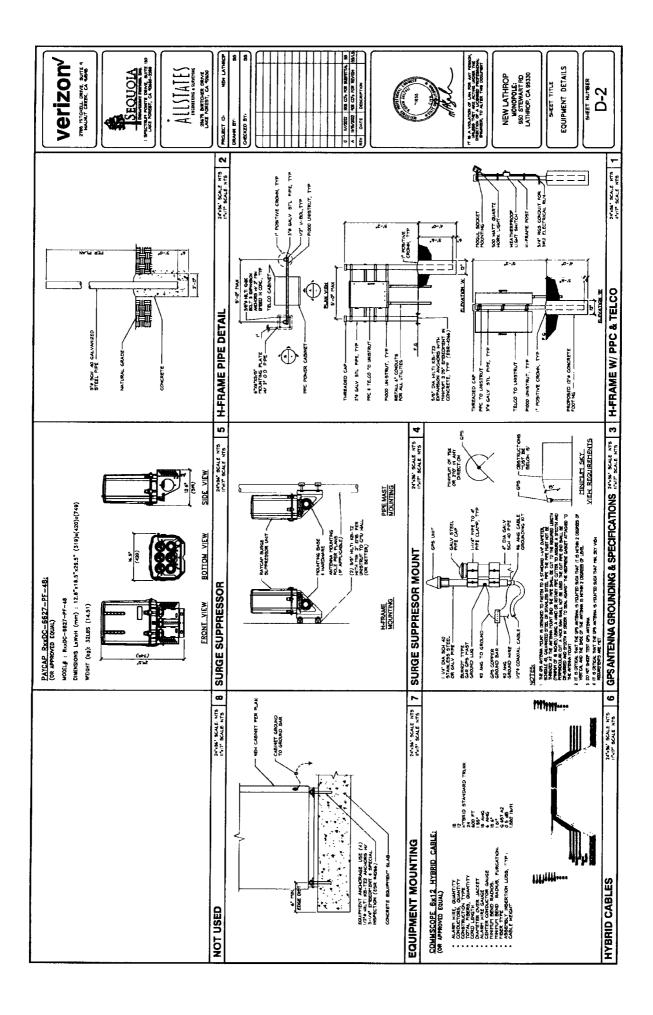


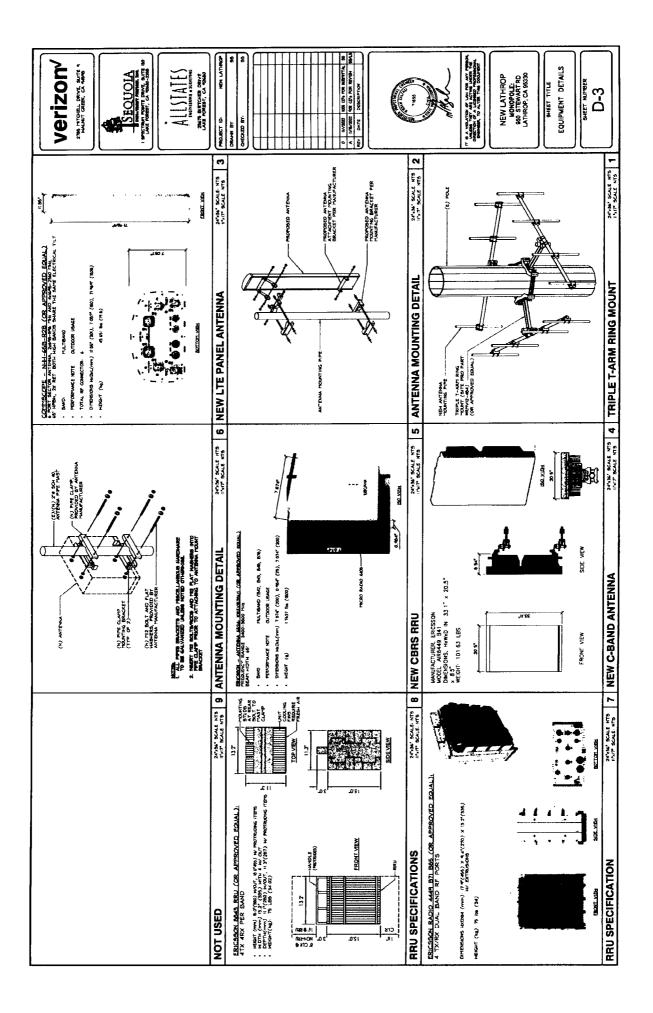


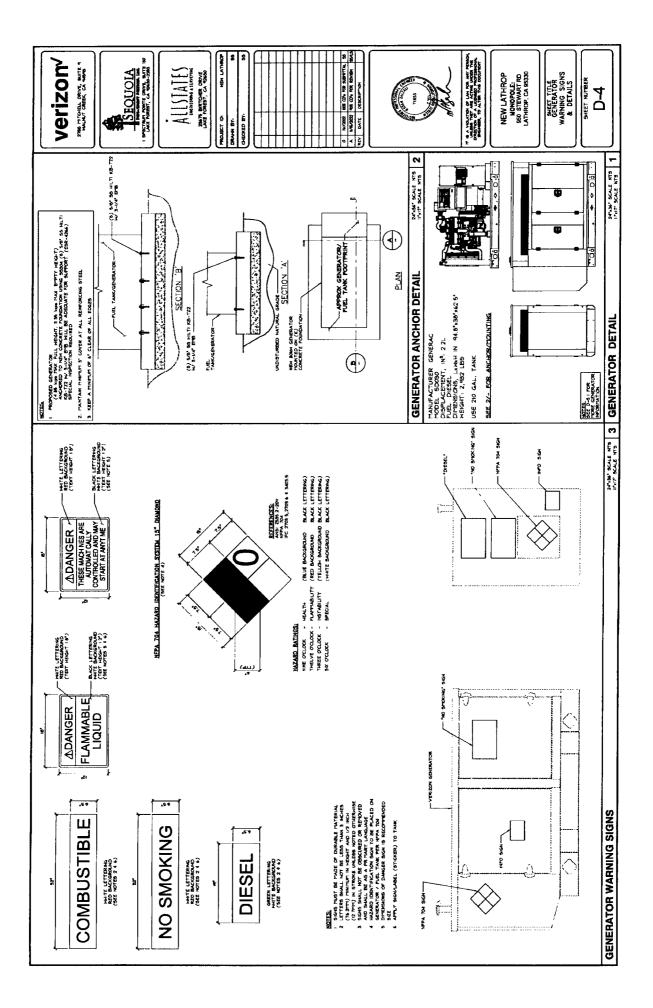


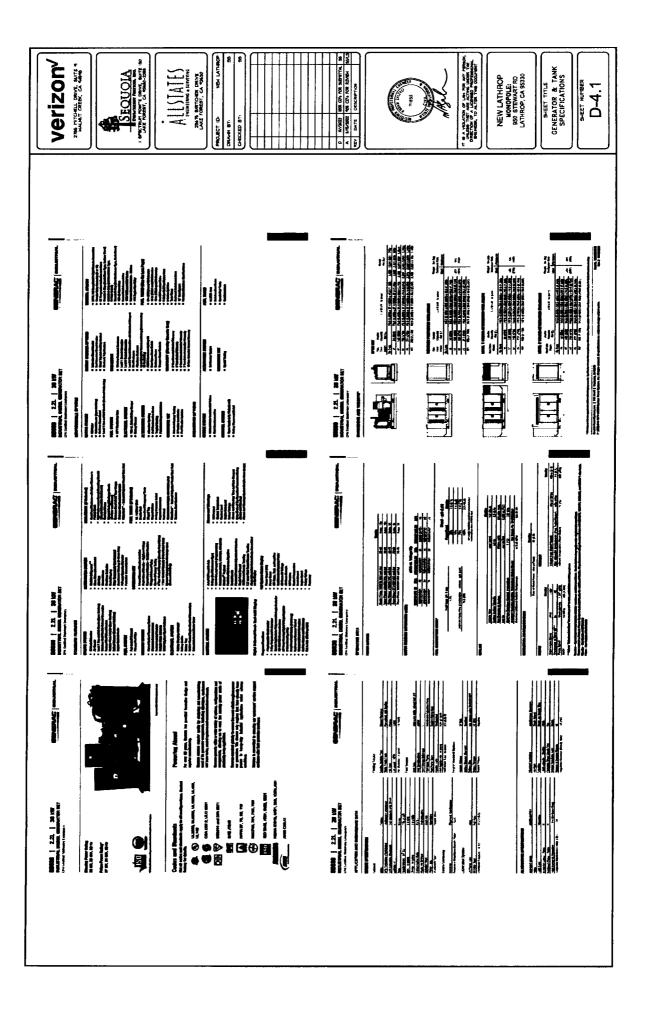




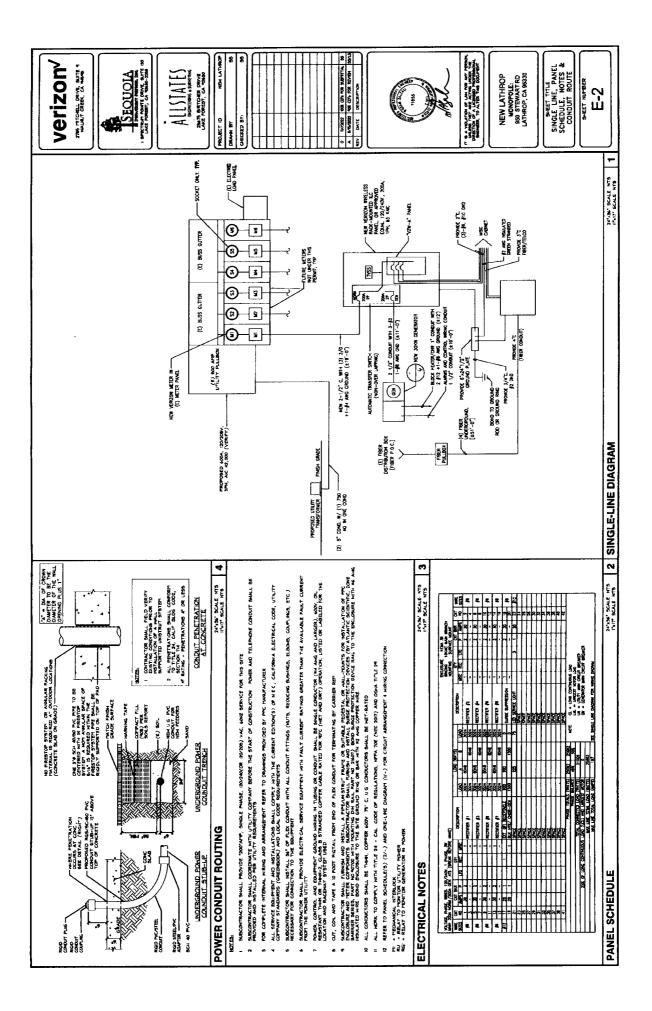


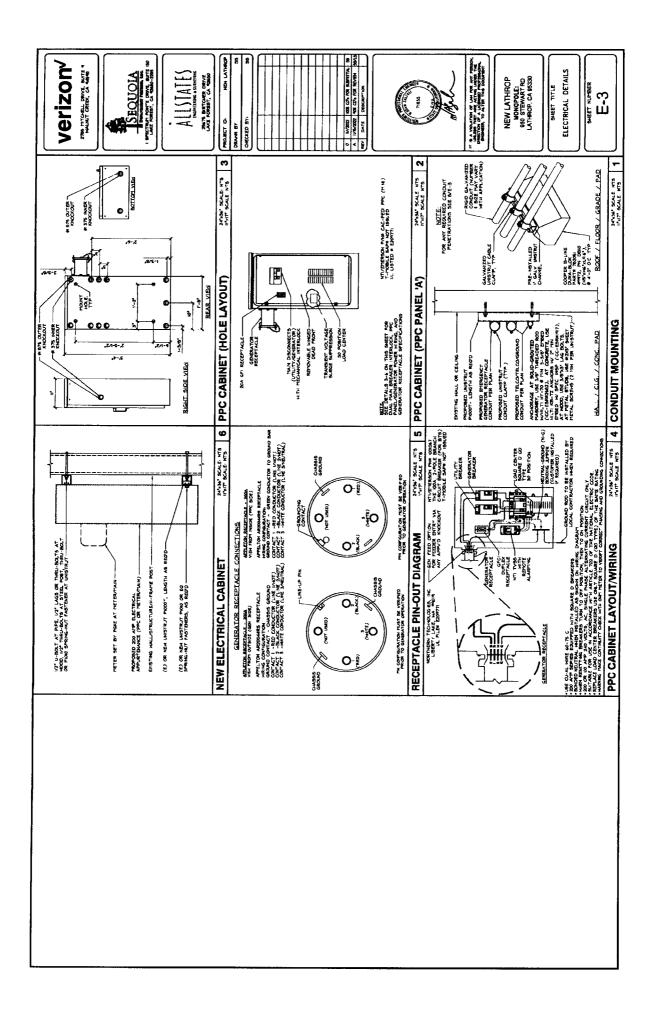


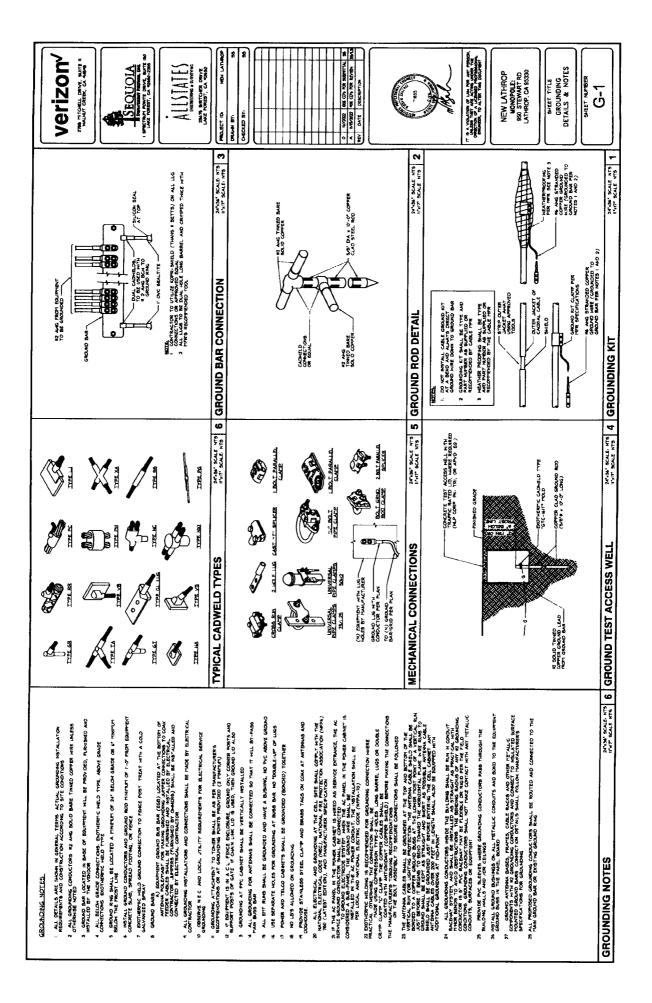


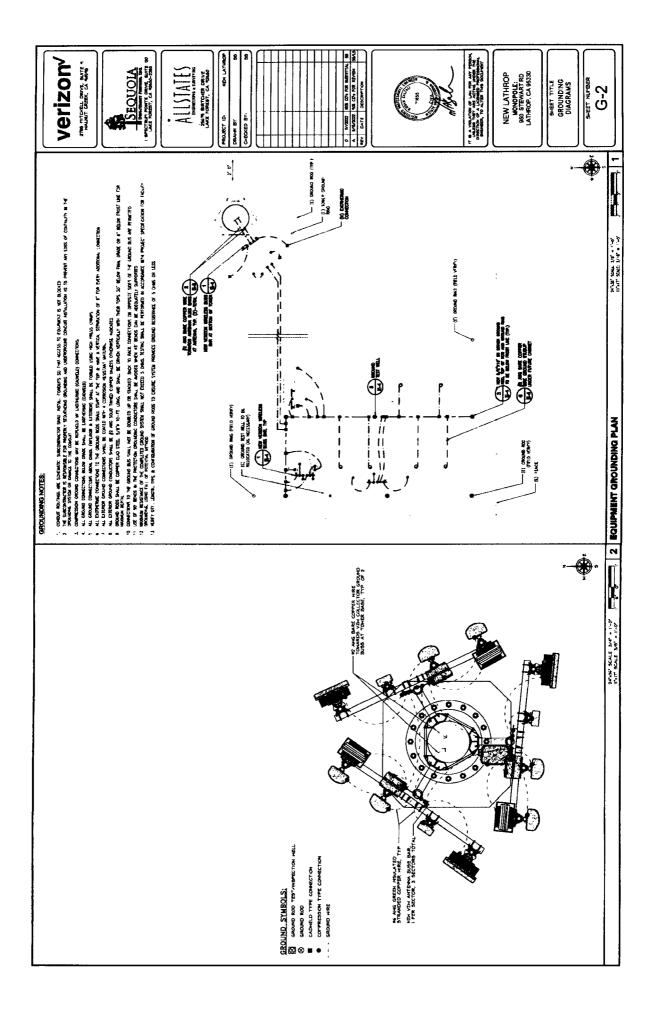


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## EXHIBIT 11

#### ENVIRONMENTAL DISCLOSURE

Landlord represents and warrants that the Property, as of the Effective Date of this Agreement, is free of hazardous substances except as follows:

1. NONE.

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## EXHIBIT 12

# STANDARD ACCESS LETTER

# [FOLLOWS ON NEXT PAGE]

[Landlord Letterhead]

#### DATE

Building Staff / Security Staff Landlord, Lessee, Licensee Street Address City, State, Zip

Re: Verizon

Dear Building and Security Staff,

Please be advised that we have signed a lease with Sacramento-Valley Limited Partnership, dba Verizon Wireless ("Verizon") permitting Verizon to install, operate and maintain telecommunications equipment at the property. The terms of the lease grant Verizon and its representatives, employees, agents and subcontractors ("representatives") 24 hour per day, 7 day per week access to the leased area.

To avoid impact on telephone service during the day, Verizon representatives may be seeking access to the property outside of normal business hours.

Please grant the bearer of a copy of this letter access to the property and to leased area. Thank you for your assistance.

Landlord Signature

# EXHIBIT 24(b)

# **MEMORANDUM OF LEASE**

# [FOLLOWS ON NEXT PAGE]

#### Recording Requested By & When Recorded Return To:

CITY OF LATHROP ATTN: CITY CLERK 390 TOWNE CENTRE DRIVE LATHROP, CA 95330

APN: 210-210-010

4

City of Lathrop County: San Joaquin (Space Above This Line For Recorder's Use Only)

Doc #: 2023-016055 03/01/2023 12:04:29 PM Page: 1 of 6 Fee: \$37.00 Steve J. Bestolarides

San Joaquin County Recorders Paid By: SHOWN ON DOCUMENT

#### MEMORANDUM OF LEASE

:

:

This Memorandum of Lease is entered into on February 16, 2023, by and between the City of Lathrop, a California municipal corporation, having a mailing address of 390 Towne Centre Drive, Lathrop, CA 95330 ("Landlord"), and Sacramento-Valley Limited Partnership, dba Verizon Wireless, a California limited partnership, having a mailing address of One Verizon Way, Mail Stop 4A100, Basking Ridge, New Jersey 07920, Attention: Network Real Estate ("Tenant").

- 1. Landlord and Tenant entered into a certain unrecorded Option and Tower Lease Agreement dated as of February 16, 2023 ("Agreement"), for the purpose of installing, operating and maintaining a communication facility and other improvements. All of the foregoing is set forth in the Agreement.
- 2. The initial lease term will be ten (10) years commencing based upon the effective date of written notification by Tenant to Landlord of Tenant's exercise of its option, with four (4) successive automatic five (5) year options to renew.
- 3. The portion of the land being leased to Tenant and associated easements are described in the Agreement, attached hereto as Exhibit 1.
- 4. The Agreement gives Tenant a right of first refusal in the event Landlord receives a bona fide written offer from a third party seeking an assignment or transfer of the Rent payments associated with the Agreement.
- 5. This Memorandum of Lease is not intended to amend or modify, and shall not be deemed or construed as amending or modifying, any of the terms, conditions or provisions of the Agreement, all of which are hereby ratified and affirmed. In the event of a conflict between the provisions of this Memorandum of Lease and the provisions of the Agreement, the provisions of the Agreement shall control. The Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors, and assigns, subject to the provisions of the Agreement.

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

#### LANDLORD:

City of Lathrop, a California municipal corporation

By:

Name: Stephen J. Salvatore Its: City Manager Date: **2** · 16 · 2-3

#### TENANT:

Sacramento-Valley Limited Partnership, dba Verizon Wireless

By: AirTouch Cellular Inc. Its: General Partner

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

Name: Haitong (Fred) Zhu Its: Executive Director Date: 2923

**APPROVED AS TO FORM:** 

By

Name: Salvador Navarretc Its: City Attorney Date: \_\_\_\_\_\_

# [ACKNOWLEDGMENTS APPEAR ON FOLLOWING THREE (3) PAGES]

#### LANDLORD ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California < County of\_ bruary 16, 2023 before me, Teresa Vargas Notary Public (insert name and title of the officer) On

Stephen J. Salvatore

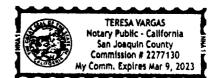
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/s/s/they executed the same in his/her/their authorized capacity(iss), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature JUBAUU

(Seal)



#### TENANT ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California County of <u>Contra Costa</u>)

# On February 9,2023 before me, NICOLE Longyear, a Notary Puble, (insert name and title of the officer)

personally appeared <u>Haitong Zhu</u> who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s)(is)are subscribed to the within instrument and acknowledged to me that he she/they executed the same in (his)ber/their authorized capacity(ics), and that by his/ber/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature / lecole Sorgy an (Seal)



#### **CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California County of SAN DOADUIN	}
on 02/10/2023	before me, TAWYNA BAU BOLD, Notany Public
Date personally appeared	Salvador Navavers Navavers

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) (s) are subscribed to the within instrument and acknowledged to me that he she/they executed the same in his her/their authorized capacity(jes), and that by his her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Place Notary Seal and/or Stamp Above

Signature of Notary Public

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

- OPTIONAL -

Description of Attached Document	1P	laden
Title or Type of Document: Membrandum	<u> </u>	WAX)

Document Date:			Number of Pages:			
Signer(s) Other Than Named Above:						
Capacity(ies) Claim	ed by Signer(s)					
Signer's Name:		Signer's Name:				
Corporate Officer – Title(s):		Corporate Officer – Title(s):				
Partner –      Limited      General		🗆 Partner – 🗇 Limited 🗆 General				
🗆 Individual	Attorney in Fact	🗆 Individual	Attorney in Fact			
Trustee			Guardian of Conservator			
		Other:				
	ng:		:			

©2017 National Notary Association

#### EXHIBIT 1

# TO MEMORANDUM OF LEASE DESCRIPTION OF PROPERTY

## The Property is legally described as follows:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LATHROP, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

Being a portion of Parcel 1, as said parcel is shown on the map entitled "Tract 3876, River Islands, Phase 1B, Large Lot Final Map", filed March 31, 2016, in Book 42 of Maps and Plats, at Page 56, official records of San Joaquin County, more particularly described as follows:

BEGINNING at a point on the East line of J7 court, as said court is described in Document No. 2020-076610, of Official Records of San Joaquin County;

Thence along said East line, along a curve to the left, having a radius of 56.00 feet, from which point the radius point bears South 50° 36' 58" West, through a central angle of 05° 11' 29", an arc distance of 5.07 feet;

Thence, along a reverse curve, having a radius of 17.00 feet, through a central angle of 44° 34' 31", an arc distance of 13.23 feet;

Thence, North 24.30 feet; thence, leaving said East line, East 90.00 feet; thence, South 40.00 feet; thence, West 81.72 feet to said point of beginning.

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