



SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item 11.5

Meeting Date : July 16, 2015

Subject : Approve Joint Venture and License Agreement Between Sacramento City Unified School District and La Familia Counseling Center, Inc. for Maple Elementary School

- Information Item Only
- Approval on Consent Agenda
- Conference (for discussion only)
- Conference/First Reading (Action Anticipated: _____)
- Conference/Action
- Action
- Public Hearing

Department : Facilities Support Services

Recommendation : Approve Joint Venture and License Agreement Between Sacramento City Unified School District and La Fity, negotiations have been ongoing with La Familia Counseling Center, Inc. for the use of the former Maple Elementary School site.

Documents Attached:

1. Joint Venture and License Agreement

DRAFT

JOINT VENTURE AND LICENSE AGREEMENT
BETWEEN SACRAMENTO CITY UNIFIED SCHOOL DISTRICT
AND LA FAMILIA COUNSELING CENTER, INC.

THIS JOINT VENTURE AND LICENSE AGREEMENT

commit the District to accepting such proposals by La Familia. The License Fee shall be negotiated each year, after the first License Year during the Negotiation Period. The License Fee shall be paid by the tenth of each month or be subject to a late payment fee of \$50 for each week of delinquency plus a 5% interest charge on the principal of the License Fee. For the first License Year, and assuming occupancy on or about August 1, La Familia may pay quarterly payments by October 15, January 15, April 15, and July 15 for the year ending June 30, 2016. For subsequent License Years, monthly payment shall be made. Any quarterly payment shall be subject to the same late payment and interest calculation set forth above. Acceptance of payment of a delinquent License Fee, and late payment fee plus interest, shall not waive other remedies of the District to terminate or revoke the License granted herein.

1.3 **License Deposit.** To assure that La Familia performs its obligations under the License, and as a source for the payment of any delinquent License Fee due, Licensee agrees to deposit with the District an amount of \$5,000 (the "License Deposit"). The License Deposit shall be made with the District in a fund which will bear interest at the same rate as District funds pursuant to deposit requirements imposed on public school districts. Any unused License Deposit plus interest earned shall be remitted to La Familia.

1.4 **Sublicense.** Subject to approval by the District of any sublicense agreement, La Familia, as the holder of the master license, may sublicense occupancy to other organizations within the Premises that provide services compatible with the goals and policies of the District. The sublicense fee may be collected by either La Familia, or assigned by La Familia to the District if consented to in writing by the District. Any such assignment shall serve as a credit against the License Fee unless La Familia is in breach of the Agreement. Any fees, charges, or costs collected by the sublicensee which are over and above defraying program and related development costs and are conducted at the Premises resulting in a surplus, may be subject to collection by the District. La Familia shall be responsible to insure that the terms and conditions of any sublease agreement are complied with. La Familia shall terminate any sublicensee that is in breach of its material obligations of the sublicense. Failure to enforce the obligations of the sublease agreement may be grounds for revocation of La Familia's License. The sublicense agreement shall not exceed the Term as described in Article II.

1.5 **Repairs and Alterations.** La Familia accepts occupancy of the Premises in "as is" condition, except that the District shall ensure that mechanical systems such as HVAC and plumbing are in working condition prior to the Occupancy Date. Any repairs or improvements (collectively, "La Familia Improvements") shall be submitted to the District for review and approval. The District reserves the right to require, depending on the nature and scope of La Familia's Improvements, lien releases, bonding requirements, insurance during construction, and compliance with other legal obligations associated with such improvements on school property. In consideration of the payment of the License Fee, the District shall conduct necessary maintenance of the Premises ("District Maintenance") such as repairing leaks, plumbing, HVAC, other routine maintenance such as repairing windows, minimal landscaping and general maintenance, at the discretion of the District, associated with preserving the structures and other improvements at the Premises. The District shall have the right to recover any costs caused by any licensee committing waste or causing destruction or dilapidation, normal wear and tear excepted.

1.6 **Premises Inspection.** During normal business hours, the District may enter and

inspect the Premises for compliance under the License and for compliance by any sublicensee. Such entry shall not unreasonably interfere with the activities being conducted at the Premises. All licensees shall conduct their activities without causing waste, vandalism, or a nuisance at the Premises. La Familia waives any claim for damages for injury, inconvenience or interference with La Familia's activities, or any loss of occupancy or quiet enjoyment, caused by such entry, except to the extent caused by the gross negligence, recklessness or willful misconduct of District or any person under its explicit direction or control. District shall have keys, or key cards, to unlock all doors on the Premises and the right to enter by any means necessary for entry. Any entry to the Premises obtained by District by any means shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into the Premises, or a constructive or actual ejection of 2(n)20entr onPTJ -0.003 Tc603 T-19..1(a)3(mch27m[142ct(e)6. ed b A

2.5 **Vacation of Premises.** On or before the Termination Date or Early Termination Date, La Familia shall return the Premises and the affected portions of the Premises to District in a clean condition, ordinary wear and tear excepted. La Familia shall be responsible for the cost of any damage caused to the Premises and/or the affected portions of the Premises resulting from La Familia's surrender of the Premises. On or before the Termination Date or Early Termination Date, La Familia and La Familia's agents, officers, employees, volunteers and independent contractors shall immediately vacate the Premises. La Familia shall have the right to remove furnishings and equipment. Any fixtures may be removed as long as damage is not caused to buildings or other structures.

ARTICLE III

ASSESSMENTS, TAXES, FEES, CHARGES, AND UTILITIES

La Familia shall pay or cause to be paid, and hold District and the property of District, including the Premises, free and harmless from all assessments, taxes, fees, and charges, including but not limited to, charges for the furnishing of telephone services and other public utilities, including internet access and use. District shall not be liable in damages or otherwise for any interruption in the supply of any utility services to the Premises nor shall any such interruption constitute any ground for an abatement of La Familia's obligations under the Agreement, unless such is the result of the gross negligence or willful misconduct of District. The use of tax exempt property, such as the Premises, may subject persons or entities occupying the Premises to a "possessory interest tax." To the extent La Familia is subject to a possessory interest tax for its use, the tax shall be paid by La Familia.

ARTICLE IV

INSURANCE AND SAFETY

4.1 **Insurance Requirements.** La Familia shall maintain insurance in the minimum amounts as required by the District. For the first License Year, there shall be a minimum of \$1,000,000 per occurrence for both Premises liability and personal liability. In subsequent License Years, the insurance requirements may be adjusted depending on the scope of uses by La Familia and scope of uses by sublicensees. La Familia shall submit evidence of such insurance and shall name the District as an additional insured prior to occupancy. As an additional insured, La Familia's policy requirements shall: (i) name District as an additional insured and be provided on an occurrence basis; (ii) state that such policy is primary, excess, and non-contributing with any other insurance carried by District; (iii) state that the naming of an additional insured shall not negate any right the additional insured would have had as claimant under the policy if not so named; and (iv) state that not less than 30 days written notice shall be given to District before the cancellation or reduction of coverage or amount of such policy.

A certificate issued by the carrier, or carriers,

higher and the insurance carrier shall be admitted in California to provide insurance coverage and issue policies.

The policy requirements may be made part of a blanket policy of insurance so long as such blanket policy contains all of the provisions required herein and does not reduce the coverage, impair District's rights under the Agreement, or nega

employee, guest, invitee, or agent of La Familia, or by reason of the damage to or destruction of any property, including property owned by La Familia or any person who is an employee or agent of La Familia, caused or allegedly caused by either (1) the condition of the Premises or improvements on the Premises; or (2) any act or omission on the Premises by La Familia

5.7 **Governing Law and Venue.** The Agreement shall be governed by and interpreted under the laws of the State of California applicable to instruments, persons, transactions and subject matter which have legal contacts and relationships exclusively within the State of California. Subject to the alternative dispute resolution provision set forth in section 5.12, any action or proceeding seeking any equitable remedies or remedies at law with respect to the provisions of the Agreement shall be brought in the Superior Court for the County of Sacramento.

5.8 **Assignment.** La Familia shall not have the right to assign the Agreement or any interest in the Agreement, without

5.12 **Alternative Dispute Resolution.** In the event of any dispute regarding the provisions of the Agreement, the Parties shall attempt to mediate a resolution. If mediation is not successful, the Parties agree to submit their dispute to binding arbitration with an acceptable third party, or if the Parties cannot agree, with either the American Arbitration Association (“AAA”) or JAMS in Sacramento County. Each Party shall share the cost of the mediator/arbitrator and each Party shall bear their respective attorneys fees and costs.

5.13 **Incorporation of Attachments.** Attachment A is incorporated in the Agreement as though set forth fully and at length herein. Any subsequent attachments through amendments shall be deemed to be incorporated herein by reference.

5.14 **Headings and References.** The headings of the Agreement are for purposes of reference only and shall not limit or define the meaning of the provisions of the Agreement.

5.15 **Signature In Counterparts.** The Agreement may be executed in any number of counterparts, all of which, taken together, shall constitute the same instrument. A copy, original or facsimile with all signatures appended together shall be deemed a fully executed Agreement. Electronic signatures, and copies of all signatures, shall have the same force and effect as original signatures.

5.16 **Remedies.** The remedies of the District

ATTACHMENT A
DESCRIPTION OF PREMISES

