

FACILITY LEASE AGREEMENT

This Facility Lease Agreement (“Agreement”) is made by and between San Juan Unified School District (“District”) and California Montessori Project, (“CMP” or “Charter School”) operating a charter school within the geographic boundaries of San Juan Unified School District, (collectively “the Parties”) with regard to the following representations and assumptions:

RECITALS

- a. District is the sole owner of the school site described in Section [1] of this Agreement, which site is suitable for a public charter school program.
- b. Charter School is a charter school duly formed and approved by San Juan Unified School District under the laws of the Charter School Act of 1992 (Education (“Ed.”) Code §§ 47600 *et seq.*). It operates a charter school identified as California Montessori Project, Littlejohn Campus within the geographic boundaries of the San Juan Unified School District.
- c. Proposition 39 took effect on July 1, 2003, and the District recognizes the spirit and intent of the statutory initiative to provide facilities to students who are district residents attending charter schools that operate within the geographic boundaries of the District.
- d. Charter School made a timely request to the District to provide facilities in accordance with the District’s obligation under Proposition 39.
- e. The District has offered to Charter School, and Charter School has accepted, use of the District’s facility at 6838 Kermit Lane, County of Sacramento in the State of California, for its educational program.
- f. Prop. 39 and the attendant regulations adopted by the State Board of Education require a separate written agreement regarding the allocating of facilities under Prop. 39. This Agreement satisfies those requirements.
- g. This Agreement is subject to and governed by applicable state law and the regulations approved by the State Board of Education (e.g., 5 C.C.R. §§11969 *et seq.*) as they may be amended from time to time by the State Board of Education.
- h. This Agreement shall not be considered a lease or other agreement as described in Sections 17400 *et seq.* of the Education Code.
- i. This Agreement is entered into pursuant to section 17455 *et. seq.* of the California Education Code.

AGREEMENT

The Parties desire to enter into an agreement defining their rights, duties, and liabilities relating to the premises. In consideration of mutual covenants contained herein, the parties agree as follows:

1. **PREMISES.** CMP shall hereby be entitled to use the District facility located at 6838 Kermit Lane County of Sacramento in the State of California. It is acknowledged that CMP intends to use the designated Premises as an educational facility/administrative office as described in the Charter School’s charter. The specific premises CMP is authorized to occupy is identified in Exhibit A, attached hereto and included herein.

For the term of this Agreement, CMP shall have the exclusive use of the designated classrooms and shared use of the other designated areas, within the parameters of this Agreement.

2. **TERM.** The term of this Agreement (“Term”) shall be for five (5) school years, from the date of execution of this Agreement by all parties up through June 30, 2021. If the District proposes to move the Charter School in a subsequent school year, the District shall allow the Charter School to continue to occupy the existing premises under the same terms as provided herein until the alternative facility is ready for relocation of the Charter School. Moving expenses are the responsibility of the Charter School. The in-District students of the Charter School shall be treated no differently than other District students for the purposes of providing school facilities.

3. USE OF PREMISES. The Premises shall be used by CMP only and exclusively for the operation of the charter school and its related educational activities, as authorized by California Education Code of the State of California and more fully described in the Charter School's charter and this Agreement between the Parties. Charter School shall not knowingly do, or permit anything to be done, without the prior written consent of the District, in or about the Premises nor bring or keep anything therein that will in any way increase the existing rate of or affect any fire or other insurance upon the Premises or its contents, or cause cancellation of any insurance policy covering the facilities on the Premises or any party thereof or any of its contents. CMP and the District shall each not permit anything to be done in or about the Premises that will in any way obstruct or interfere with the other users of the Premises, if any, or injure or annoy them. CMP shall not use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose, nor shall CMP cause, maintain, or permit any nuisance in, on, or about the Premises. CMP shall not commit or suffer to be committed any waste in or upon the Premises. CMP shall not have any right to sublet or authorize any group not directly affiliated with CMP to use the premises. This does not apply to CMP's parent group or school site council. Any outside group wishing to use the facilities must go through the District's use of facilities application process. In the event CMP or its parent group(s) desire to use any of the shared space after normal operating hours, CMP shall work with other occupants of the site to make such arrangements. There shall be no cost to the District involved in such use of shared space after normal hours of operation.

4. PRO RATA SHARE OF COSTS.
 - a. Facilities Costs: CMP shall pay a pro rata share of the District's facilities costs as provided in 5 C.C.R. Section 11969.7 (referred to herein as "pro rata share charge"). The pro rata charge for the 2016-2017 school year are provided in Exhibit B, attached hereto and included herein. The pro rata share amount shall be paid monthly. The obligation to begin paying the pro rata share charge shall begin on the date of possession, July 1, 2016, and shall end on June 30, 2021. Cost per square foot shall be recalculated and applied for each of the remaining years of the agreement based on current Proposition 39 calculations and figures. The costs identified in Exhibit B will be recalculated each year as provided by Education Code section 47614. Utility costs are not included in the facility costs.
 - b. Facility Upkeep: The District will provide maintenance and custodial services. CMP shall pay a maintenance fee and custodial fee as identified in Exhibit B.
 - c. Custodial Services Assignment: Custodial Services Assignment: All custodial services will be provided by the District based on the District's custodial formula that is applied to equivalent schools. In any subsequent school year within this agreement, CMP will have the option to elect to provide all custodial services at its sole cost and expense, by hiring outside/private vendors (non-district employees) and shall pay for any and all custodial services, employment related expenses, equipment, supplies, etc. required by the outside/private vendors to perform this service for CMP. Should CMP elect to provide its own custodial services, CMP shall not use District employees, equipment, or supplies for any and all custodial work performed by CMP for that school year.

CMP shall notify the District via written letter or email by March 1, of the year prior to the start of each school year whether it wishes to no longer use district custodial services for the upcoming school year. If CMP fails to notify the district by March 1, of any change in its custodial services, the services utilized by CMP from the ensuing year will continue through the next school year.

Should CMP chose to provide its own custodial services for one or more years within this agreement, the District will reduce CMP's pro rata share of costs by not including custodial related costs as identified in each fiscal year's fee calculations provided in exhibit "B."

Should CMP request additional custodial services, said services shall be provided by the District in a manner consistent with existing bargaining unit agreements. Costs for additional requested services and supplies shall be paid for by CMP as an addition to their monthly rent.

- d. Facility Inspection: The District has the right to inspect the facility upon reasonable notice, pursuant to Section 10, at a time that is mutually agreeable but not less than on a weekly basis. If there is need for repairs for damage caused by the intentional acts of CMP staff and/or students that are beyond minor repairs that can be done by District's custodian, CMP shall notify the District. The District shall then either perform the repair for damage caused by the intentional acts of CMP staff and/or students and bill CMP for the cost, or upon the District's written agreement, CMP may undertake the repair at its own expense.
 - e. Utility Costs: CMP will pay utility costs, which include electricity, gas, water, sewer and trash, and recycling until such time as another tenant occupies the facility and then the costs will be pro-rated. Utility costs are above and beyond the facilities costs identified in Section 4. a.. Actual utility costs will be billed monthly to the tenant. In the event CMP's access to the District's technology infrastructure causes the District to incur additional access costs or charges, such additional costs or charges shall be billed to CMP and CMP shall be responsible for reimbursement to the District. Such access shall not include access to the District's technology programs, network, or servers in the absence of an additional written agreement signed by both parties. Utility bills will be billed separately. The district will provide network connectivity on a time and materials basis. CMP shall provide its own internet service provider (ISP).
 - f. Payment Schedule: CMP shall pay the costs explained above on a monthly basis, in twelve equal payments, by the tenth of each month beginning July 1, 2016, unless a different arrangement is mutually agreed upon in writing by the parties. Utility costs will be billed monthly in addition to the facility costs.
5. CHARTER SCHOOL POSSESSION. CMP shall be entitled to possession and use of the facilities from July 1 through June 30 each year of this agreement.
 6. OWNERSHIP. The Premises and any furnishing and equipment provided to CMP shall remain the property of the District. At the time CMP takes possession of the Premises, the District shall have conducted an inventory of its furnishing and equipment and other District property left on the Premises and provide CMP with such inventory prior to occupancy of the Premises. If any furnishings and equipment is provided to the Charter School during the term of this Agreement, such furnishings and equipment shall be added to the District's inventory and shall remain the property of the District.
 7. CONDITIONS REASONABLY EQUIVALENT. CMP acknowledges by execution of this Agreement that the Premises provided by this Agreement are deemed to be "reasonably equivalent" meeting all the requirements of Prop. 39 (Ed. Code § 47614) and it's implementing regulations for the Term of this Agreement.
 8. COMPLIANCE WITH LAW. CMP shall not use the Premises, or permit anything to be done in or about the Premises, that will in any way conflict with any law, statute, applicable ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. District and CMP shall each do all acts required to comply with all applicable laws, applicable ordinances, regulations and rules of any authority relating to their respective maintenance obligations as set forth herein. CMP shall pay any costs associated with such compliance not otherwise required to be incurred by the District under this agreement or Federal and State law, implementing regulations or common law. The Charter School agrees to comply with its charter in all respects. The Charter School agrees to pay all agreed upon costs associated with preparing the Premises to meet the unique educational needs of the Charter School that would not be required to meet the educational needs of the District students attending the comparison group of schools in accordance with Proposition 39 implementing regulations.
 9. MAINTENANCE, OPERATIONS AND ALTERATIONS.
 - a. Maintenance. The cost of maintenance and operations of the Premises and the furnishings and equipment shall be the responsibility of the Charter School as provided in section 4, above. Any damage beyond normal wear and tear caused intentionally by CMP staff and students to the facilities,

furnishings and equipment shall be the responsibility of the Charter School. The Charter School shall maintain and operate the premises and the facilities in accordance with applicable provisions of the Education Code, the implementing regulations and the District's policies and/or practices. Projects eligible to be included in the District deferred maintenance plan established pursuant to Education Code section 17582 and the replacement of furnishings and equipment in accordance with District schedules and/or practices shall remain the responsibility of the District.

- b. Maintenance and Alterations. Upon prior written agreement with the District's Director of Planning, CMP shall be allowed to conduct such upgrades/alterations, and/or renovation of the facility as is agreed upon. Any such changes shall be done by the District at CMP's expense. Such written agreement must include the following information: (1) who will perform the work; (2) the timeline for completion; and (3) the cost, if any, that will be charged by the District to pay for the changes. All alterations, additions, and/or improvements to the facility must be made in compliance with District standards and procedures and/or standards applicable to public school districts. In the event District consents to the making of any alterations, additions or improvements to the Premises by CMP the same shall be made by CMP at CMP's sole cost and expense unless otherwise agreed in writing. Upon the expiration or sooner termination of the Agreement, CMP shall, upon written demand by District, at CMP's sole cost and expense, forthwith and with all due diligence, remove any alterations, additions, or improvements made by CMP, designated by District to be removed, and CMP shall, forthwith and with all due diligence, at its sole cost and expense, repair any damage to the Premises caused by such removal. Any alteration, additions or improvements to the Premises or any part thereof requested by the Charter School shall be made with full compliance with the Americans with Disabilities Act and all applicable building standards and requirements.

On and after the Commencement Date of this Agreement, Charter School, at Charter School's sole cost and expense, shall promptly arrange with District to make any and all alterations, improvements, additions and/or repairs (whether structural or nonstructural) to the Premises necessary to bring the Premises and the use thereof by Charter School in compliance with the ADA, FEHA, applicable building code standard, or other applicable state or federal statutes (and shall be in compliance with the statute or code that provides the greatest accessibility and use of the facility by those with disabilities) provided these requirements are a direct result of Charter School's modification of the Premises beyond that necessary for the District to provide a reasonably equivalent facility after commencement, subject to District's approval and other rights of District provided in this Agreement. The District shall remain responsible for compliance with the ADA, FEHA, and other applicable building code standards regarding access for any existing compliance issue prior to the date of execution of this Agreement.

- c. Changes and Repairs to Premises. Subject to the conditions listed below, District reserves the right from time to time:
- (1) To install, maintain, repair, and replace pipes, ducts, conduits, wires and appurtenant meters and equipment for service to other parts of the Premises above the ceiling surfaces, below the floor surfaces, within the walls and central core areas, and to relocate any pipes, ducts, conduits, wires, and appurtenant meters and equipment included in the Premises;
 - (2) To use the common areas while engaged in making additional improvements, repairs or alterations to the Premises, or any portion thereof;
 - (3) To erect scaffolding and other necessary structures where reasonably required by the character of the work to be performed, always providing that the entrance to the Premises shall not be blocked thereby for any reason, and further providing that the educational program of the Charter School shall not be interfered with for any reason; and
 - (4) To enter any part of the Premises to conduct maintenance and operations as outlined in this section and Section 4, above.

Except in cases of emergency, the District's rights identified in Section 9.c.(1)-(4) must occur

at a time previously and mutually agreed upon by the Parties so as to limit unnecessary interruptions to educational programs at the Charter School.

d. District's Employees, Contractors and Independent Contractors.

(1) District acknowledges that Charter School is a public charter school using the Premises for public education purposes. District and Charter School therefore agree that any of their respective employees, agents, contractors or independent contractors utilized to perform any of the repairs pursuant to this Section 9 or in Sections 10, 11 and 16 that may have contact with CMP Charter School's pupils will undergo criminal background checks as specified in California Education Code section 44237 and California Education Code section 45125.1 or any other applicable law addressing third party access to Charter School's minor students or any person entering the premises for the above-stated purposes who will be in contact with students in District Programs and/or the Charter School's minor pupils.

e. The Charter School shall be allowed to establish such signage as it deems necessary and is customary and equivalent to what other District school sites have established with the District subject to District written approval.

10. INSPECTION BY DISTRICT. Upon reasonable notice, District reserves the right to enter the Premises to inspect the same to ensure compliance with this Agreement. Charter School shall exercise reasonable care in maintaining the security of keys to the facilities. All keys shall remain the property of the District. In the event additional keys need to be provided to Charter School, or the facility needs to be rekeyed or locks replaced or repaired because of some act of the Charter School and/or its personnel, Charter School shall be responsible for the cost of such repair or replacement. Charter School may not re-key the premises, and shall notify District of any breach of security that may necessitate a re-keying.

11. DEFAULT AND/OR MATERIAL BREACH BY CHARTER SCHOOL. The occurrence of any one or more of the following events shall constitute a default and material breach of this Agreement by Charter School:

a. The vacating or abandonment of the Premises by CMP before the expiration of the Agreement term.

b. The failure by CMP to utilize the premises for the sole purpose of operating of a charter school as authorized by this Agreement and the Charter School's charter.

c. The failure by CMP to make timely payment of pro rata share charge or any other payment required under this Agreement where such failure continues for a period of twenty (20) days after written notice thereof by District to CMP.

d. The failure by CMP to observe or perform any of the express covenants, conditions or provisions of this Agreement to be observed or performed by CMP where such failure shall continue for a period of thirty (30) days after written notice hereof by District to CMP; provided, however, that if the nature of CMP's default is such that more than thirty (30) days are reasonably required for its cure, then CMP shall not be deemed to be in default if CMP commences such cure within said thirty (30) days period and thereafter diligently prosecutes such cure to completion. However, should CMP's default involve a serious risk to the safety of the students or an illegal use of the premises, such cure must occur immediately. In the event the District has notified CMP of default on the same basis on two prior occasions, the period to cure shall be reduced to five (5) business days. On the fourth occasion of default, the District may dispense with a cure period and determine that CMP is in material default and commence termination of this Agreement pursuant to Section 13.

e. Revocation or nonrenewal of Charter School's charter.

f. Failure to keep in effect insurance as required herein.

12. DEFAULT AND/OR MATERIAL BREACH BY DISTRICT. District shall be in default and in material breach of this Agreement if District fails to perform any obligation required by this Agreement within a reasonable time, but in no event later than thirty (30) days after receipt of written notice by C to District specifying wherein District has failed to perform such obligation; provided, however, that if the nature of District's obligation is such that more than thirty (30) days are required for performance, then District shall not be in default if District commences performance within such thirty (30) day period and thereafter diligently pursues the same to completion. Notwithstanding anything to the contrary in this Agreement, CMP shall not have a right to set-off any facility payment or other monetary payment to the District as against a claim it might allege against the District, without the District's prior written consent.

13. DEFAULT AND/OR MATERIAL BREACH.

a. In the event of any default and/or material breach by CMP, District may commence a Termination of this Agreement. The remedies District may pursue, at any time thereafter, in its sole discretion, with written notice or demand and without limiting District in the exercise of a right or remedy, which District may have by reason of such default or breach are as follows:

(1) Terminate Charter School's right to possession of the Premises by any lawful means, in which case this Agreement shall terminate and CMP shall immediately surrender possession of the Premise to District. Upon termination of this Agreement or Charter School's right to possession, District has the right to recover from CMP (i) the amount of unpaid pro rata share charge that had been earned at the time of such termination; (ii) the amount of unpaid pro rata share charge that would have been earned after the date of such termination until the end of the fiscal year (with the exception of revocation and nonrenewal of the charter) ; and (iii) any other amount, including reasonable attorneys fees and collections costs incurred in terminating the Agreement and enforcing District's right to possession. In the event District elects not to terminate the Agreement but takes legal action to collect any sums due hereunder, District shall be entitled to reasonable attorney fees and costs associated with any and all successful collection action(s). If CMP vacates or abandons the Premises prior to the expiration of the Term of this Agreement or the District revokes or denies renewal of its charter, District must terminate the Agreement and enforce its right in accordance therewith. Unpaid installments of pro rata share charge or other sums shall bear interest from the date due at the minimum legal rate; or

(2) Maintain CMP's right to possession, in which case this Agreement shall continue in effect. In such event District shall be entitled to enforce all of District's rights and remedies under this Agreement, including the right to recover the pro rata share charge and any other charges and adjustments as may become due hereunder.

b. In the event of any default and/or material breach by the District, CMP may terminate this Agreement or pursue remedies as provided in this Agreement.

14. TERMINATION.

A. Termination by Either Party.

1. Lessee shall notify District of Lessee's exercise of its right to terminate this lease, and this lease shall terminate upon District's receipt of such notice and receipt of a sum equal to three (3) months rent. Such termination shall relieve both parties of any further obligations under this lease, although each shall continue to have any and all remedies for any breach of a lease obligation which occurred prior to the date of termination.

2. Except as provided in the next sentence, the District may terminate this Agreement at any time and for any reason by giving at least one (1) year's advanced written notification to Lessee of the

District's intention to terminate this Agreement. Notwithstanding the foregoing, this notice shall not be given prior to the end of the first three (3) years of this Agreement.

3. Within thirty (30) days following the expiration or termination of this Agreement, Lessee shall remove its personal property and fixtures and restore the Site to its original condition on the Commencement Date, except reasonable wear and tear, and damage by fire or other casualty beyond the reasonable control of Lessee.

B. Termination for Cause.

1. The occurrence of any one or more of the following events shall constitute an Event of Default hereunder by Lessee and shall serve as the bases for Lessor's termination for cause:

(i) The failure by Lessee twice within an 18-month time period to make any payment of rent or any other payment required to be made by Lessee hereunder, as and when due, where such failure shall continue for a period often (10) days after written notice thereof is provided to Lessee from District.

(ii) The failure by Lessee to observe or perform any of the express or implied covenants or provisions of this Agreement to be observed or performed by Lessee, other than as specified in the immediately preceding paragraph, where such failure shall continue for a period of thirty (30) days after written notice thereof is provided to Lessee by District; provided, however, that it shall not be deemed an Event of Default by Lessee if Lessee shall commence to cure such failure within said thirty (30) day period and thereafter diligently prosecute such cure to completion.

3. If there occurs an Event of Default by Lessee, in addition to any other remedies available to District at law or in equity, District shall have the option to terminate this Agreement and all rights of Lessee hereunder.

15. UTILITIES. District agrees to furnish or cause to be furnished to the Premises necessary utilities that include electric, gas (if applicable to these premises), water, sewer, and trash. District's failure to furnish or cause to be furnished necessary utilities when such failure is caused by (1) acts of God or other acts beyond the control or fault of District; (2) strikes, lockouts, or other labor disturbance or labor dispute of any kind; (3) any laws, rules, orders, ordinances, directions, regulations, requirements, or any other action by federal, state, county or municipal authority; (4) inability despite the exercise of reasonable diligence by District to obtain electricity, water, or fuel; or (5) any other unavoidable delay, shall not cause District to be in default and shall not result in any liability of District. The cost of the utilities shall be determined under Section 4, above.
16. ASSIGNMENT AND THIRD PARTY USE. CMP shall not assign, transfer, mortgage, pledge, hypothecate or encumber, voluntarily or involuntarily, this Agreement or any interest herein, and shall not sublet the Premises or any part thereof, or any right or privilege appurtenant thereto, without the prior written consent of District. Subject to paragraph 3 ("Use of Premises") the Premises may not be sublet or used for third party purposes other than those that are consistent with District policies and practices for use of District school sites.
17. INDEMNIFICATION. CMP shall indemnify, hold harmless, and defend the District, its trustees, officers, employees and agents against and from any and all claims, demands, actions, suits, losses, liability, expenses and costs for any injury, death or damage to any person or property occurring in, on or about the Premises after District delivers possession of the Premises to CMP, or arising from the CMPs' use of the Premises or from the conduct of its business or from any activity, work, or other things done, permitted or suffered by CMP in or about the Premises, excepting those claims, demands, actions, suits, losses, liability, expenses and costs arising out of or relating to obligations of District as they relate to the Premises.

CMP shall further indemnify, hold harmless, and defend District against and from any and all claims arising from any breach or default in the performance of any obligation on CMP's part to be performed under the terms of this Agreement, or arising from any act omission or negligence of the CMP, or any officer, agent, employee, guest, or invitee of CMP, and from all costs, attorney's fees, and liabilities incurred in or about the defense of any such claim or any action or proceeding brought thereon excepting those claims, demands, actions, suits, losses, liability, expenses and costs arising out of or relating to obligations, actions, or omissions of the District or any officer, agent, employee, guest, or invitee of the District. If any action or proceeding is brought against District by reason of such claim (regardless of whether a claim is filed), CMP upon notice from District shall defend the same at CMP's expense. CMP shall give prompt written notice to District's Risk Manager in case of casualty or accidents in or on the Premises.

District shall indemnify, hold harmless and defend CMP, its grant agency, its Governance Council, officers, employees and agents from and against any and all claims of liability for any injury, death, or damage to any person or property occurring in, on or about the Premises when such injury, death or damage is caused by the act, neglect, fault or omission of the District, its agents, contractors, employees or invitees. Such indemnification shall not apply in those instances where CMP had actual knowledge and failed to inform District of a potential or actual hazardous condition of the premises. District shall further indemnify, hold harmless and defend CMP, its granting agency, from and against any and all claims arising from any breach or default in the performance of any obligation on District's part to be performed under the terms of this Agreement, or arising from any act or negligence of District, or any of its agents, contractors, employees and from and against all costs, attorney's fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon.

Any reasonable costs incurred (including filing fees, attorney's fees etc.) after providing written request for indemnification to the indemnifying party for indemnification shall be owed to the requesting party if it is determined the indemnification was owed. In addition the indemnifying party shall pay reasonable attorney fees and costs incurred to enforce the indemnity obligations of this agreement to the indemnified party.

18. INSURANCE. Charter School shall, at its sole cost and expense, procure, pay for and keep in full force and effect the following types of insurance. Said insurance coverage shall commence on the date Charter School is given access to the Premises for any purpose and shall be maintained during the entire Term hereof, and shall continue beyond the term of this Agreement for potential liability arising during the term of the Agreement.
- a. Property Insurance shall be obtained and shall cover all casualty needs, including fire, and other hazards with replacement costs coverage for all assets listed in the Charter School's property inventory and consumables. The Charter School shall secure property coverage with a minimum policy limit of 80% of the fair market value of the Charter School's contents.
 - b. Comprehensive, general liability insurance and property damage coverage as set forth below and as further directed by the District for the operation of the Charter School. Additional insurance may also be obtained as required by law. Charter School must provide the District certificates of insurance as proof of insurance coverage before commencing instruction to students. Any insurance carrier providing coverage must be licensed to do business in California.
 - c. The insurance policies shall include the following: (1) a clause stating: "This policy shall not be canceled or reduced in required limits of liability or amounts of insurance until notice has been mailed to San Juan Unified School District stating date of cancellation or reduction. Date of cancellation or reduction may not be less than thirty (30) calendar days after date of mailing notice;" (2) language stating in particular those insured, extent of insurance, locations and operations to which insurance applies, expiration date, to whom cancellation and reduction notice will be sent, and length of notice period; and (3) a statement that the District and its officers, employees and agents are named as additional insureds under this policy described and that such insurance policy shall be primary to any insurance or self-insurance maintained by the District. (This requires the production of an additional

insured endorsement; a certificate of insurance containing reference to the endorsement will not be accepted in lieu of the actual endorsement). Charter School upon written request of the District or its liability coverage provider shall provide a copy of the policy and all endorsements in effect at the time of the request, or at the time of a loss as specified by the request. The copy of the policy and endorsements shall be provided within 15 days of the written request.

- d. Charter School shall purchase and hold general liability insurance in the amount of fifteen million dollars (\$15,000,000), occurrence based, providing coverage for, among other things, negligence, contractual liability, errors and omissions/educators legal liability, abuse and molestation, crime, and employment practices liability including but not limited to discrimination of Charter School, its Board, officers, agents, employees and/or students. The deductible/occurrence for said insurance shall not exceed \$5,000 for any and all losses resulting from negligence, errors and omissions of the Charter School, its Board, officers, agents, employees and/or students.
 - e. The District will continue to maintain its current levels of property insurance on the structures on the Premises. The District's insurance shall be first party insurance for any damage to the structures on the premises with the exception of any losses caused directly by the Charter School. CMP shall be responsible for any deductible costs for a loss to the structures on the Premises caused by the Charter School with the exception of any loss that is caused by the negligence of the District.
19. LIENS. CMP shall keep the Premises and the property in which the Premises are situated free from any liens arising out of any work performed, materials furnished or obligations incurred by or on behalf of CMP.
 20. HOLDING OVER. If CMP remains in possession of the Premises or any part thereof after the expiration or termination for default of this Agreement or after a Termination thereof without the express written consent of District, the payment obligations for such occupancy shall remain in effect at a pro rata share charge in the amount of the last Pro rata share charge, plus all other charges payable hereunder, and upon all the terms hereof applicable until the District terminates the possession. A hold over by the Charter School shall not trigger any additional term. The District shall have the right to remove the Charter School at any time after the expiration of the term or termination.
 21. DISPUTE RESOLUTION. The parties recognize that the regulations implementing Proposition 39 may include a dispute resolution provision. In the absence of a controlling regulatory dispute resolution provision, the Parties agree to attempt to resolve all disputes they cannot resolve on their own by (1) mediation; and (2) should that fail to resolve the matter, they may use other legal recourse and upon mutual agreement refer the dispute to binding arbitration with an arbitrator selected from a list from the State Mediation and Conciliation Services, except that nothing contained herein is intended to preclude the parties from seeking immediate equitable or legal relief from a Court of law in the event there is no adequate remedy at law.
 22. GENERAL PROVISIONS.
 - a. Waiver. The waiver by District and/or CMP of any term, covenant or condition herein contained shall not be deemed to a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of pro rata share charge hereunder by District or payment of pro rata share charge by CMP shall not be deemed to be a waiver or any preceding default by CMP or District of any term, covenant or condition of this Agreement, other than the failure of the CMP to pay the particular rental so accepted, regardless of District's knowledge of such preceding default at the time of the acceptance of such pro rata share charge.
 - b. Marginal Headings. The marginal headings and article titles to the articles of this Agreement are not a part of the Agreement and shall have no effect upon the construction or interpretation of any part hereof.

- c. Successors and Assigns. The covenants and conditions herein contained, subject to the provisions as to assignment, apply and bind the heirs, successors, executors, administrators and assigns of the parties hereto.
- d. Prior Agreements. This Agreement contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Agreement, and no prior agreements or understanding pertaining to any such matters shall be effective for any purpose. No provision of this Agreement may be amended or added to except by an agreement in writing signed by the parties hereto to their respective successors in interest. This Agreement shall not be effective or binding on any party until fully executed by both parties hereto. Nothing in this Agreement shall supersede the Charter School's charter. It shall be incumbent upon CMP to ascertain whether any provision of this Agreement purports to supersede or conflict with provisions of its charter and to identify those provisions in writing to District prior to entering this Agreement. Failure to do so may constitute grounds to nullify this Agreement in the event the conflicting provision causes a material conflict with a critical portion of this Agreement.
- e. Severability. Any provision of this Agreement that proves to be invalid, void, or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provision shall remain in full force and effect.
- f. Choice of Law. This Agreement is subject to the laws and jurisdiction of the State of California. In the event that any court action should be brought in conjunction with this Agreement, it shall be subject to interpretation under the laws of the State of California, and any action to enforce this Agreement shall be brought in the County of Sacramento.
- g. Notices. All notices and demands that may be or are to be required or permitted to be given by either party on the other hereunder shall be in writing. All notices and demands by the District to CMP shall be sent by United States Mail, postage prepaid, addressed to CMP at the Premises, and to the address herein below, or to such other place as CMP may from time to time designate in a notice to the District. All notices and demands by the CMP to the District shall be sent by United States Mail, postage prepaid, addressed to the District at the address set forth herein, and to such other person or place as the District may from time to time designate in a notice to the CMP.

To District at:

David Burke, Director of Planning and Property Management
San Juan Unified School District
5320 Hemlock Street
Sacramento, CA 95841

cc: Linda Simlick, General Counsel
San Juan Unified School District

To CMP at:

DISTRICT AND CHARTER SCHOOL have signed this Agreement on the dates set forth below.

Date: _____

Date: _____

San Juan Unified School District

CMP Charter School for Educational Renewal

Approved as to Form:

Linda Simlick, General Counsel
San Juan Unified School District

Approved and ratified this _____ day of _____, 2016 by the Board of Education of the San Juan Unified School District by the following vote:

AYES:

NOES:

Abstentions:

Secretary to the Board of Education

Leighton Littlejohn Exhibit A

Address: 6838 Kermit Lane
Fair Oaks CA 95628

Initial Construction Completion Date: 1957
Total Sq. Ft. of Floor Space: 28,705
Acres: 9.26

School Number: 128

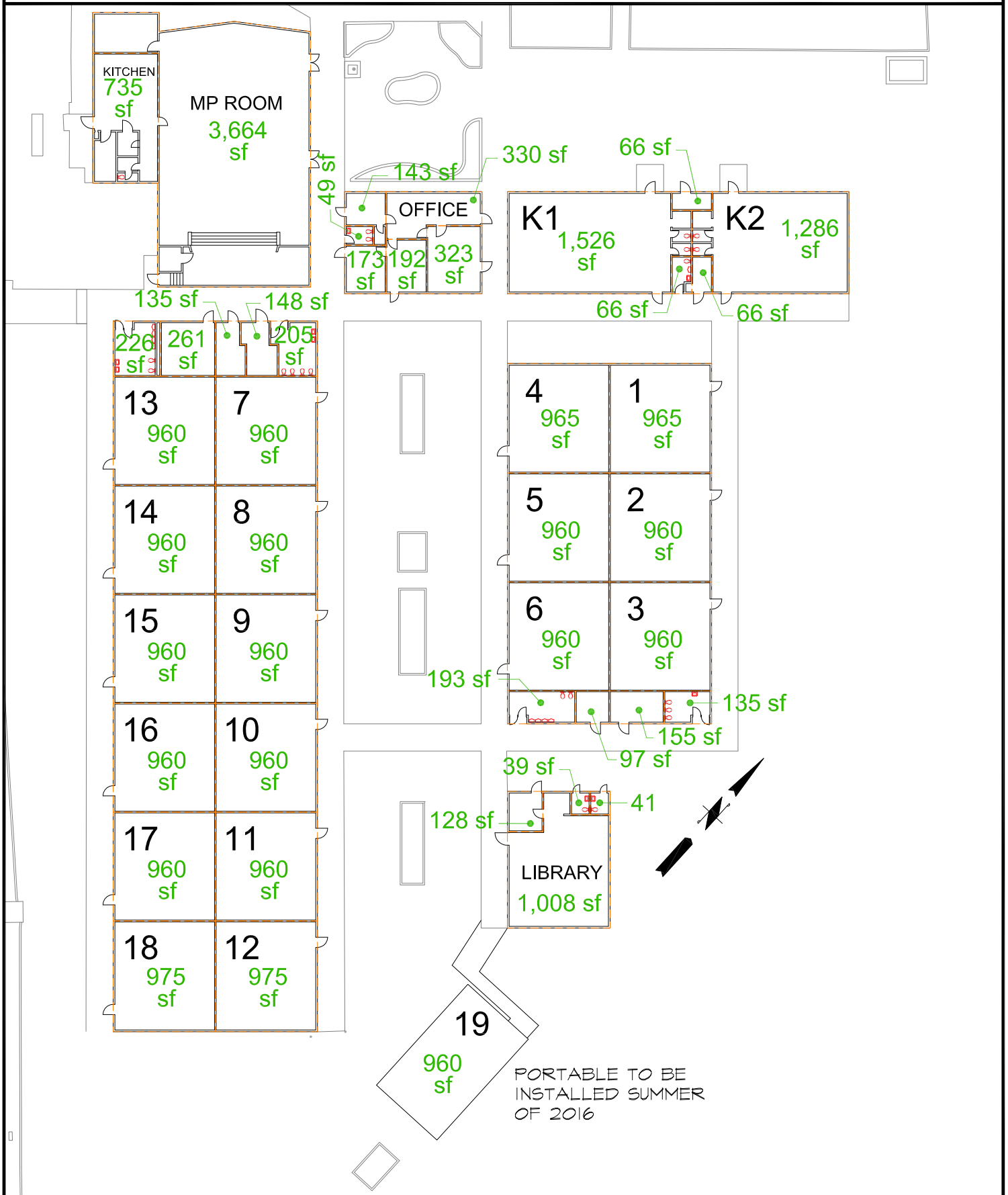


EXHIBIT B

**San Juan Unified School District
Leased Facilities
2016-2017 Cost Calculations**

Charter: California Montessori Project
Facility: Littlejohn

Proposition 39 Space Allocation Calculation

Request For Facilities Letter dated: 9/29/2015

Sq. Ft. Assigned to Meet Request for Facilities Letter:	27,611
Prop. 39 Annual Space Fee Per Sq. Ft.:	<u>\$ 6.41</u>
Prop. 39 Annual Space Fee:	\$ 176,988.00

"Market Rate" Space Allocation Calculation

Market Rate Sq. Ft. Assigned to Meet Request for Facilities Letter:	2,059
Market Rate Space Annual Fee Per Sq. Ft.	<u>\$ 13.33</u>
Market Rate Space Annual Fee:	\$ 27,443.00

Annual Fee **\$ 204,431.00**

Monthly Fee (rounded to nearest dollar) **\$ 17,036.00**

EXHIBIT B

San Juan Unified School District
Leased Facilities
2016-2017 Space Assignment

Charter: California Montessori Project
Site: Littlejohn

Room	Area	Design	In Use	2016-2017 Use			Shared Space	
				Prop 39	"Market"	Prop 39	"Market"	
1		965 Classroom	Yes	965	-	-	-	
2		960 Classroom	Yes	960	-	-	-	
3		960 Classroom	Yes	960	-	-	-	
4		965 Classroom	Yes	965	-	-	-	
5		960 Classroom	Yes	960	-	-	-	
6		960 Classroom	Yes	960	-	-	-	
Storage 1-6 Wing	97	Storage	Shared	-	-	74	23	
Janitor 1-6 Wing	155	Custodian	Shared	-	-	118	37	
Student RR	328	Student RR	Shared	-	-	249	79	
7		960 Classroom	Yes	960	-	-	-	
8		960 Classroom	Yes	960	-	-	-	
9		960 Classroom	Yes	960	-	-	-	
10		960 Classroom	Yes	960	-	-	-	
11		960 Classroom	Yes	960	-	-	-	
12		975 Classroom	Yes	975	-	-	-	
13		960 Classroom	Yes	960	-	-	-	
14		960 Classroom	Yes	960	-	-	-	
15		960 Classroom	Yes	960	-	-	-	
16		960 Classroom	Yes	960	-	-	-	
17		960 Classroom	Yes	960	-	-	-	
18		975 Classroom	Yes	975	-	-	-	
19		960 Portable Classroom	Yes	960	-	-	-	
Conference	261	Staff	Shared	-	-	198	63	
Restrooms 7-18 wing	431	Portable Student RR	Shared	-	-	328	103	
Storage 7-18 wing	135	Storage	Shared	-	-	103	32	
Boiler Rm	148	Boiler Room	Shared	-	-	112	36	
Library	1,216	w/RR	Shared	-	-	924	292	
MP Room	3,664	MP Room	Shared	-	-	2,785	879	
Office Bldg.	1,210	Office	Shared	-	-	920	290	
Kitchen	735	Staff	Shared	-	-	559	176	
K1	1,526	Classroom	Yes	1,526	-	-	-	
Kinder Storage	132	Storage	Shared	-	-	100	32	
Kinder RR	66	Student RR	Shared	-	-	50	16	
K2	1,286	Classroom	Yes	1,286	-	-	-	
TOTAL	29,670		-	21,092	-	6,519	2,059	

Shared space is prorated at 76% in-district and 24% out of district

Total Prop. 39 Sq. Ft. 27,611
Total Market Rate Sq. Ft. 2,059

"Shared" spaces are calculated as shared between the charter's in-district and out of district students

California Montessori Project
2016-2017 Facility Costs

PROP. 39 SQUARE FOOT FEES:				
Row #	Function		Unrestricted General Fund Facility Expenses 2015/2016 Estimated ^{1, 5}	
1	85XX Facilities Acquisition & Construction	\$		18,767
2	87XX Facilities rents & leases	\$		33,155
3	91XX Facilities related Debt services	\$		-
4	93XX ⁴ Facilities Related Interfund transfers	\$		12,501
5	82XX ³ grounds maintenance/gardening	\$		1,530,215
	Not Included in functions above			
6	deferred maintenance transfer ⁶	\$		-
7	deferred maintenance TF LCFF SACS ⁶	\$		-
8	Unrestricted Contribution to RRMA ⁷	\$		10,344,636
9	Unrestricted GF Prop Mgt Expenses	\$		23,130
10	Unrestricted GF Maint Expenses	\$		188,339
11	Unrestricted GF Custodial Expenses ⁸	\$		14,799,800
12	Total Unrestricted General Fund Facility Contribution & Costs (Sum Rows 1-11)	\$		26,950,543
13	District-wide Exterior Square Footage²			4,207,688
14	Expense per Sq. Ft. for Prop. 39 Fees (Row 12/Row 13)	\$		6.41

MARKET RATE FEES:				
Property Management Fee:				
15	Resp 208 Goal 9576 - Property Management budget ¹	\$		21,097
16	Property management fee per sq. ft. (Row 15/Row 13)	\$		0.005
Facility Maintenance Fee:				
	Total M&O budget (Resp. 205, 212, 215) ¹			
17	Less: Operations function 82xx Excludes Obj 5741/5791	\$		8,919,890
18	Facility maintenance per sq. ft. (Row 17/Row 13)	\$		2.12
Custodial Fee (Restricted General Fund):				
19	Total custodial budget (922x, 9674 goals) ¹	\$		-
20	Custodial fee per sq. ft. (Row 19/Row 13)	\$		-
Facility Rental Fee:				
21	Market Rate Sq. ft. cost per year based on \$1.27 per month	\$		15.24
22	Extended Market Rate: \$0.40 per sq. ft. per month	\$		4.80
23	Market Rate Sub-total Fee: (Sum Rows 16, 18, 20, 22)	\$		6.92
24	Proposition 39 Facility Fee (Row 14):	\$		6.41
25	Market Rate Fee (Sum Row 14, 23):	\$		13.33

¹ Based on 1st interim budget amounts

² Square footage from 15-16 Planning Dept. as of January 13, 2016

³ Excludes custodial goals of 9220, 9221, 9225, 9674 & RP 208

⁴ Does not include Contribution for ECE

⁵ Negotiated increases are reflected in 1st interim figures except for CSEA & Teamsters

⁶ DM contribution moved from Measure J to LCFF. Bond contribution will be phased out over 4 years (changes in increments of \$400,000 per year).

⁷ Total RRMA Contribution excluding contribution to Deferred Maintenance from Bond Funds

⁸ Only custodial goals of 9220, 9221, 9225, 9674 & RP 208