P.O. Box 998790, Redding, CA 96001
(530) 246-5710

**LEASE AGREEMENT**
Between
**SHASTA COMMUNITY HEALTH CENTER**
And
**CALIFORNIA HERITAGE YOUTHBUILD ACADEMY**

This Lease Agreement ("Agreement") is made and entered into on March 11, 2025 (the "Effective Date"), by and between **SHASTA COMMUNITY HEALTH CENTER**, hereinafter referred to as "Lessor," and **CALIFORNIA HERITAGE YOUTHBUILD ACADEMY (CHYBA)**, hereinafter referred to as "Lessee." Each may be referred to individually as a "Party" and collectively as the "Parties," and agree to the following terms:

1. **DESCRIPTION OF LEASED PREMISES**: Lessor agrees to lease to Lessee 800 square feet (SF) of kitchen space located at 1201 Industrial Street, Redding, California 96002, hereinafter known as the "Premises".

2. **USE OF LEASED PREMISES**: Lessor leases the Premises to Lessee and Lessee hereby agrees to lease the Premises for the following purpose:
   a. The Premises will serve as an educational culinary facility for staff and students involved in Lessee's Culinary Arts Program.
   b. Any change in use or purpose of the Premises other than as described above shall be upon prior written consent of Lessor only.

3. **TERM OF LEASE**: The term of this Agreement shall be five (5) years (the "Initial Term"), starting on the Effective Date and ending on March 9, 2030. Upon the expiration of the Initial Term, this Agreement may be renewed with written notice from either party at least sixty (60) days before the expiration date. Either party may terminate this Agreement, with or without cause, by providing sixty (60) days' written notice to the other party.

4. **RENT:** The total rent for the five (5) years of this Agreement, at $800 per month for sixty (60) months, amounts to $48,000, payable in full upfront upon the commencement of this Agreement.

5. **GROSS LEASE**: This Agreement is intended to be a "Gross Lease," meaning that the Rent paid by the Lessee is the total monthly rent. As such, Lessee shall not be responsible for any additional expenses, including but not limited to utilities, real estate taxes, property insurance (except for insurance covering Lessee's personal property or any improvements made by Lessee), or any other charges or expenses related to the ownership and operation of the Premises.

6. **LEASEHOLD IMPROVEMENTS:**
   a. Lessee may not make any improvements, alterations, or changes to the Premises or building exterior (except as listed in addenda) without written consent from Lessor, which will not be unreasonably withheld. Any improvements that become affixed to the Premises will remain the property of Lessor at the end of the lease. All improvements must comply with applicable federal, state, or local codes.
   b. Lessee is not authorized to place a mechanic's lien or any other encumbrance on the Premises or rents. If a lien is placed due to Lessee's actions, Lessee must pay it, bond against it, and remove it immediately. If not, Lessor may remove it at Lessee's expense, and failure to do so will be considered a default.

7. **LICENSES AND PERMITS**: A copy of any and all local, state or federal permits acquired by Lessee which

are required, including but not limited to food handling and health and safety permits, for the use of the Premises shall be kept on site at all times and shall be readily accessible and produced to Lessor and/or their agents or any local, state, or federal officials upon demand.

8. **RESPONSIBILITIES OF LESSOR:**
    a. Lessor will provide automatic keyless entry badges to designated Lessee's staff for access to the Premises.
    b. Lessor will provide Lessee's students and staff with access to public restrooms in the main lobby patient check-in areas.
    c. Lessor will make the Premises available to Lessee on an as-needed basis, Monday through Friday, between 8:00 AM and 5:30 PM, in coordination with Lessee's scheduling requirements.
    d. Lessor will provide Lessee with thirty (30) days' notice for any upcoming workshops or events that require access to the Premises and refrigeration space.
    e. All usage of the Premises will be tracked in the "Café Use Log," attached as Exhibit "A," located inside the Premises.
    f. Lessor will provide Lessee with access to on-site washers and dryers for laundry purposes.
    g. Lessor will provide Lessee staff with relevant emergency and clinic safety information. Lessee is responsible for ensuring that this information is properly disseminated to its students.
    h. Lessor will maintain safety equipment, including fire extinguishers, smoke detectors, and the exhaust fan over the stove, and ensure these items are in good working condition.

9. **RESPONSIBILITIES AND OBLIGATIONS OF LESSEE**:
    a. Lessee is responsible for maintaining the entranceway to the Premises, ensuring it remains neat, safe, and presentable.
    b. Lessee is responsible for maintaining cleanliness and sanitation in all areas, including the kitchen.
    c. Lessee is liable for any damage caused by themselves, their employees, agents, or guests, and must promptly notify Lessor of any such damage and file insurance claims as necessary.
    d. Lessee is responsible for maintaining the interior of the Premises in good condition, excluding reasonable wear and tear, and covering repair costs not covered by insurance.
    e. Lessee must comply with all relevant local, state, and federal laws regarding commercial kitchens, food preparation, sanitation, and permits.
    f. Lessee must ensure that its students remain in approved areas and are supervised by Lessee's staff. Lessor staff will not provide supervision of Lessee's students.
    g. Lessee must always supervise its students while on the Premises.
    h. Lessee is responsible for ensuring the kitchen is cleaned after each use and for maintaining appliances, exhaust systems, and other fixtures in good working order.
    i. Lessee must notify Lessor promptly of any facility or safety issues.
    j. Lessee must provide a list of all kitchen users and ensure they are trained in the proper use of equipment.
    k. Lessee is responsible for informing its staff of safety information and emergency protocols and ensuring that staff disseminate this information to students as needed.
    l. Lessee staff must secure keyless entry badges from Lessor and report any loss immediately to prevent unauthorized access.
    m. Lessee must park only in designated areas and limit north-side parking to loading/unloading.
    n. Lessee staff and students must always behave respectfully and safely while on the Premises.
    o. With Lessor's prior approval, Lessee may sell student-prepared food to Lessor employees, provided Lessee's students have valid California Food Handler Cards.

10. **EQUIPMENT AND MAINTENANCE:** Lessor will provide and maintain kitchen equipment. However, Lessee is responsible for the proper use and upkeep of all equipment. Lessee must promptly report any damage to Lessor. Equipment must only be used for its intended purpose, and Lessor will not be held liable for misuse. Lessee is responsible for repair costs resulting from misuse or neglect and must keep the equipment clean. In the event of structural damage caused by Lessee's actions, Lessee must file insurance claims and notify Lessor, covering any costs not covered by insurance.

11. **INSURANCE**: Lessee must maintain comprehensive general liability insurance during the lease term with coverage of at least $1,000,000 for injury or death and $1,000,000 for property damage. The insurance must be from an approved company and name Lessor as an additional insured. Lessee must provide Lessor with insurance certificates.
   a. **Failure to Obtain and Maintain Insurance**: If Lessee fails to maintain insurance, Lessor may obtain it and charge the cost as additional rent.
   b. **Prohibited Goods and Fire Insurance**: Lessee agrees not to store or keep any items on the Premises that would violate the terms of a standard fire insurance policy.
   c. **Increase in Insurance Premiums**: If Lessor's insurance premiums increase due to Lessee's specific use of the Premises or failure to comply with its obligations under this Agreement, Lessee shall be responsible for the proportionate share of the increase directly attributable to its actions. However, Lessee shall not be responsible for any general increases in Lessor's insurance premiums due to market conditions, Lessor's other tenants, changes in Lessor's insurance policies, or factors unrelated to Lessee's specific use of the Premises.

12. **SUBLET/ASSIGNMENT**: Lessee may not sublet said Premises or any part thereof.

13. **DAMAGE TO LEASED PREMISES**: If the building housing the Premises is damaged or destroyed by fire or other causes (excluding Lessee's intentional acts or neglect) and the damage affects Lessee's ability to occupy the space, rent will be reduced or suspended according to the extent of the damage until the Premises are restored. Restoration will be at Lessor's expense, up to the amount of insurance proceeds available. However, if the damage is extensive, Lessor is not obligated to restore more than what the insurance covers.

14. **DEFAULT AND POSSESSION**:
   a. **Termination by Lessor:** Lessor may not terminate this lease or take possession of the Premises before the expiration of the lease term unless Lessee has committed a material and uncured breach of this Agreement. In the event of an alleged default by Lessee, Lessor must provide written notice specifying the nature of the default and allow Lessee at least 60 days to cure such default before pursuing termination.

      If termination occurs due to force majeure, destruction of premises, or legal restrictions making the lease impossible to fulfill, both parties shall coordinate in good faith with the granting agency to determine appropriate next steps.

      If Lessee fails to comply with any material term or condition of this Agreement, and such failure remains uncured for 60 days after receiving **written notice** from Lessor specifying the default, Lessor may declare this Agreement terminated and take possession of the Premises. However, Lessor shall not terminate this lease for any reason that would violate the terms of Lessee's federally funded grant agreement, and Lessor agrees to cooperate in good faith to address any grant-related compliance issues before pursuing termination.

   b. **Lessee's Property:** If this Agreement is terminated for any reason, Lessor shall not seize, withhold, or dispose of Lessee's personal property, equipment, or fixtures. Lessor may only retain property expressly abandoned by Lessee in writing.
   c. **Legal Action:** If either Party initiates legal action to enforce this Agreement, the prevailing Party shall be entitled to recover **reasonable attorney's fees and court costs**.

15. **INDEMNIFICATION**: Each Party agrees to indemnify, defend, and hold harmless the other Party from and against any claims, damages, liabilities, losses, or expenses (including reasonable attorney's fees) arising from the indemnifying Party's negligence, willful misconduct, or failure to comply with its obligations under this Agreement.
   a. However, neither Party shall be required to indemnify the other for claims, damages, or liabilities resulting from

the negligence, misconduct, or unlawful actions of the indemnified Party or its agents.

16. **BANKRUPTCY - INSOLVENCY**: If Lessee's assets are placed in receivership or bankruptcy proceedings, or if Lessee makes an assignment for the benefit of creditors, this Agreement or any interest in the Premises shall not be considered an asset in those proceedings. In such cases, in addition to other remedies available to Lessor, Lessor may terminate this Agreement, re-enter the Premises, take possession, remove all persons, and Lessee shall have no further claim to the Premises.

17. **FORCE MAJEURE:** If performance under this Agreement is delayed, hindered, or prevented due to a Force Majeure event (including, but not limited to, natural disasters, pandemics, government restrictions, or damage to the Premises), the affected Party shall not be deemed in breach of this Agreement.
    a. If a Force Majeure event renders the Premises unusable for a period of thirty (30) consecutive days or more, Lessee shall have the right to:
        i. Suspend its use of the Premises and extend the lease term accordingly, or
        ii. Terminate this Agreement without penalty.
    b. In the event of termination, the Parties agree to coordinate in good faith with Lessee's grantor to determine the appropriate handling of prepaid lease funds.

18. **ARBITRATION:** Any disputes arising from this Agreement shall be resolved through binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. Parties will mutually select an arbitrator, or if they cannot agree, each party will select one, and those two will choose a third. Arbitration will occur at a mutually agreed location. All relevant documents must be exchanged within thirty (30) days of notice of arbitration. The arbitrator(s) cannot modify this Agreement or award punitive damages but may issue mandatory and restraint orders. The arbitrator's decision will be final, binding, and enforceable in court. The agreement to arbitrate is specifically enforceable, and Parties must continue performing their obligations during the arbitration.

19. **MISCELLANEOUS TERMS:**
    a. **Usage by Lessee**: Lessee must comply with all laws, regulations, and insurance requirements regarding the use of the Premises. Lessee will not engage in any activities that violate these laws or interfere with insurance coverage, and no explosives or hazardous materials will be allowed on the Premises.
    b. **Signs:** Lessee cannot place any signs or advertising on the Premises without Lessor's prior written consent. Lessee must maintain approved signs in good condition and follow any reasonable sign policy introduced by Lessor. Upon vacating, Lessee must remove signs and repair any resulting damage.
    c. **Pets:** No pets are allowed on the Premises, except for those required by law due to a disability.
    d. **Condition of Premises/Inspection by Lessee:** Lessee has had the opportunity to inspect the Premises and acknowledges with its signature on this Agreement that the Premises are in good condition and comply in all respects with the requirements of this Agreement. Furthermore, Lessor makes no representation or warranty with respect to the condition of the Premises or its fitness or availability for any particular use, and Lessor shall not be liable for any latent or patent defect therein. Furthermore, Lessee represents that Lessee has inspected the Premises and is leasing and will take possession of the Premises with all current fixtures present in their "as is" condition as of the date hereof.
    e. **Right of Entry:** Lessor and its agents have the right to enter the Premises at any time for inspection, maintenance, or necessary repairs as outlined in this Agreement.

20. **HOLDOVER**: If Lessee remains in possession of the Premises after this Agreement has expired or been terminated (whether by cancellation or otherwise) without signing a new agreement or addendum, Lessor may choose to treat this as a month-to-month tenancy. In this case, either party may terminate the tenancy by providing thirty (30) days' notice to the other. Unless otherwise agreed in writing, Lessee's continued occupancy will be considered a month-to-month agreement following the expiration of the original Agreement.

21. **WAIVER**: Waiver by Lessor of a default under this Agreement shall not constitute a waiver of a subsequent

default of any nature.

**22. GOVERNING LAW**: This Agreement shall be governed by the laws of the State of California.

**23. NOTICES**: Payments and notices shall be addressed to the following:

**Lessor** Shasta Community Health Center
Attn: Finance Department
1035 Placer Street
Redding, CA 96001
Finance@shastahealth.org

**Lessee** California Heritage YouthBuild Academy (CHYBA)
Attn: Cathy Taylor
8544 Airport Road
Redding, CA 96002
ctaylor@chybacharter.com

**24. AMENDMENT**: This Agreement may be modified or amended in writing, if the writing is signed by both parties obligated under the amendment.

**25. BINDING EFFECT**: This Agreement and any amendments thereto shall be binding upon Lessor and Lessees and/or their respective successors, heirs, assigns, executors, and administrators.

**IN WITNESS WHEREOF,** Parties have executed and entered into this Agreement as of the effective date above.

**SHASTA COMMUNITY HEALTH CENTER**

By, Brandon Thornock (Aug 23, 2025 19:59:48 MDT)
J. Brandon Thornock, Chief Executive Officer

Date: Aug 23, 2025

**CALIFORNIA HERITAGE YOUTHBUILD ACADEMY**

By, Cathy Taylor
Cathy Taylor, Executive Director

Date: 8/19/25

EXHIBIT A

# CAFE USE LOG

| DATE | ORGANIZATION | NAME | START/END TIME |
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# SCHC CHYBA Lease Agreement signed 8-19-25

Final Audit Report 2025-08-24

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| Created: | 2025-08-20 |
| By: | Rhonda Temple (rhtemple@shastahealth.org) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAA94vNFahkrV8KdSBFN1h1RK-m6QD69Kfa |

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