



April 15, 2015

Wilma Quan-Schechter
Deputy City Manager
City of Fresno
2600 Fresno Street
Fresno, CA 93721

RE: New Lease proposal to Fresno Police Department in the Property known as Manchester Center located in Fresno, CA 93726

Dear Wilma:

The following Letter of Intent outlining the terms and conditions is a Proposal For Lease to Fresno Police Department ("Tenant") for office space in Manchester Center, referred to hereinafter as the "Property".

- 1. Landlord:** Omninet Properties Manchester Center, LLC, a Delaware limited liability company,
- 2. Tenant:** Fresno Police Department
- 3. Property:** Manchester Center consists of retail and office building totaling approximately 640,858 rentable square feet located at 1901 E. Shields Fresno, CA 93726
- 4. Premises:** Approximately 5,000 - 8,000 rentable square feet in a location to be determined by Landlord.
- 5. Permitted Use:** Police Department.
- 6. Lease Commencement Date:** The Lease shall commence upon the earlier of substantial completion of the Tenant Improvements or Tenant's opening of business within the Premises
- 7. Lease Term:** Sixty Months (60) months.
- 8. Monthly Base Rent:** None. The lease is FREE of charge.
- 9. Security Deposit:** None.
- 10. Tenant Improvements:** Landlord shall construct the Tenant Improvements per a mutually agreeable space plan using Landlord's building standards and

materials.

Tenant Improvements shall include:

- 3 to 4 offices;
- Men's restroom with 2 urinals and 1 toilet and 1 shower;
- Women's restroom with 2 toilets and 1 shower;
- Small changing area for men and women;
- Large open meeting area;

11. Type of Lease

NNN

12. Operating Expenses:

Tenant shall pay its proportionate share of Operating Expenses for the Property. Operating Expenses shall include, but are not limited to, real estate taxes, common area maintenance, repair expenses for contents only, insurance costs, HVAC costs and janitorial costs. The ancillary charges shall be as follows and subject to change with proper notice:

EXPENSE	RATE PER SQUARE FOOT PER MONTH
CAM	\$0.25
TAX	\$0.03
INS	\$0.02
HVAC	\$0.04
JANITORIAL	\$0.09

13. Utilities:

Tenant shall be responsible for the cost of electricity, gas, phone and data service to the Premises.

14. Abandonment:

Should Tenant abandon or has less than 20 officers stationed at the Premises for more than 60 days, Tenant shall pay a penalty equal to the unamortized costs of the Tenant Improvements and legal fees associated with this lease, at an interest rate of 8% over the Term of the lease. Landlord shall have a recapture right in the event of an abandonment.

15. Right to Assign or Sublease:

The Landlord shall grant to the Tenant the right to assign or sublease the Premises, upon prior written approval by the Landlord, during the term of the Lease. Landlord's approval shall not be unreasonably withheld. The exact language and terms regarding this provision to be set forth in the Lease Agreement.

16. Building Hours/HVAC:

Tenant shall have access to the Building and Premises 24 hours per day, 7 days per week. Standard Building HVAC hours are 8:00 a.m. – 6:00 p.m. Monday through Friday, holidays excluded. At Tenant's request, HVAC service will be provided at no cost to Tenant on Saturday and Sunday.

- 17. Building Access:** Tenant shall have access 24 hours per day, 7 days per week, 52 weeks per year to the Premises, the Building and the parking facilities.
- 18. Parking** Tenant shall have the right for up to 30 parking spots for patrol vehicles and up to 30 personal vehicles in a location designated by Landlord.
- 19. Brokers:** No Brokers represents the Landlord and the Tenant in this transaction.
- 20. Confidentiality:** Tenant acknowledges that the terms and conditions contained herein and the details of the ensuing negotiations will remain confidential between the parties of the Lease and no proposals, lease drafts, leases or summaries of any kind will be distributed, copied or otherwise transmitted, orally or in writing, to any other entity or person.
- 21. Non-Binding:** This Proposal is not intended to be contractual in nature, but is merely a statement of the general terms and conditions the parties are prepared to consider and discuss entering into a lease. Accordingly, it is understood and agreed that numerous terms have yet to be determined. No liability, obligation or commitment of any nature whatsoever is intended to be created hereunder. Nothing in this Proposal is intended to preclude Landlord from negotiating with any other party regarding the Premises.
- Tenant shall be aware that Landlord's customary practice is not to reserve the space which is the subject of a Proposal, such as this, until such time as a definitive lease has been executed and delivered. As a result, Landlord may make other proposals to lease the Premises.

If this Proposal meets with the Tenant's approval as the basis upon which to prepare a draft proposed lease, then the Tenant shall sign the Proposal and return a copy to the Landlord or Landlord's Broker on or before 5 P.M. P.S.T., April 30, 2015. The Tenant's failure to sign and deliver a copy of the Proposal to the Landlord or Landlord's Broker on or before such date shall constitute Tenant's disapproval of the Proposal.

ACCEPTED AND AGREED

Landlord:

Omninet Properties Manchester Center, LLC,

By: _____

Its: _____

Date: _____

Address: _____

Tenant:

Fresno Police Department

BY: Bruce Smith

Its: City Manager

Date: 7/24/15

Address: 2600 Fresno Street

Fresno, CA 93721-3602