

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT (“Sublease”) is made and entered effective as of April __, 2021 (“Effective Date”) by and between the City of Henderson, a municipal corporation and subdivision of the State of Nevada (“Sublessor”) and the County of Clark, a political subdivision of the State of Nevada, for and on behalf of The Harbor Program (“Sublessee”), individually a “Party” and collectively known as the “Parties”.

RECITALS

- A. Sarbjit Hundal, a sole proprietor, as tenant, entered into a ground lease dated May 21, 1991 for the real property generally located at 98 E. Lake Mead Parkway, Henderson, NV 89015 (“Ground Lease”), a copy of which is attached hereto as Exhibit A and made a part hereof.
- B. Sarbjit Hundal, a sole proprietor, as Landlord (“Landlord”) and Sublessor, as Tenant, entered into that certain Office Space Lease dated December 15, 2020, which Office Space Lease included Addendum No. 1 and Addendum No. 2, executed concurrently therewith (collectively, the “Base Lease”), a copy of which is attached hereto as Exhibit B and made a part hereof and which covers and describes the premises known as 98 E. Lake Mead Parkway, Suite 207, Henderson, NV 89015 which includes +/- 2,061 usable square feet of office space (“Premises”).
- C. Sublessee has requested the use of the Premises to provide support and services for at-risk and vulnerable youth in need of County services (“Services”).
- D. Sublessor desires to sublease the Premises to Sublessee, and Sublessee desires to sublease the Premises from Sublessor.
- E. The Parties agree to enter this Sublease pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained herein, Sublessor and Sublessee hereby agree as follows:

1. Subleased Premises. Sublessor hereby subleases to Sublessee, and Sublessee hereby subleases from Sublessor, the Premises as described in Exhibit C attached hereto and made a part hereof.

2. Term. Subject to and upon the terms and conditions hereinafter set forth, this Sublease shall be in force for a term commencing on the Effective Date and terminate concurrent with the expiration of the Initial Term as defined in the Base Lease or until terminated by either Party by providing ninety (90) days’ written notice to the other (“Initial Term”). Upon mutual agreement by the Parties, this Sublease may be extended concurrent with and pursuant to the

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renewal terms as defined in the Base Lease (each, a "Renewal Term" and, with the Initial Term, the "Sublease Term").

3. Sublease Rent. Sublessor anticipates that there will be substantial public benefits that will result from Sublessee's location at the Premises related to Sublessee's provision of the Services. For that reason, Sublessor will require no rent to be paid by Sublessee during the Initial Term as long as Sublessee continues to provide the Services in and from the Premises. Should the Parties mutually decide to extend the Initial Term with one or more Renewal Terms, any payment or waiver of payment of Sublease Rent will be reconsidered at that time. If it is mutually agreed to revise the provision of Sublease Rent, such shall be documented by way of written amendment approved by the respective governing bodies.

4. Base Lease. This Sublease is subject to all the provisions, terms, covenants, and conditions of the Base Lease as follows:

- a. *Duties and Obligations.* Sublessee assumes and agrees to perform and observe all provisions, terms, covenants, and conditions of the Tenant/Sublessor under the Base Lease as the same relate to the Subleased Premises and to Sublessee's use and occupancy of the same during the Sublease Term, except as may be expressly provided to the contrary herein. Sublessee shall have no right to exercise any of the rights and options available to Sublessor under the Base Lease as all the same are retained by Sublessor and may be exercised or waived in Sublessor's sole and absolute discretion. Except to the extent assumed by Sublessee in this Sublease, Sublessor agrees to fully and timely perform all of the Tenant's/Sublessor's duties and obligations under the Base Lease;
- b. *Entire Agreement.* Sublessor warrants and represents that the Base Lease represents Sublessor's entire agreement with Landlord relating to the Premises;
- c. *No Knowledge of Default.* Sublessor warrants and represents that Sublessor has received no notice, and has no actual knowledge, of any default by Sublessor or any breach by Sublessor of any of its obligations under the Base Lease; and
- d. *Modification.* Sublessor agrees to refrain from entering into any amendment to or modification of the Base Lease that would conflict with or materially limit Sublessee's ability to provide the Services from the Premises.

5. Condition of Subleased Premises.

- a. *As-Is Condition.* Upon commencement of the Sublease Term, provided that all Tenant Improvements have been completed as outlined in the Base Lease, Sublessee accepts the Subleased Premises and any leasehold improvements thereto in their then existing condition, on an "AS IS" basis. After the commencement of the Sublease Term, Sublessor shall not be required to make for the benefit of Sublessee any improvements to or repairs of any kind or character in or to the Subleased Premises or the Landlord's building, but this sentence shall not relieve Sublessor of any of its obligations to Landlord under the Base Lease. To the extent Landlord has obligations to Sublessor pursuant to the Base Lease regarding repair,

maintenance, or condition of the subleased premises or Landlord's building, Sublessor agrees to use reasonable diligence to cause Landlord to perform the same for the benefit of Sublessee, when applicable.

- b. *Cleaning.* Sublessee shall be responsible for and shall pay all costs related to the cleaning of the Subleased Premises except that Sublessee is entitled to avail itself of any and all cleaning provided by the Landlord pursuant to the Base Lease.

6. Use. Sublessee agrees to use the Subleased Premises only for the purposes permitted by the Base Lease and for the provision of the Services *provided that* Landlord approves the Services Use as part of Landlord's consent to this Sublease.

7. No Warranty. WHEN SUBLESSEE BEGINS CONDUCTING ITS BUSINESS IN OR FROM THE SUBLEASED PREMISES, IT SHALL BE DEEMED TO HAVE ACCEPTED THE SUBLEASED PREMISES WITHOUT ANY WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, REGARDING ITS CONDITION, SUITABILITY, HABITABILITY, FITNESS FOR PURPOSE OR ITS COMPLIANCE WITH ANY LAWS, REGULATIONS OR ORDINANCES, INCLUDING, WITHOUT LIMITATION, THE AMERICANS WITH DISABILITIES ACT OF 1991, AS AMENDED.

8. Assignment or Sublease. Sublessee shall not assign, mortgage, pledge, hypothecate, or otherwise encumber this Sublease, or any interest herein or any right or privilege appurtenant thereto, without the express prior written consent of Sublessor. Sublessee may not sublet all or any portion of the Subleased Premises without the prior written consent of Sublessor. Sublessee shall not be relieved of any of its obligations hereunder by reason of any sublease of all or part of the Subleased Premises. Any assignment or sublease made in violation of this Section shall be void.

9. Sublessor's and Sublessee's Acts. It is specifically agreed that Sublessee shall not be responsible for the discharge and performance of the duties and obligations required to be performed and/or discharged by Sublessor in connection with the Base Lease prior to the commencement of the Sublease Term. However, Sublessee shall be fully responsible for the discharge and performance of the duties and obligations required to be performed and/or discharged by Sublessee pursuant to the sublease of the Base Lease to Sublessee, and this Sublease, on and after the date of this Sublease. In that regard and subject to the limits of NRS 41.035, Sublessee agrees to indemnify, defend, and hold Sublessor harmless from and against any and all loss, cost, expense, or liability (including, without limitation, attorney fees, accountants' fees, and court costs) resulting from any claims or causes of action existing in favor of or asserted by any Party arising out of or relating to Sublessee's failure to perform any duties or obligations imposed on Sublessee by the sublease of the Base Lease with respect to periods beginning on and after the commencement of the Sublease Term. However, in no event does Sublessee intend or agree to indemnify Sublessor from the consequences of the acts or omissions of Sublessor, its agents, employees, or contractors.

10. Default by Sublessee. If Sublessee fails to pay any Sublease Rent, if any, within five (5) days after the same is due, or fails to perform or observe any other covenant, term, provision, or condition of this Sublease or the Base Lease, which failure continues for fifteen (15)

calendar days after written notice from Sublessor to Sublessee describing such failure, Sublessee shall be in default under this Sublease. Sublessor shall be entitled to all the rights and remedies available to Landlord under the Base Lease following an event of default by Sublessee thereunder and to any other rights and remedies available to a landlord under applicable law. Upon any default by Sublessee under this Sublease and the expiration of any and all applicable notice and cure periods, Sublessor, without being under any obligation to do so and without thereby waiving such default, may make such payment or remedy such other default for the account of Sublessee, and thereupon Sublessee agrees to and shall pay to Sublessor, immediately upon demand, all reasonable costs, expenses, and disbursements incurred by Sublessor in taking such remedial action.

11. Default by Sublessor. If Sublessor fails to perform its obligations under this Sublease and the interference resulting therefrom continues for a period of fifteen (15) or more consecutive days, then Sublessee shall have the right and option to cancel the Sublease by giving written notice to Sublessor within ten (10) days after the end of such fifteen (15) day period.

12. Quiet Enjoyment; Attornment.

- a. *Quiet Enjoyment.* Sublessee shall peacefully have, hold, and enjoy the Subleased Premises, subject to the terms and conditions of this Sublease and the Base Lease, provided that Sublessee timely and fully performs all of its covenants, duties, and obligations under this Sublease.
- b. *Attornment.* If Sublessor defaults under the Base Lease, Sublessee shall attorn to Landlord, or in the event of any proceeding to foreclose a mortgage, shall attorn to the lender or any successor in interest of the lender designated in a written notice by lender to Sublessee, effective on the date Sublessee receives notice from Landlord or a lender that Sublessor is in default under the Base Lease and instructing Sublessee to pay rent to Landlord, lender, or lender's designee.

13. Insurance. During the Sublease Term, Sublessee shall be responsible for providing, at its sole cost and expense, all insurance coverage necessary for the protection against loss or damage from fire or other casualty of Sublessee's goods, furniture, or property. Additionally during the Sublease Term, Sublessee, at its sole cost and expense, shall obtain and maintain (by self-insurance or with insurance companies approved by Sublessor) insurance in the types and amounts required by Landlord of Sublessor/Tenant in the Base Lease, insuring against liability for injury to persons or property occurring in or about the Subleased Premises or arising out of the use or occupancy thereof. The Landlord and Sublessor shall be named additional insureds under any insurance policy. The amount of such insurance shall not be less than the amounts required by the Base Lease. A certificate of such insurance shall be furnished to Landlord and Sublessor at the commencement of the Sublease Term, and such insurance shall provide that it may not be altered or canceled without thirty (30) calendar days' prior written notice to Sublessor.

14. Waiver of Subrogation Rights. Anything contained in this Sublease to the contrary notwithstanding, and to the extent not prohibited or limited by applicable law, Sublessor and Sublessee each waive for themselves and their respective insurers any and all rights of

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recovery, claims, actions, or causes of action against the other, its agents, officers, and employees, for any loss or damage that may occur to the Subleased Premises, or any improvements thereto, or any personal property, by reason of fire, the elements, or any other cause which could be insured against under the terms of a fire and extended coverage insurance policy, regardless of cause or origin, including, without limitation, negligence of either Sublessor or Sublessee or their respective agents, officers, employees, or contractors, and covenant that no insurer shall hold any right of subrogation against either Sublessor or Sublessee.

15. Governing Law. This Sublease shall be governed by and construed in accordance with the internal laws of Nevada, without regard to the conflicts of laws principles thereof. Sublessor and Sublessee agree that venue for any litigation between them related to this Sublease shall be in courts (federal or state) sitting in Clark County, Nevada.

16. Notices. Any notice or other communication to any Party required or permitted to be given under this Sublease must be in writing and shall be effectively given if hand delivered or if sent by United States Mail, postage prepaid, certified or registered, return receipt requested, to the following addresses:

If to Sublessee:

Clark County Real Property Management
Attn: Director
500 S Grand Central Pkwy, 4th Floor
Las Vegas, NV 89155

If to Sublessor:

City of Henderson
Attn: Property Management
240 Water Street, MSC#131
Henderson, NV 89015

With a copy to:

City of Henderson
Attn: City Attorney's Office
240 Water Street, MSC#144
Henderson, NV 89015

Any notice mailed shall be deemed to have been given on the second (2nd) business day following the date of deposit of such item in a depository of the United States Postal Service. Notice effected by hand delivery or facsimile shall be deemed to have been given at the time of actual delivery. Any Party shall have the right to change its address to which notices shall thereafter be sent by giving the other Party notice thereof.

17. Successors and Assigns. This Sublease shall be binding upon and shall inure to the benefit of Sublessor, Sublessee and their respective successors and assigns, subject to the limitations set forth in Section 8 above.

18. Taxes. Sublessee shall pay when due any taxes, license, and other fees or charges imposed on the trade fixtures, equipment, and other property of Sublessee on or in the Subleased Premises and the business conducted by Sublessee on or from the Subleased Premises.

19. Sublessor's Access. Sublessor shall have the right, at all reasonable times during the Sublease Term, after reasonable notice to Sublessee, not to be less than forty-eight (48) hours unless Sublessee is in default under this Sublease (in which event no notice is required), to enter the Subleased Premises to inspect the condition thereof, to determine if Sublessee is performing its obligations under this Sublease, and to cure any defaults of Sublessee hereunder that Sublessor elects to cure. No such entry by Sublessor will constitute an assumption of any of Sublessee's obligations hereunder.

20. Utilities. Utilities in existence within the Premises and provided by Landlord in accordance with the Base Lease are available for Sublessee's use and the cost of such utilities, if any, shall be passed through to Sublessee. Sublessee shall be responsible for all IT infrastructure that it may require to perform the Services. Sublessor shall not be responsible for bringing any utilities to the Subleased Premises. Sublessor shall not be responsible for any interruption in utility services.

21. Signage. Any and all of Sublessee's proposed signage, both inside and outside the Subleased Premises must (i) conform with all requirements imposed on signage by the Base Lease; and (ii) be approved in advance in writing by Sublessor. Sublessee shall be responsible for payment for any and all signage installed by Sublessee inside and outside of the Subleased Premises.

22. Parking. During the Sublease Term, Sublessee shall be entitled to use and enjoy any parking rights available to the Sublessor under the Base Lease, recognizing that Sublessor will continue to use parking for its own use in addition to Sublessee's use.

23. Conflict and Control. The Parties to this Sublease understand and agree that the Premises are controlled by the terms and conditions of the Base Lease and by this Sublease. Excluding any monetary amount for the payment of Sublease Rent, if the terms of this Sublease conflict with the terms of the Base Lease, the more restrictive of the conflicting provisions shall be controlling. Except as otherwise provided in this Sublease, Sublessee shall be bound to Sublessor in the same manner that Sublessor is bound to the Landlord by the Base Lease.

24. Time of Essence. Time is of the essence as to each and every provision of this Sublease.

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IN WITNESS WHEREOF, the Parties have executed this Sublease as of the date noted below:

DATE OF CITY COUNCIL ACTION: _____, 2021

SUBLESSOR:

CITY OF HENDERSON,

a municipal corporation and political subdivision of the State of Nevada

APPROVED AS TO FORM:

By: _____

Richard A. Derrick
City Manager/CEO

Nicholas G. Vaskov
City Attorney

ATTEST:

APPROVED AS TO FUNDING:

Lisa M. Corrado, AICP
Interim City Clerk

Jim McIntosh
Chief Financial Officer

APPROVED AS TO CONTENT:

Director of _____

SUBLESSEE:


COUNTY OF CLARK

a political subdivision of the State of Nevada

By: _____

Lisa Kremer
Director of Real Property Management

APPROVED AS TO FORM:



Mary-Anne Miller
County Counsel

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**EXHIBIT A
GROUND LEASE**

[attached]

**EXHIBIT B
BASE LEASE**

[attached]

**EXHIBIT C
THE PREMISES**

[attached]