



Coastside Fire Protection District

STAFF REPORT

TO: Honorable Board of Directors

FROM: Jonathan Cox, Deputy Fire Chief

DATE: March 22, 2023

SUBJECT: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COASTSIDE FIRE PROTECTION DISTRICT APPROVING THE TERMS OF THE UPDATED LEASE AGREEMENT WITH AMERICAN MEDICAL RESPONSE WEST FOR ZONE 5 AMBULANCE CREW HOUSING AND POSTING FACILITIES AT FIRE STATION #40 AND AUTHORIZING THE BOARD PRESIDENT TO EXECUTE THE AGREEMENT ON BEHALF OF THE COASTSIDE FIRE PROTECTION DISTRICT

Recommendation:

Staff recommends that the Board of Directors:

1. Adopt Resolution No. 2023-08, approving the terms of an updated Lease Agreement with American Medical Response West for Zone 5 Ambulance Crew Housing and Posting Facilities at Fire Station #40 and authorizing the Board President to execute the Lease Agreement on behalf of Coastside Fire Protection District. (Attachment 1)

Background and Discussion:

The District last entered into a lease agreement (the “Lease”) with American Medical Response West (“AMR”) in March of 2020, with the Lease term beginning on March 5, 2020 and ending on March 5, 2023. The Lease provided AMR with housing and posting facilities for Zone 5 ambulance crews at Fire Station #40, located at 1191 Main Street in Half Moon Bay. The Lease guaranteed one sleeping room and one outside ambulance parking space and allowed for one additional sleeping room and additional indoor parking if space became available, but the additional space was not guaranteed. AMR agreed to pay \$3,500 per month in rent during the first year. In years 2 and 3 of the Lease, the monthly rent was increased by 2.5%. The current monthly rental is \$3,675.

The Lease expired on March 5, 2023 and AMR continues to occupy Fire Station #40 and having paid rent for March 2023.

Staff now recommends approving an updated lease agreement with the same terms as the previous Lease, with the following exceptions:

- The updated lease agreement will be for a term of three (3) years
- The base rent for the first year would be \$3,769.12 and increase by 3.5% in year 2 and 3 of the Lease

Attached for the Board's review and approval is a resolution approving the new 3-year lease under the above-referenced terms.

Conclusion

Staff requests that the Board approve the attached resolution approving the amended lease agreement.

Attachments:

1. Resolution
2. Draft Lease Agreement

Respectfully submitted,

JEAN B. SAVAREE
District Legal Counsel

ATTACHMENT 1

RESOLUTION

RESOLUTION NO. 2023-08

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COASTSIDE FIRE PROTECTION DISTRICT APPROVING THE TERMS OF THE UPDATED LEASE AGREEMENT WITH AMERICAN MEDICAL RESPONSE WEST FOR ZONE 5 AMBULANCE CREW HOUSING AND POSTING FACILITIES AT FIRE STATION #40 AND AUTHORIZING THE BOARD PRESIDENT TO EXECUTE THE AGREEMENT ON BEHALF OF THE COASTSIDE FIRE PROTECTION DISTRICT

WHEREAS, in March of 2020, the Coastside Fire Protection District entered into a lease agreement with American Medical Response West (“AMR”) for a term beginning on March 5, 2020 and ending on March 5, 2023; and,

WHEREAS, the lease agreement required AMR to pay \$3,675 in monthly rent to use one sleeping room and one outdoor ambulance parking spot at Fire Station #40, with the potential to use a second sleeping room and additional parking spots if they became available; and,

WHEREAS, having reached the end of the lease term, AMR wishes to continue occupying the sleeping room and ambulance parking space under a new three year lease; and

WHEREAS, the Board of Directors wishes to continue leasing the same space to AMR under the terms and conditions shown in the lease agreement attached hereto as Exhibit A, commencing on April 1, 2023.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Coastside Fire Protection District does hereby approve the “Lease Agreement” with American Medical Response West, attached hereto as “Exhibit A.”

PASSED AND ADOPTED as a resolution of the Coastside Fire Protection District at the special meeting held on the 22nd day of March, 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Gary Burke, Board President

ATTEST:

Fire Chief Jonathan Cox, District Secretary

**COASTSIDE FIRE PROTECTION DISTRICT AND
AMERICAN MEDICAL RESPONSE WEST
LEASE AGREEMENT**

THIS LEASE AGREEMENT (the “Agreement”) is made as of the 1st day of April 2023, by and between AMERICAN MEDICAL RESPONSE WEST, hereinafter called “Lessee”, and the COASTSIDE FIRE PROTECTION DISTRICT, hereinafter called “Lessor”.

The Parties hereto agree as follows:

1. **LEASED REAL PROPERTY.**

Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, Zone 5 ambulance crew housing and posting facilities at Fire Station #40, located at 1191 Main Street, Half Moon Bay. The leased property includes one sleeping room (i.e., #8 located at Station 40) and outside ambulance parking. If a second sleeping room and inside parking are available, they may be used by Lessee, but there is no obligation created by this agreement to provide this additional sleeping room and inside parking space.

2. **TERM.**

The Term of this Lease shall be for three (3) years, commencing on April 1, 2023 (“commencement date”) and expiring on March 31, 2026 (“expiration date”).

3. **RENTAL.**

Lessee agrees to pay Lessor the total sum of three thousand seven hundred sixty-nine dollars and twelve cents (\$3,769.12) per month during the first year of this Agreement as rent, which shall include all utilities. On the first anniversary of the commencement date

and every anniversary thereafter, the amount of monthly rent shall increase 3.5%.

Lessee hereby acknowledges that the late payment by Lessee to Lessor of rent will cause Lessor to incur costs not contemplated by this Lease. Such costs include, but are not limited to, processing and accounting charges, financing costs to Lessor and loss of interest income. Accordingly, in the event that Lessee shall fail to pay to Lessor within thirty (30) days of the date when due any payment owing to Lessor pursuant to the terms of this Lease, said payment shall bear interest at the rate of ten percent (10%) per annum from the date due and payable until the same shall have been fully paid and, in addition, for each such payment other rights and remedies granted hereunder.

4. **USE OF PROPERTY.**

The Property is to be used for ambulance crew housing and posting facilities.

5. **NO WASTE, NUISANCE, OR UNLAWFUL USE.**

Lessee shall commit no act of waste and shall take good care of the Property and the fixtures and appurtenances therein, and shall in the use and occupancy of the Property, conform to all laws, orders and regulations of the Federal, State and local governments, including the Coastside Fire Protection District. All improvements made by Lessee to the Property which are so attached to the Property that they cannot be removed without material injury to the Property shall become the property of Lessor upon installation. Not later than the expiration date, Lessee shall, at Lessee's expense, remove all of the Lessee's personal property and those improvements made by Lessee which have not become the property of Lessor, including trade fixtures, cabinetwork, movable paneling, partitions and the like; repair all injury done by or in connection with the installation of the

removal of such property and improvements; and surrender the Property in as good condition as they were at the commencement date, reasonable wear and tear, damage by fire, the elements, casualty, or other cause not due to the misuse or neglect by Lessee or Lessee's agents, employees, visitors or licensees, excepted. All property of Lessee remaining on the Property after expiration date of this Lease shall be conclusively deemed abandoned and may be removed by Lessor and Lessee shall reimburse Lessor the cost of such removal.

6. **CONDITION OF PROPERTY AND REPAIRS.**

Lessee shall keep and maintain the Property in sanitary and safe condition and repair and free from fire hazards. Any improvement, addition, or alteration made to the Property shall require Lessor's prior written approval upon installation and become the Property of Lessor.

7. **TERMINATION.**

Either party may terminate this Lease: (a) at any time without cause and at its sole discretion upon thirty (30) days written notice to the other party; or (b) upon the material breach of this lease by the other party if such breach is not cured within thirty (30) days of written notice thereof to the other party.

8. **DESTRUCTION OF PROPERTY.**

In the event of partial destruction of said Property during said term, Lessor shall repair the same, provided such repairs can be made within forty-five (45) days under the laws of the State, Federal, County or Municipal authorities, but such partial destruction shall in no way annul or void this Lease, except that Lessee shall be entitled to a proportionate

deduction of rent while such repairs are being made, such proportionate deduction shall be based upon the extent to which the making of such repairs shall interfere with the business carried on by the Lessee on said Property. If such repairs cannot be made in forty-five (45) days, the Lessor may, at its option, make the same within a reasonable time, this Lease continuing in full force and effect and the rent to be proportionately rebated as provided for in this Paragraph. In the event that Lessor does not so elect to make such repairs, or the repairs cannot be made in forty-five (45) days, or such repairs cannot be made under such laws or regulations, this Lease may be terminated immediately at the option of either Party.

9. **COMPLIANCE WITH LAW.**

Lessee shall comply with all requirements of all governmental authorities, in force either now or in the future, affecting Lessee's use of the Property, and shall faithfully observe in the use of the Property all laws, rules, and regulations of these authorities, in force either now or in the future. Lessee shall comply with all applicable laws, statutes, ordinances, regulations, rules and other governmental requirements.

10. **FORCE MAJEURE.**

Lessor may require closure of all or any part of the Property at any time that, in the Lessor's sole judgment, the continued operation of the facilities could reasonably be expected to result in any loss or injury to person or property caused by strike, labor dispute, riot, civil disorder, act of God, or any other cause beyond the control of either Party hereto. Lessor may exercise its right to cause suspension of use of the Property upon written notice to Lessee and the Lessee agrees to suspend activities on the Property immediately upon notice. In the event that Lessor requires closure of Property in excess of three (3)

days caused by strike, labor dispute, riot, civil disorder, act of God, or any other cause beyond the control of either Party hereto, Lessee's rental fee will be prorated.

11. **LESSEE'S INSURANCE.**

Lessee, at its sole cost and expense, shall insure its activities in connection with this Lease and obtain, keep in force, and maintain insurance as follows:

a. Lessee shall maintain a policy or policies of comprehensive general liability insurance, including Property damage, against liability for personal injury, bodily injury, death and damage to Property occurring in or about, or resulting from an occurrence in or about the Property, with combined single limit coverage of not less than two million five hundred thousand dollars (\$2,500,000). Such comprehensive general liability insurance shall contain a "contractual liability" endorsement insuring Lessee's performance of Lessee's obligation to indemnify Lessor contained in Section 13. If Lessor's lender, insurance advisor, or legal counsel reasonably determines at any time that the amount of such coverage is not adequate, Lessee shall increase such coverage to such amount as Lessor's insurance advisor or legal counsel reasonably deems adequate, not to exceed the level of coverage then commonly carried by comparable business similarly situated.

b. Lessor, and such others it designates, shall be named as additional insured on the policies of insurance described in Section 11a above. All insurance required by this Section 11a shall: (i) be primary insurance which provides that the Lessee/insurer shall be liable for the full amount of the loss caused by the Lessee/insurer, up to and including the total amount of liability set forth in the declarations without the right of contribution from any other insurance coverage of Lessor; (ii) provide that such policies shall not be subject to

cancellation, except after at least thirty (30) days prior written notice to Lessor; and (iii) not have a "deductible" in excess of five hundred thousand dollars (\$500,000) per occurrence. Copies of such policy or policies, or duly executed certificates for them, together with satisfactory evidence of the payment of the premium thereon, shall be deposited with Lessor prior to the time Lessee enters into possession of the Property, and upon renewal of such policies, but not less than thirty (30) days prior to the expiration of the term of such coverage.

c. It should be expressly understood that the Lessee/insurer will not be obligated to use its insurance coverage or contribute any amount for any loss caused by the Lessor, its officers, directors, employees or agents. The coverage required herein shall not in any way limit the liability of Lessee or Lessor, their officers, agents, or employees.

12. **INSPECTION.**

The Property hereunder shall be subject to inspection by an authorized representative of the Lessor at reasonable times with or without notice.

13. **INDEMNIFICATION.**

a. Lessee Indemnification. Irrespective of any insurance carried by Lessee for the benefit of Lessor, and notwithstanding any other provision of this Lease to the contrary, Lessee shall defend, indemnify and hold Lessor, its officers, directors, employees, and representatives harmless from and against any and all actions, claims, demands, judgments, reasonable attorneys' fees, costs, injuries to or death of any persons or damages to property, penalties, obligations, expenses or liabilities of any kind that may be asserted or claimed by any person or entity (including, but not limited to, any employee,

agent or contractor of Lessee) in any way arising out of or in connection with this Lease, the operations carried on by Lessee on the Property, or the occupation or use of the Property by Lessee or any person or entity holding under Lessee and for negligent or willful misconduct or omissions of Lessor, its officers, directors, employees, representative and agents in connection therewith. Lessee shall have no duty to indemnify Lessor for any damage or injury caused solely by the negligent or willful misconduct or omissions of the Lessor, its officers, directors, employees, representatives and agents in connection therewith.

b. Lessor Indemnification. Lessor shall defend, indemnify and hold Lessee, its officers, directors, employees, agents, and representatives harmless from and against any and all actions, claims, demands, judgments, reasonable attorneys' fees, costs, injuries to or death of any persons or damages to property, penalties, obligations, expenses or liabilities of any kind that may be asserted or claimed by any person or entity (including, but not limited to, any employee, agent or contractor of Lessor) in any way arising out of or in connection with this Lease, the operations carried on by Lessor on the Property, or the occupation or use of the Property by Lessor or any person or entity holding under Lessor and for negligent or willful misconduct or omissions of Lessor, its officers, directors, employees, representatives and agents in connection therewith. Lessor shall have no duty to indemnify Lessee for any damage or injury caused solely by the negligent or willful misconduct or omissions of the Lessee, its officers, directors, employees, representatives and agents in connection therewith.

14. **POSSESSORY INTEREST TAXATION.**

A possessory interest subject to property taxation may be created by this Lease. It is understood and agreed that if such a possessory interest is created, Lessee shall be responsible for the payment of all property taxes levied on such interest, and that Lessor shall have no responsibility therefor. This Section is in compliance with Section 107.6 of the Revenue and Taxation Code, State of California.

15. **WAIVERS OF SUBROGATION.**

Lessor and Lessee each hereby waive any right of recovery against the other due to loss of or damage to the Property of either Lessor or Lessee when such loss of or damage to Property arises out of the acts of God.

16. **DEFAULT: LESSOR'S REMEDY.**

A. Default. The occurrence of any of the following shall constitute a material breach of this Lease by Lessee:

(1) Any failure by Lessee to pay rent or any other monetary sum required to be paid hereunder (where such failure continues for three (3) days after written notice thereof from Lessor to Lessee);

(2) The abandonment or vacation of the Leased Property by Lessee;

(3) The failure by Lessee to observe and perform any other provision of this Lease to be observed or performed by Lessee, where such failure continues for thirty (30) days after written notice thereof by Lessor to Lessee. Provided, however, that if the nature of such default is such that it cannot reasonably be cured within such thirty (30) day period, Lessee shall not be deemed to be in default if Lessee shall within such period

commence such cure and thereafter diligently prosecute the same to completion.

B. Remedies. In the event of any such material default or breach by Lessee, Lessor may at any time thereafter without limiting Lessor in the exercise of any right or remedy at law or in equity which Lessor may have by reason of such default or breach:

(1) Maintain this Lease in full force and effect and recover the rent and other monetary charges as they become due without terminating Lessee's right to possession, irrespective of whether Lessee shall have abandoned the Leased Property. In the event Lessor elects not to terminate the Lease, Lessor shall have the duty to mitigate its damages. Lessor shall attempt to re-let the Leased Property at such rent and upon such conditions and for such a term, and to do all necessary to maintain or preserve the Leased Property as Lessor deems reasonable and necessary without being deemed to have elected to terminate this Lease, including removal of all persons and property in the Leased Property, such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Lessee. In the event any such re-letting occurs, this Lease shall terminate automatically upon the new Lessee taking possession of the Leased Property. Notwithstanding that Lessor fails to elect to terminate this Lease initially, Lessor at any time during the term of this Lease may elect to terminate this Lease by virtue of such previous default of Lessee.

(2) Terminate Lessee's right to possession by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession of the Leased Property to Lessor. In such event, Lessor shall be entitled to recover from Lessee all damages incurred by Lessor by reason of Lessee's default, including without limitation

thereto, the following:

(a) Any unpaid rent reasonably due under this Agreement before and after the lawful termination of Lessee's possession;

(b) any other amount necessary to compensate Lessor for all the detriment proximately caused therefrom; and

(c) at Lessor's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable State law. Upon such re-entry, Lessor shall have the right to make any reasonable repairs, alterations, or modification to the Leased Property, which Lessor, in its sole discretion, deems reasonable and necessary. As used in Subparagraph (a), above, the "worth at the time of award" is computed by allowing interest at the maximum annual rate permitted by law from the date of default. As used in Subparagraphs (b) and (c), above, the "worth at the time of award" is computed by discounting such amount at the discount rate of the U.S. Federal Reserve Bank at the time of award plus one percent (1%). The term "rent" as used in this Section shall be deemed to be and to mean the rent to be paid pursuant to Section 3 and all other monetary sums required to be paid by Lessee pursuant to the terms of this Agreement.

17. **ATTORNEYS' FEES ON DEFAULT.**

In any action or proceeding by either party to enforce this Lease or any provision thereof, the prevailing party shall be entitled to all costs incurred and to reasonable attorneys' fees.

18. **ASSIGNMENT AND SUBLETTING PROHIBITED.**

Lessee shall not assign this Lease, or any rights under it, and shall not sublet the

entire or any part of the Property, or any right or privilege appurtenant to the Property, or permit any other person (the agents and servants of Lessee excepted) to occupy or use the entire or any portion of the Property without the written consent of the Lessor, which shall not be unreasonably withheld.

19. **WAIVER.**

The waiver by Lessor of a breach of any term, covenant, or condition contained in this Lease shall not be treated as a waiver of such term, covenant, or condition, or as a waiver of a future breach of the same or any other term, covenant, or condition contained in this Lease. The acceptance of rent by Lessor shall not be treated as a waiver of a previous breach by Lessee of any term, covenant, or condition of this Lease, other than the failure of Lessee to pay the particular rental so accepted, regardless of Lessor's knowledge of a previous breach at the time of acceptance of rent.

20. **NOTICES.**

Any notice to be given to either party by the other shall be in writing and shall be served either personally or by registered or certified mail addressed as follows:

LESSOR: Coastside Fire Protection District
1191 Main Street
Half Moon Bay, CA 94019
Attn: Fire Chief

LESSEE: American Medical Response West
1510 Rollins Road
Burlingame, CA 94010
Attn: Brad White, General Manager

21. **SURRENDER AND RESTITUTION.**

Upon termination of this Lease in any manner, either wholly or in part, whether at the

expiration of the full Term or at any earlier time, Lessee shall surrender and deliver to Lessor the quiet and peaceable possession of said Property, including improvements made thereon, or that portion thereof as to which this Lease shall be terminated, including improvements made thereon, in substantially the same condition as when received, or in the case of improvements made thereon, reasonable wear and tear excepted.

22. **LEGAL EFFECT.**

a. All covenants of Lessee contained in this Lease are expressly made conditions.

b. The provisions of this Lease shall apply to and bind the heirs, successors, executors, administrators, and assigns of all parties to this Lease; and all parties executing this Lease as Lessee shall be jointly and severally liable under it.

c. The titles or headings to the paragraphs of this Lease are not a part of this Lease and shall have no effect on the construction or interpretation of any part of this Lease.

24. **COMPLIANCE.**

The parties will comply in all material respects with all applicable federal and state laws and regulations including, the federal Anti-kickback statute.

25. **COMPLIANCE PROGRAM AND CODE OF CONDUCT.**

Lessee has made available to each party a copy of its Code of Conduct, Anti-kickback policies and other compliance policies, as may be changed from time-to-time, at Lessee's web site, located at: www.amr.net, and each party acknowledges receipt of such documents. Lessor warrants that it shall comply with Lessee's compliance policies,

including training related to the Anti-kickback Statute.

26. **NON-EXCLUSION.**

Each party represents and certifies that neither it nor any practitioner who orders or provide Services on its behalf hereunder has been convicted of any conduct that constitutes grounds for mandatory exclusion as identified in 42 U.S.C. § 1320a-7(a). Each party further represents and certifies that it is not ineligible to participate in Federal health care programs or in any other state or federal government payment program. Each party agrees that if DHHS/OIG excludes it, or any of its practitioners or employees who order or provide Services, from participation in Federal health care programs, the party must notify the other party within five (5) days of knowledge of such fact, and the other party may immediately terminate this Agreement, unless the excluded party is a practitioner or employee who immediately discontinues ordering or providing Services hereunder.

27. **REFERRALS.**

It is not the intent of either party that any remuneration, benefit or privilege provided for under the Agreement shall influence or in any way be based on the referral or recommended referral by either party of patients to the other party or its affiliated providers, if any, or the purchasing, leasing or ordering of any services other than the specific services described in this Agreement. Any payments specified herein are consistent with what the parties reasonably believe to be a fair market value for the services provided.

28. **SEVERABILITY.**

If any portion of this Agreement is found to be illegal, invalid, or unenforceable, the remaining portions of this Agreement shall continue in full force and effect.

LESSOR:

By: _____
Board President
Coastside Fire Protection District

Date:

LESSEE:

By: _____
American Medical Response West

Date: