

**SAN BERNARDINO COUNTY**  
**SUBLEASE AGREEMENT**

**SUBTENANT:** Arrowhead Regional Medical Center Foundation

**COUNTY:** San Bernardino County, Arrowhead Regional Medical Center

**PREMISES:** 1930 West Valley Boulevard, Colton CA 92324

**TERM OF SUBLEASE:** June 11, 2024 through September 30, 2033

**OPTIONS:** Two 5-year options dependent upon Arrowhead Regional Medical Center exercising the two five-year options to extend Lease Agreement No. 22-566

**COMMENCEMENT DATE OF SUBLEASE:** June 11, 2024

**REVENUE PER YEAR:** None, in lieu of rent the Arrowhead Regional Medical Center Foundation will continue to facilitate contributions and steward donations that positively impact Arrowhead Regional Medical Center staff and patients.

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## SUBLEASE AGREEMENT

1. **PARTIES:** This sublease is made between San Bernardino County ("COUNTY") as lessor, and Arrowhead Regional Medical Center Foundation ("LESSEE") as LESSEE, who agree as follows
2. **PREMISES LEASED:** COUNTY leases to LESSEE and LESSEE leases from COUNTY approximately 417 square feet of storage space at 1930 West Valley Boulevard, Colton CA 92324 ("Premises"), as more particularly described in Exhibit "A", Premises. This Sublease shall be subject to County Lease Agreement No. 22-566 with Moss Colton Properties, LLC ("Landlord") dated June 28, 2022 (Master Lease).
3. **TERM:** Subject to Landlord's prior written consent, this Sublease shall commence on June 11, 2024 and continue thereafter until September 30, 2033 ("Term"). In the event the Term commences prior to the date specified for the commencement of the Term as a result of COUNTY making the Premises available and LESSEE's written acceptance of early possession of the Premises, the ending date of the Term shall remain the same.
4. **RENT:** In lieu of rent LESSEE will continue to facilitate contributions and steward donations that positively impact Arrowhead Regional Medical Center staff and patients.
5. **RETURN OF PREMISES:** The LESSEE agrees that it will, upon any termination of this Sublease, return the Premises in as good condition and repair as the Premises now are or shall hereafter be put; reasonable wear and tear excepted.
6. **TAXES:** LESSEE shall pay before delinquency any and all property taxes, assessments, fees, or charges, including possessory interest taxes, which may be levied or assessed upon any personal property, improvements or fixtures installed or belonging to LESSEE and located within the Premises. LESSEE shall also pay all license or permit fees necessary or required by law for the conduct of its operation. LESSEE recognizes and understands that this Sublease may create a possessory interest subject to property taxation and that the LESSEE may be subject to the payment of property taxes levied on such interest.
7. **USE:** LESSEE shall occupy and use the Premises during the term hereof to use as storage space. LESSEE shall not use the Premises for any other purpose.
8. **HEALTH, SAFETY AND FIRE CODE REQUIREMENTS:** As a condition precedent to the existence of this Sublease, COUNTY at its sole expense will ensure the Premises meet the applicable requirements of the Health, Safety, Fire and Building Codes, including any requirements for a notice of completion, certificate of occupancy and the Americans with Disabilities Act ("ADA"). Should the continued occupancy of the leased Premises be in any way prejudiced or prevented due to changes in the ADA or the Health, Safety or Fire Codes, the COUNTY herein shall correct, update and comply with said changes at COUNTY's cost.
9. **SIGNS:** LESSEE will display from the windows and/or marquee of the Premises only such sign or signs as are not prohibited by law, and which are approved by COUNTY.
10. **MAINTENANCE:**
  - A. COUNTY at its cost shall maintain in good condition all portions of the Premises, including but not limited to the following:
    - (1) The structural parts of the building and other improvements that are a part of the Premises, which structural parts include the foundations, bearing and exterior walls (including glass and doors), subflooring, and roof;
    - (2) The electrical, plumbing, and sewage systems, including, without limitation, those portions of the systems lying outside the Premises;
    - (3) Window frames, gutters, and downspouts on the building and other improvements that are a part of the Premises;

(4) Air conditioner, heating and ventilating systems servicing the Premises (additionally, air conditioning and heating filters are to be changed quarterly);

(5) The grounds, including all parking areas and outside lighting, grass, trees, shrubbery and other flora, and;

(6) Interior maintenance and janitorial services.

11. **ALTERATIONS:** LESSEE shall not make any structural or exterior improvements or alterations to the Premises without COUNTY's consent. Any such alterations made shall remain on and be surrendered with the Premises on expiration or termination of this Sublease.

12. **FIXTURES:**

A. Any alterations, or improvements that are not structural or exterior or any installation of fixtures to be undertaken by LESSEE shall have the prior written consent of COUNTY after LESSEE has submitted proposed plans for such alteration, improvements or fixtures, including trade fixtures, to COUNTY in writing.

B. All such alterations and improvements to be made, and fixtures installed, or caused to be made and installed by LESSEE, shall become the property of COUNTY with the exception of trade fixtures as such term is used in section 1019 of the Civil Code. Trade fixtures shall remain the property of the LESSEE and may be removed by the LESSEE during the term(s) of this Sublease, provided that the LESSEE restores the Premises to the condition as it existed at the commencement of this Sublease, reasonable wear and tear excluded.

13. **UTILITIES:** COUNTY shall furnish to the Premises and pay all service charges and related taxes for electric, gas, water, trash, sewer, fire alarm service, telephone service and all other utilities.

14. **INDEMNIFICATION:** The LESSEE agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless the COUNTY and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, costs, expenses and/or liability arising out of the exercise of LESSEE's rights under this Sublease or other performance of LESSEE's obligations under this Sublease from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by the COUNTY on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnities. The LESSEE's indemnification obligation applies to the COUNTY's "active" as well as "passive" negligence but, notwithstanding the foregoing sentence, does not apply to the COUNTY's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782 or where prohibited by law.

15. **INSURANCE REQUIREMENTS AND SPECIFICATIONS:**

A. COUNTY is self-insured for purposes of general liability and workers' compensation.

B. LESSEE agrees to provide insurance set forth in accordance with the requirements herein. If LESSEE uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, the LESSEE agrees to amend, supplement or endorse the existing coverage to do so. The type(s) of insurance required is determined by the scope of the sublease hereunder.

Without in anyway affecting the indemnity herein provided and in addition thereto, the LESSEE shall secure and maintain throughout the contract term the following types of insurance with limits as shown:

(1) **Workers' Compensation/Employers Liability** – A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons including volunteers providing services on behalf of the LESSEE and all risks to such persons under this sublease agreement.

If LESSEE has no employees, it may certify or warrant to the COUNTY that it does not currently have any employees or individuals who are defined as “employees” under the Labor Code and the requirement for Workers’ Compensation coverage will be waived by the COUNTY’s Director of Risk Management.

If, TEANT is a non-profit corporation, organized under California or Federal law, volunteers for LESSEE are required to be covered by Workers’ Compensation insurance.

(2) Commercial/General Liability Insurance – The LESSEE shall carry General Liability Insurance covering all operations performed by or on behalf of the LESSEE providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000), per occurrence. The policy coverage shall include:

- (a) Premises operations and mobile equipment.
- (b) Products and completed operations.
- (c) Broad form property damage (including completed operations).
- (d) Personal injury
- (e) Contractual liability.
- (f) \$2,000,000 general aggregate limit.

(3) Commercial Property Insurance providing all risk coverage for the leased premises, building, fixtures, equipment and all property constituting a part of the premises. Coverage shall be sufficient to insure One Hundred percent (100%) of the replacement cost.

(4) Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

(5) Umbrella Liability Insurance - An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a “dropdown” provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

C. Additional Insured – All policies, except for the Workers’ Compensation, shall contain endorsements naming the COUNTY and their officers, employees, agents and volunteers as additional insureds with respect to liabilities arising out of the use under this sublease hereunder. The additional insured endorsements shall not limit the scope of coverage for the COUNTY to vicarious liability but shall allow coverage for the COUNTY to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

D. Waiver of Subrogation Rights – The LESSEE shall require the carriers of required coverages to waive all rights of subrogation against the COUNTY, their officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the LESSEE and LESSEE’s employees or agents from waiving the right of subrogation prior to a loss or claim. The LESSEE hereby waives all rights of subrogation against the COUNTY.

E. Policies Primary and Non-Contributory – All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the COUNTY.

F. Severability of Interests – The LESSEE agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between the LESSEE and the COUNTY or between the COUNTY and any other insured or additional insured under the policy.

G. Proof of Coverage – The LESSEE shall furnish Certificates of Insurance to the San Bernardino Real Estate Services Department (RES D) administering the Sublease evidencing the insurance coverage, including endorsements, as required, prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to RES D, and LESSEE shall maintain such insurance from the time LESSEE commences use under the Sublease hereunder until the end of the period of the Sublease. Within fifteen (15) days of the commencement of this contract, the LESSEE shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

H. Acceptability of Insurance Carrier – Unless otherwise approved by the COUNTY Department of Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum “Best” Insurance Guide rating of “A- VII”.

I. Insurance Review – Insurance requirements are subject to periodic review by the COUNTY. The COUNTY’s Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever the COUNTY’s Department of Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of the COUNTY. In addition, the COUNTY’s Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the COUNTY, inflation, or any other item reasonably related to the COUNTY’s risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Sublease. LESSEE agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of RES D or COUNTY to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of RES D or the COUNTY.

J. Failure to Procure Insurance. All insurance required must be maintained in force at all times by LESSEE. Failure to maintain said insurance, due to expiration, cancellation, etc., shall be cause for the COUNTY to give notice to immediately suspend all LESSEE’s business activities on the Premises. Failure to reinstate said insurance within the (10) days of notice to do so shall be cause for termination and for forfeiture of this agreement, and/or COUNTY, at its discretion, may procure or renew such insurance and pay any and all premiums in connection therewith, and all monies so paid by COUNTY shall be repaid by LESSEE to COUNTY upon demand but only for the pro rata period of non-compliance.

K. COUNTY shall have no liability for any premiums charged for such coverage(s). The inclusion of COUNTY as additional named insured is not intended to and shall not make a partner or joint venturer with LESSEE in LESSEE's operations.

L. LESSEE agrees to require all parties or subcontractors, or others it hires or contracts with related to the use of this Sublease to provide insurance covering such use with the basic requirements and naming the COUNTY as additional insured. LICENSEE agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided as required herein.

16. **DESTRUCTION OF PREMISES:**

A. If during the Term of this Sublease, any casualty renders twenty-five percent (25%) or less of the floor space of the leased Premises unusable for the purpose intended, COUNTY shall commence restoration of the Premises within sixty (60) days of notice of the casualty and shall thereafter complete restoration of the Premises within a reasonable time. If COUNTY does not commence the restoration obligations of this subparagraph within the time limitation set forth, LESSEE may thereafter terminate this Sublease by written notice to COUNTY at any time prior to COUNTY commencing restoration.

B. If during the Term of this Sublease, any casualty renders more than twenty-five percent (25%) but less than fifty percent (50%) of the floor space of the leased Premises unusable for the purpose intended, COUNTY, in its sole discretion, may either commence restoration of the Premises within ninety (90) days of notice of the casualty and shall thereafter complete restoration of the Premises within a reasonable time, or COUNTY may terminate this Sublease by written notice to LESSEE. If COUNTY does not commence the restoration obligations of this subparagraph within the time limitation set forth, LESSEE may thereafter terminate this Sublease by written notice to COUNTY at any time prior to COUNTY commencing restoration.

C. If during the Term of the Sublease, any casualty renders fifty percent (50%) or more of the floor space of the leased Premises unusable for the purpose intended, this Sublease shall be terminated as of the date of the casualty. If the Sublease is terminated pursuant to this subparagraph, LESSEE shall have a reasonable time to vacate the Premises and shall not be required to pay rent during the reasonable time required to vacate the Premises.

D. In the event there is a destruction of a portion of the leased Premises as set out in paragraphs "a" or "b" above, there shall be an abatement or reduction of the rent between the date of destruction and the date of completion of restoration or the date of termination of this Sublease, whichever comes first. The abatement or reduction of the rent shall be in the percentage as the percentage of unusable floor space. Unusable floor space for the purpose of calculating the percentage of rent abatement or reduction shall include not only that floor space which is rendered unusable for the purpose intended by the casualty itself, but any additional floor space which is not usable for the purpose intended because of restoration or similar activities.

E. In the event there is a destruction of a portion of the leased Premises as set out in paragraphs "a" or "b" above, and the Sublease is not terminated because of such destruction, LESSEE agrees to pay to COUNTY any and all insurance proceeds received for said destruction for COUNTY use in the restoration of the Premises.

F. In the event COUNTY is required to restore the Premises as provided in this paragraph, COUNTY shall restore, at its expense, any structural or exterior improvements or alterations to the Premises made by LESSEE pursuant to Paragraph 11, **ALTERATIONS**, of this Sublease, but shall not have to restore any shelving, fixtures, or interior nonstructural improvements or alteration made by the LESSEE pursuant to Paragraph 12, **FIXTURES**, of this Sublease.

G. It is the purpose and intent of this paragraph to determine who shall bear the initial responsibility for restoration of the Premises in the event of any such destruction and not to determine the party responsible for the ultimate costs of such restoration.

17. **COUNTY'S ACCESS TO PREMISES:** COUNTY and its authorized representatives shall have the right to enter the Premises at all reasonable times for any of the following purposes:

- A. To determine whether the Premises are in good condition;
- B. To do any necessary maintenance and to make any restoration to the Premises that COUNTY has the right or obligation to perform.
- C. To serve, post, or keep posted any notices required by law;
- D. To post "for sale" signs at any time during the Term, to post "for rent" or "for lease" signs during the last three (3) months of the Term, and;
- E. To show the Premises to prospective brokers, agents, buyers, LESSEEs, lenders or persons interested in an exchange, at any time during the Term.

COUNTY shall conduct its activities on the Premises as allowed in this paragraph in a manner that will cause the least possible inconvenience, annoyance, or disturbance to LESSEE.

18. **NOTICES:** Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person, including notices under the California unlawful detainer statutes, shall be in writing and either served personally or sent by prepaid, first-class mail. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party shall be addressed to the other party at the address set forth below. Either party may change its address by notifying the other party of the change of address. Notice shall be deemed communicated two (2) COUNTY working days from the time of mailing if mailed as provided in this paragraph.

LESSEE's address: ARMC Foundation  
400 North Pepper Ave., 3<sup>rd</sup> Floor  
Colton, CA 92324

COUNTY's address: San Bernardino County  
Real Estate Services Department  
385 North Arrowhead Avenue, Third Floor  
San Bernardino, CA 92415

19. **INCORPORATION OF PRIOR AGREEMENT:** This Sublease contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Sublease, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose.

20. **WAIVERS:** No waiver by either party of any provisions of this Sublease shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by either party of the same or any other provisions.

21. **AMENDMENTS:** No provision of this Sublease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successor in interest, expressing by its terms an intention to modify this Sublease.

22. **SUCCESSORS:** This Sublease shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors, and assigns of the parties hereto.

23. **SEVERABILITY:** If any word, phrase, clause, sentence, paragraph, section, article, part or portion of this Sublease is or shall be invalid for any reason, the same shall be deemed severable from the remainder hereof and shall in no way affect or impair the validity of this Sublease or any other portion thereof.

24. **TIME OF ESSENCE:** Time is of the essence of each provision of this Sublease which specifies a time within which performance is to occur. In the absence of any specific time for performance, performance may be made within a reasonable time.

25. **QUIET ENJOYMENT:** Subject to the provisions of this Sublease and conditioned upon performance of all the provisions to be performed by LESSEE hereunder, COUNTY shall secure to LESSEE during the Sublease Term the quiet and peaceful possession of the Premises and all right and privilege appertaining thereto.

26. **PROVISIONS ARE COVENANTS AND CONDITIONS:** All provisions, whether covenants or conditions, on the part of either party shall be deemed to be both covenants and conditions.

27. **CONSENT:** Whenever consent or approval of either party is required that party shall not unreasonably withhold or delay such consent or approval.

28. **EXHIBITS:** All exhibits referred to are attached to this Sublease and incorporated by reference.

29. **LAW:** This Sublease shall be construed and interpreted in accordance with the laws of the State of California.

30. **OPTION TO EXTEND:** COUNTY gives LESSEE the option to extend the term of the Sublease on the same provisions and conditions, for two (2) five-year periods ("extended terms") following expiration of the initial term,

provided that the COUNTY exercises their option to extend County Lease Agreement No. 22-566 and at the time of exercise of the applicable option, LESSEE is not in default with respect to any of the terms, covenants or conditions to be observed or performed by LESSEE hereunder, by LESSEE giving written notice of exercise of the option to COUNTY at least six (6) months, but not more than twelve (12) months, prior to the expiration of the preceding term.

31. **ATTORNEYS' FEES AND COSTS:** If any legal action is instituted to enforce or declare any party's rights hereunder, including the prevailing party, must bear its own costs and attorneys' fees. This paragraph shall not apply to those costs and attorneys' fees directly arising from any third-party legal action against a party hereto and payable under **Paragraph 14, HOLD HARMLESS.**

32. **VENUE:** The parties acknowledge and agree that this Sublease was entered into and intended to be performed in the Superior Court of the State of California, County of San Bernardino, San Bernardino District. The parties agree that the venue for any action or claim brought by any party to this Sublease will be San Bernardino County. Each party hereby waives any law, statute (including but not limited to Code of Civil Procedure section 394), or rule of court which would allow them to request or demand a change of venue. If any action or claim concerning this Sublease is brought by any third party, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of the State of California, County of San Bernardino, San Bernardino District.

33. **CAPTIONS, TABLE OF CONTENTS AND COVER PAGE:** The paragraph captions, table of contents and the cover page of this Sublease shall have no effect on its interpretations.

34. **SURVIVAL:** The obligations of the parties which, by their nature, continue beyond the Term of this Sublease, will survive the termination of this Sublease.

35. **BROKER'S COMMISSIONS:** LESSEE is solely responsible for the payment of any commissions to any broker who has negotiated or otherwise provided services in connection with this Sublease.

36. **ESTOPPEL CERTIFICATES:** Each party within thirty (30) days after notice from the other party, shall execute and deliver to other party, in recordable form, a certificate stating that this Sublease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of minimum monthly rent, the dates to which the rent has been paid in advance, the amount of any security deposit or prepaid rent, and that there are no uncured defaults or specifying in reasonable detail the nature of any uncured default claimed. Failure to deliver the certificate within thirty (30) days shall be conclusive upon the party requesting the certificate and any successor to the party requesting the certificate, that this Sublease is in full force and effect and has not been modified except as may be represented by the party requesting the certificate, and that there are no uncured defaults on the part of the party requesting the certificate. The estoppel certificate shall be in the form provided by San Bernardino County.

37. **RESERVED.**

38. **ASSIGNMENT AND SUBLETTING:**

A. LESSEE shall not voluntarily assign or encumber its interest in this Sublease or in the Premises or any options contained in this Sublease or any other sublease, all or any part of the Premises, or allow any other person or entity (except LESSEE's authorized representatives) to occupy or use all or any part of the Premises, without first obtaining COUNTY's consent. Any assignment, encumbrance, or sublease without COUNTY's consent shall be voidable and, at COUNTY's election, shall constitute a default. No consent to any assignment, encumbrance, or sublease shall constitute a further waiver of the provisions of this paragraph.

(1) If LESSEE is a partnership, a withdrawal or change, voluntary, involuntary, or by operation of law, of any partner, or the dissolution of the partnership, shall be deemed a voluntary assignment.

(2) If LESSEE consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to any other shall be deemed a voluntary assignment.

(3) If LESSEE is a corporation, any dissolution, merger, consolidation, or other reorganization of LESSEE, or the sale or other transfer of a controlling percentage of the capital stock of LESSEE, or the sale of more than fifty percent (50%) of the value of the assets of LESSEE, shall be deemed a voluntary assignment. The phrase "controlling percentage" means the ownership of, and the right to vote, stock possessing more than fifty percent (50%) of the total combined voting power of all classes of LESSEE's capital stock issued, outstanding, and entitled to vote for the election of directors. This paragraph shall not apply to corporations the stock of which is traded through an exchange or over the counter.

B. LESSEE immediately and irrevocably assigns to COUNTY, as security for LESSEE's obligations under this Sublease, all rent from any subletting of all or a part of the Premises as permitted by this Sublease, and COUNTY, as assignee and as attorney-in-fact for LESSEE, or a receiver for LESSEE appointed on COUNTY's application, may collect such rent and apply it toward LESSEE's obligations under this Sublease; except that, until the occurrence of an act of default by LESSEE, LESSEE shall have the right to collect such rent.

C. Fifty percent (50%) of all rent received by LESSEE from its subLESSEES in excess of the rent payable by LESSEE to COUNTY under this Sublease shall be paid to COUNTY, or fifty percent (50%) of any sums to be paid by an assignee to LESSEE in consideration of the assignment of this Sublease or any option herein shall be paid to COUNTY.

D. If LESSEE requests COUNTY to consent to a proposed assignment or subletting, LESSEE shall pay to COUNTY, whether or not consent is ultimately given, COUNTY's reasonable costs incurred in connection with such request, including, but not limited to, reasonable attorney's fees.

E. No interest of LESSEE in this Sublease shall be assignable by operation of law (including, without limitation, the transfer of this Sublease by testacy or intestacy). Each of the following acts shall be considered an involuntary assignment:

(1) If LESSEE is or becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or institutes a proceeding under the Bankruptcy Act in which LESSEE is the bankrupt; or, if LESSEE is a partnership or consists of more than one person or entity, if any partner of the partnership or other person or entity is or becomes bankrupt or insolvent, or makes an assignment for the benefit of creditors;

(2) If a writ of attachment or execution is levied on this Sublease;

(3) If, in any proceeding or action to which LESSEE is a party, a receiver is appointed with authority to take possession of the Premises.

F. An involuntary assignment shall constitute a default by LESSEE and COUNTY shall have the right to elect to terminate this Sublease, in which case this Sublease shall not be treated as an asset of LESSEE, unless the involuntary assignment is cured as follows:

(1) If a writ of attachment or execution is levied on this Sublease, LESSEE shall have ten (10) days in which to cause the attachment or execution to be removed.

(2) If any involuntary proceeding in bankruptcy is brought against LESSEE, or if a receiver is appointed, LESSEE shall have sixty (60) days in which to have the involuntary proceeding dismissed or the received removed.

(3) Except as provided in (1) and (2) above, LESSEE shall have no right to cure any involuntary assignment.

39. **TERMINATION:** Either Party may terminate this Sublease by giving the other Party six (6) months prior written notice of the termination.

40. **FORMER COUNTY OFFICIALS:** LESSEE agrees to provide or has already provided information on former COUNTY administrative officials (as defined below) who are employed by or represent LESSEE. The information provided includes a list of former COUNTY administrative officials who terminated COUNTY employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information also includes the employment with or representation of LESSEE. For purposes of this provision, "COUNTY administrative official" is defined as a member of the Board of Supervisors or such officer's staff, COUNTY Administrative Officer or member of such officer's staff, COUNTY department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit. (See Exhibit "B", List of Former County Officials.)

41. **MISREPRESENTATIONS:** If during the course of the administration of this Sublease, the COUNTY determines that the LESSEE has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the COUNTY, this Sublease may be immediately terminated. If this Sublease is terminated according to this provision, the COUNTY is entitled to pursue any available legal remedies.

42. **DISCLOSURE:** All information received by the COUNTY from any source concerning this Sublease, including the Sublease itself, may be treated by the COUNTY as public information subject to disclosure under the provisions of the California Public Records Act, Government Code section 6250 *et seq.* (the "Public Records Act"). LESSEE understands that although all materials received by the COUNTY in connection with this contract are intended for the exclusive use of the COUNTY, they are potentially subject to disclosure under the provisions of the Public Records Act. In the event a request for disclosure of any part or all of any information which a LESSEE has reasonably requested COUNTY to hold in confidence is made to the COUNTY, the COUNTY shall notify the LESSEE of the request and shall thereafter disclose the requested information unless the LESSEE, within five (5) days of receiving notice of the disclosure request, requests nondisclosure, provides COUNTY a legally sound basis for the nondisclosure, and agrees to indemnify, defend, and hold the COUNTY harmless in any/all actions brought to require disclosure. LESSEE waives any and all claims for damages, lost profits, or other injuries of any and all kinds in the event COUNTY fails to notify LESSEE of any such disclosure request and/or releases any information concerning the contract received from the LESSEE or any other source.

43. **DEFAULT AND RIGHT TO TERMINATE:**

A. Definitions. A "Default" by LESSEE shall refer to any failure by LESSEE to observe, comply with or perform any of the terms, covenants, conditions or rules applicable to LESSEE under this Sublease. The term "Breach" shall refer to the occurrence of any one or more of the following Defaults, and, where a grace period for cure after notice is specified herein, the failure of LESSEE to cure such Default prior to the expiration of the applicable grace period:

(1) LESSEE's unexcused failure to conduct LESSEE's business at the Premises in accordance with the terms of this Sublease including but not limited to the failure to comply with the limitations of use of the Premises.

(2) Vacating the Premises without the evident intention to reoccupy same, an abandonment of the Premises, or notice of intent to abandon Premises expressed in written notice.

(3) LESSEE's failure to make any payment of monthly rent, or any other monetary payment required to be made by LESSEE hereunder as and when due, the failure of LESSEE to provide COUNTY with reasonable evidence of insurance or surety bond required under this Sublease, or LESSEE's failure to fulfill any obligation under this Sublease which endangers or threatens life or property, where such failure continues for a period of three (3) days, or such reasonable time as agreed by COUNTY, following written notice thereof by or on behalf of COUNTY to LESSEE.

(4) The failure by LESSEE to provide COUNTY with reasonable written evidence (in duly executed original form, if applicable) of any documentation or information which COUNTY may reasonably

require of LESSEE under the terms of this Sublease, where any such failure continues for a period of ten (10) days following written notice by or on behalf of COUNTY to LESSEE.

(5) A Default by LESSEE as to any of the other terms, covenants, conditions or provisions of this Sublease that are to be observed, complied with or performed by LESSEE where such Default continues for a period of thirty (30) days after written notice thereof by or on behalf of COUNTY to LESSEE; provided, however, that if the nature of LESSEE's Default is such that more than thirty (30) days are reasonably required for its cure, then it shall not be deemed to be a Breach of this Sublease by LESSEE if LESSEE commences such cure within said thirty (30) day period and thereafter continuously and diligently prosecutes such cure to completion.

(6) A Default by LESSEE as to the terms of any Approved Encumbrance, where such Default continues for a period of thirty (30) days after written notice thereof by or on behalf of COUNTY;

(7) The occurrence of any of the following events: (a) the making by LESSEE of an assignment for the benefit of creditors; (b) LESSEE's becoming a "debtor" as defined in 11 U.S. Code Section 101 or any successor statute thereto (unless, in the case of a petition filed against LESSEE, the same is dismissed within sixty (60) days); (c) the appointment of a trustee or receiver to take possession of substantially all of LESSEE's assets located at the Premises or of LESSEE's interest in this Sublease, where possession is not restored to LESSEE within thirty (30) days; or (d) the attachment, execution or other judicial seizure of substantially all of LESSEE'S assets located at the Premises or of LESSEE's interest in this Sublease, where such seizure is not discharged within thirty (30) days.

(8) The discovery by COUNTY that any financial statement of LESSEE or of any guarantor, given to COUNTY by LESSEE or any guarantor, was materially false.

(9) If the performance of LESSEE's obligations under this Sublease is guaranteed: (a) the death of a Guarantor, (b) the termination of a Guarantor's liability with respect to this Sublease other than in accordance with the terms of such guaranty, (c) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, or (d) a Guarantor's refusal to honor the guaranty, and LESSEE'S failure, within sixty (60) days following written notice by or on behalf of COUNTY to LESSEE of any such event, to provide COUNTY with written alternative assurances of security, which, when coupled with the then existing resources of LESSEE, equals or exceeds the combined financial resources of LESSEE and the Guarantors that existed at the time of execution of this Sublease.

## **B. Remedies.**

(1) Other than when a different time or remedy is specifically provided, such as for the payment of rent, if LESSEE fails to perform any affirmative duty or obligation of LESSEE under this Sublease within ten (10) days after written notice to LESSEE (or in case of an emergency, without notice), COUNTY may at its option (but without obligation to do so), perform such duty or obligation on LESSEE's behalf, including, but not limited to, the obtaining of reasonably required, insurance policies, or governmental licenses, permits or approvals. The costs and expenses of any such performance by COUNTY shall be due and payable by LESSEE to COUNTY within ten (10) days of COUNTY's demand.

(2) In the event of a Breach of this Sublease by LESSEE (as defined above), with or without further notice or demand, and without limiting COUNTY in the exercise of any right or remedy which COUNTY may have by reason of such Breach, COUNTY may:

(a) Terminate LESSEE's right to possession of the Premises by any lawful means, in which case this Sublease and the term hereof shall terminate and LESSEE shall immediately surrender possession of the Premises to COUNTY. In such event COUNTY shall be entitled to recover from LESSEE: (i) the worth at the time of the award of the unpaid rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the LESSEE proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss that the LESSEE proves

could be reasonably avoided; and (iv) any other amount necessary to compensate COUNTY for all the detriment proximately caused by the LESSEE's failure to perform its obligations under this Sublease or which in the ordinary course of things would be likely to result therefrom, including, but not limited to, the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, and that portion of any leasing commission paid by COUNTY in connection with this Sublease and applicable to the unexpired term of this Sublease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco or the Federal Reserve Bank District in which the Premises are located at the time of award plus one percent (1%). COUNTY's attempt to mitigate damages caused by LESSEE's Default or Breach of this Sublease shall not waive COUNTY's right to recover damages under this Paragraph. If termination of this Sublease is obtained through the provisional remedy of unlawful detainer, COUNTY shall have the right to recover in such proceeding the unpaid rent and damages as are recoverable therein, or COUNTY may reserve the right to recover all or any part thereof in a separate suit for such rent and/or damages.

(b) Continue the Sublease and LESSEE's right to possession in effect under California Civil Code Section 1951.4 after LESSEE's Breach and recover the rent as it becomes due, provided LESSEE has the right to sublet or assign, subject only to reasonable limitations. COUNTY and LESSEE agree that the limitations on assignment and subletting in this Sublease are reasonable. COUNTY's maintenance of the Premises or efforts to relet the Premises, or the appointment of a receiver to protect the COUNTY's interest under this Sublease, shall not constitute a termination of the LESSEE'S right to possession.

(c) Pursue any other remedy now or hereafter available to COUNTY under the laws or judicial decisions of the State of California.

(3) If, at any time LESSEE is in default in any provision for forty-five (45) days, or if LESSEE defaults on any provision(s) three (3) times within any twelve (12) consecutive months, COUNTY may terminate this Sublease on ten (10) days' notice.

**C. Survival of Indemnity Provisions.** The expiration or termination of this Sublease and/or the termination of LESSEE's right to possession shall not relieve LESSEE from liability under any indemnity provisions of this Sublease as to matters occurring or accruing during the Term or by reason of LESSEE's occupancy of the Premises.

**D. LESSEE's Personal Property.** Immediately upon termination of this Sublease, LESSEE covenants and agrees to remove all of LESSEE's personal property, machinery or fixtures from the Premises. If LESSEE fails to remove any such personal property, COUNTY may remove such personal property and place the same in storage at the expense of LESSEE and without liability to COUNTY for losses. LESSEE agrees to pay COUNTY for all expenses incurred by COUNTY in connection with the removal, and storage charges of LESSEE's personal property, including attorney's fees and court costs. Alternatively, COUNTY may at its option and on not less than ten (10) days written notice to LESSEE sell all or any part of said personal property at public or private sale for such prices as COUNTY may obtain. COUNTY shall apply the proceeds of any such sale to the amounts due from LESSEE under this Sublease and to any expense incidental to such sale. Any surplus arising from such sale shall be refunded to LESSEE.

**E. No Waiver by County.** COUNTY's receipt of any rent or of any other sum of money paid by LESSEE after the termination and forfeiture of this Sublease, or after the giving by COUNTY of any notice to effect such termination, shall not waive the Default, reinstate, continue or extend the Term of this Sublease, or destroy or impair the efficacy of COUNTY's notice of termination, unless otherwise agreed in writing by COUNTY. COUNTY's acceptance of the keys to the Premises or any other act of the COUNTY or its agents or employees during the Term of this Sublease shall not be deemed to be an acceptance or a surrender of the Premises, unless otherwise agreed in writing by COUNTY.

44. **HOLDING OVER:** If the LESSEE continues in possession of the Premises after the expiration of the Term or after any termination of this Sublease prior to the expiration of the Term, and if said occupancy is with the consent

of the COUNTY, then LESSEE shall be deemed to be holding the Premises on a month-to-month tenancy subject to all the provisions of this Sublease.

45. **INTERPRETATIONS:** As this agreement was jointly prepared by both parties, the language in all parts of this agreement shall be construed, in all cases, according to its fair meaning, and not for or against either party hereto.

46. **ENTIRE AGREEMENT:** This agreement, including recitals, constitutes a single, integrated contract, expressing the entire agreement and understanding of the parties concerning the subject matter of this agreement, and this agreement supersedes and replaces all prior understandings, negotiations, proposed agreements and agreements, whether oral or written, express or implied.

47. **AUTHORIZED SIGNATORS:** The parties to this Sublease represent that the signators executing this Sublease are fully authorized to enter into this agreement.

48. **CAMPAIGN CONTRIBUTION DISCLOSURE (SB 1439):** LESSEE has disclosed to the County using Exhibit C - Campaign Contribution Disclosure Senate Bill 1439, whether it has made any campaign contributions of more than \$250 to any member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, Auditor-Controller/Treasurer/Tax Collector and the District Attorney] within the earlier of: (1) the date of the submission of Contractor's proposal to the County, or (2) 12 months before the date this Contract was approved by the Board of Supervisors. Contractor acknowledges that under Government Code section 84308, Contractor is prohibited from making campaign contributions of more than \$250 to any member of the Board of Supervisors or other County elected officer for 12 months after the County's consideration of the Contract.

In the event of a proposed amendment to this Sublease, the LESSEE will provide the County a written statement disclosing any campaign contribution(s) of more than \$250 to any member of the Board of Supervisors or other County elected officer within the preceding 12 months of the date of the proposed amendment.

49. **COUNTERPARTS:** The Sublease may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Sublease. The parties shall be entitled to sign and transmit an electronic signature of this Sublease (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Sublease upon request.

**END OF SUBLEASE TERMS.**

\*\*\*THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK\*\*\*

**SAN BERNARDINO COUNTY**

**ARROWHEAD REGIONAL MEDICAL CENTER  
FOUNDATION**

By: \_\_\_\_\_  
Dawn Rowe, Chair  
Board of Supervisors

By: \_\_\_\_\_  
Patty S. Holohan

Title: Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

SIGNED AND CERTIFIED THAT A COPY OF  
THIS DOCUMENT HAS BEEN DELIVERED  
TO THE CHAIRMAN OF THE BOARD

Lynna Monell  
Clerk of the Board of Supervisors  
San Bernardino County

By: \_\_\_\_\_  
Deputy

Date: \_\_\_\_\_

Approved as to Legal Form:

TOM BUNTON, County Counsel  
San Bernardino County, California

By: \_\_\_\_\_  
John Tubbs II, Deputy County Counsel

Date: \_\_\_\_\_



**EXHIBIT "B"**

**LIST OF FORMER COUNTY OFFICIALS**

INSTRUCTIONS: List the full name of the former COUNTY Administrative Official, the title/description of the Official's last position with the COUNTY, the date the Official terminated COUNTY employment, the Official's current employment and/or representative capacity with the LESSEE, the date the Official entered LESSEE's employment and/or representation.

OFFICIAL'S NAME:

REQUIRED INFORMATION



EXHIBIT "C"  
**Campaign Contribution Disclosure  
(Senate Bill 1439)**

**DEFINITIONS**

Actively supporting the matter: (a) Communicate directly with a member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, District Attorney, Auditor-Controller/Treasurer/Tax Collector] for the purpose of influencing the decision on the matter; or (b) testifies or makes an oral statement before the County in a proceeding on the matter for the purpose of influencing the County's decision on the matter; or (c) communicates with County employees, for the purpose of influencing the County's decision on the matter; or (d) when the person/company's agent lobbies in person, testifies in person or otherwise communicates with the Board or County employees for purposes of influencing the County's decision in a matter.

Agent: A third-party individual or firm who, for compensation, is representing a party or a participant in the matter submitted to the Board of Supervisors. If an agent is an employee or member of a third-party law, architectural, engineering or consulting firm, or a similar entity, both the entity and the individual are considered agents.

Otherwise related entity: An otherwise related entity is any for-profit organization/company which does not have a parent-subsidary relationship but meets one of the following criteria:

- (1) One business entity has a controlling ownership interest in the other business entity;
- (2) there is shared management and control between the entities; or
- (3) a controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.

For purposes of (2), "shared management and control" can be found when the same person or substantially the same persons own and manage the two entities; there are common or commingled funds or assets; the business entities share the use of the same offices or employees, or otherwise share activities, resources, or personnel on a regular basis; or there is otherwise a regular and close working relationship between the entities.

Parent-Subsidiary Relationship: A parent-subsidiary relationship exists when one corporation has more than 50 percent of the voting power of another corporation.

**Lessee must respond to the questions on the following page. If a question does not apply respond N/A or Not Applicable.**

1. Name of Lessee: ARMC Foundation

2. Is the entity listed in Question No. 1 a non-profit organization under Internal Revenue Code section 501(c)(3)?

Yes  If yes, skip Question Nos. 3 - 4 and go to Question No. 5.

No

3. Name of Principal (i.e., CEO/President) of entity listed in Question No. 1, if the individual actively supports the matter and has a financial interest in the decision:

Patty S. Holohan

4. If the entity identified in Question No.1 is a corporation held by 35 or less shareholders, and not publicly traded ("closed corporation"), identify the major shareholder(s):

yes

5. Name of any parent, subsidiary, or otherwise related entity for the entity listed in Question No. 1 (see definitions above):

Company Name	Relationship
<u>n/a</u>	

6. Name of agent(s) of Lessee:

Company Name	Agent(s)	Date Agent Retained (if less than 12 months prior)
<u>n/a</u>		

7. Name of Subcontractor(s) (including Principal and Agent(s)) that will be providing services/work under the awarded contract if the subcontractor (1) actively supports the matter and (2) has a financial interest in the decision and (3) will be possibly identified in the contract with the County or board governed special district:

Company Name	Subcontractor(s):	Principal and/or Agent(s):
<u>n/a</u>		

8. Name of any known individuals/companies who are not listed in Questions 1-7, but who may (1) actively support or oppose the matter submitted to the Board and (2) have a financial interest in the outcome of the decision:

Company Name	Individual(s) Name
<u>no</u>	

9. Was a campaign contribution, of more than \$250, made to any member of the San Bernardino County Board of Supervisors or other County elected officer within the prior 12 months, by any of the individuals or entities listed in Question Nos. 1-8?

No  If no, please skip Question No. 10. Yes  If yes, please continue to complete this form.

10. Name of Board of Supervisor Member or other County elected officer: Supervisor Dawn Rowe /

Name of Contributor: Patty S. Holohan Supervisor  
Joe Baca JE

Date(s) of Contribution(s): Supv Rowe - February 23, 2024, Supv Baca 8-3-2023

Amount(s): estimate - \$350 for both events

Please add an additional sheet(s) to identify additional Board Members or other County elected officers to whom anyone listed made campaign contributions.

By signing below, Lessee certifies that the statements made herein are true and correct. Lessee understands that the individuals and entities listed in Question Nos. 1-8 are prohibited from making campaign contributions of more than \$250 to any member of the Board of Supervisors or other County elected officer while this matter is pending and for 12 months after a final decision is made by the County.

Patty S. Holohan  
Signature

06/16/2024  
Date

Patty S. Holohan  
Print Name

ARME Foundation  
Print Entity Name, if applicable