March 6, 2015

Letter of Intent to Enter Into In Lieu of Proposition 39 Agreement with East Bay Innovation Academy

The Oakland Unified School District (the "District") affirms its intent to enter into In Lieu of Proposition 39 Agreement with East Bay Innovation Academy ("EBIA"), at the former Marshall Campus, 3400 Malcolm Avenue, Oakland, California 94605 to commence July 1, 2015. By entering into this Agreement, EBIA waives any rights under Proposition 39 (Education Code Section 47614, as amended) for the term of this Agreement.

The Parties, in entering into this Letter of Intent, agree as follows:

1. Condition of Premises.

- a. The Premises are leased to EBIA on an "AS IS" basis. District shall not be required to make or construct any alterations including structural changes, additions or improvements to the Premises. By entry and taking possession of the Premises pursuant to this Agreement, EBIA accepts the Premises in "AS IS" condition.
- b. EBIA acknowledges that neither District nor District's agents have made any representation or warranty as to the suitability of the Premises for EBIA's Activities.
- 2. **Title to School Site(s) /Classroom Buildings.** The Parties acknowledge that title to the Premises is held by District
- 3. **Premises:** See Attachment A (Attachment B to the February 1, 2015 Preliminary Prop 39 Offer for the 2015-16 school year.)
- 4. Use: Public Charter School
- 5. **Agreement Term:** The Term shall be one (1) year, for the period from July 1, 2015 to June 30, 2016, with the option at EBIA's discretion to extend the term one additional year upon notification to the District no later than January 5, 2016. The Parties acknowledge that the 2016-17 school year is expected to be the last year EBIA can occupy the Premises due to anticipated growth. The Parties will schedule meet and confers commencing in the summer of 2015 to begin to plan for the anticipated need to relocate the school, including the possible further development at the Site. The District, at this time can make no comments as to the availability of any site beyond 2016-17 for use by EBIA.
- 6. Agreement Commencement: July 1, 2015

- 7. Facility Use Fee: For 2015-16 shall be \$3.80 per square foot, based upon 27,428 square feet or a total \$104,226. If EBIA exercises the option to extend the term for the 2016-17 school year, the Facility Use Fee for the option year shall be the same as for the 2015-16 school year.
- 8. Custodial Services: EBIA may at its option self-procure custodial services
- 9. Payment Schedule: Each year's rent shall be paid in four installments: 25% by October 1, 25% by December 1, 25% by April 1, and 25% by July 1.
- 10. Utilities: Utility charges are not included in the Facility Use Fee. EBIA shall for all utilities charges. For purposes of this Agreement, utilities include water, irrigation, gas, electricity, telephone, security and fire alarm monitoring, data and communication lines and service, trash pick-up, and sewage fees.
- 11. Tenant Improvements: N/A
- 12. Maintenance and Repairs during the Term of the Agreement

As provided in Section 16 of the February 1, 2015 Preliminary Prop 39 Offer.

13. Indemnification and Insurance

As provided in Sections 21 and 22 of the February 1, 2015 Preliminary Prop 39 Offer.

- 14. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion: The District certifies to the best of its knowledge and belief, that it and its principals: Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or CONTRACTOR according to Federal Acquisition Regulation Subpart 9.4, and by signing this contract, verifies that this vendor does not appear on the Excluded Parties List. https://www.sam.gov/portal/public/SAM
- 15. Final Agreement

The Parties agree that the final Agreement shall be submitted for approval by the OUSD Board of Education at its meeting on March 11, 2015.

16. No Assignment or Subletting. EBIA shall not have the right, voluntarily or involuntarily, to assign, license, transfer or encumber this Agreement or sublet all or part of the Premises without District's consent. Any purported transfer shall be void and shall, at District's election constitute a default. No consent to transfer shall constitute a waiver of the provisions of this Section.

OAKLAND UNIFIED SCHOOL DISTRICT

James Harris, President, Board of Education

02:25 Page 3 Antwan Wilson, Superintendent & Secretary, Board of Education APPROVED AS TO FORM: Jacqueline Minor, General Counsel Title: Co-Foundier, Vice Source Chail 7 Please note the following new related to Item 13 which worth must still be negotiated. Section 21: 51CR Section 1969.9(K) - neciprocal indemnification & No agreement to absolve absolve OUSD of any lability whatsoever Section 22: EBIA obtains insurance through like Charter Sase, JPA's don't receive

an A.M. Best Insurance rabby