



## INSURANCE REQUIREMENTS FOR LESSEES (NO AUTO RISKS)

Lessee shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Lessee's operation and use of the leased premises. The cost of such insurance shall be borne by the lessee.

### I. Minimum Scope of Insurance

Coverage shall be at least as broad as:

- A. Insurance Services Office **Commercial General Liability** coverage (Form No. CG 20 10 10 01 ).
- B. **Workers' Compensation** insurance as required by the State of California and Employer's Liability insurance (for lessees with employees).
- C. **Property insurance** against all risks of loss to any tenant improvements or betterments.

### II. Minimum Limits of Insurance

Lessee shall maintain limits no less than:

- A. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. Insurance must be written on an occurrence basis.
- B. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
- C. Property Insurance: Full replacement cost with no coinsurance penalty provision.

### III. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. The City may require the insurer to reduce or eliminate such deductibles or self-insured retentions with respect to the City, its officers, officials, employees and volunteers; or the Lessee to provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses; or to approve the deductible without a guarantee.

### IV. REQUIRED INSURANCE PROVISIONS

Proof of **General Liability** policy is to contain, or **be endorsed** to contain, the following provisions:

- A. The City, its officers, officials, employees and volunteers are to be covered as **ADDITIONAL INSURED** with respect to liability arising out of ownership, maintenance or use of that part of the premises leased to the lessee.
- B. **The Workers' Compensation policy is to be endorsed with a waiver of subrogation.** The insurance company, in its endorsement, agrees to waive all rights of subrogation against the City, its officers, officials, employees and volunteers for losses paid under the terms of this policy which arises from the work performed by the named insured.
- C. The lessee's insurance coverage shall be **primary insurance** with respect to the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be in excess of the Lessee's insurance and shall not contribute with it.
- D. Each insurance policy required by this clause shall be endorsed to state that coverage shall **not be canceled** by either party, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given the City.

### V. Rating – Acceptability of Insurers

Insurance is to be placed with admitted California insurers with a current A.M. Best's rating of no less than A- for financial strength, AA for long-term credit rating and AMB-1 for short-term credit rating.

### VII. Verification of Coverage

Lessee shall furnish the City with original certificates and amendatory endorsements affecting coverage required by this clause. The endorsements should be on **forms provided by the City**. If endorsements are on forms other than the City's forms, endorsements must provide coverage that is equivalent to or better than the forms requested by the City. All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

If you have questions regarding our insurance requirements contact:

**Risk Manager**  
**(707)-463-6287    Fax (707) 463-6204**

Revised: 11/20/08