

Project: Solvang Fire Prevention Office  
APN: 137-590-011  
Folio: 003642  
Agent: DG

**LEASE AGREEMENT**

**THIS LEASE AGREEMENT**, hereinafter "Agreement," is entered into by and between

COUNTY OF SANTA BARBARA, a political  
subdivision of the State of California,  
hereinafter referred to as "COUNTY,"

and

The HUNTER FAMILY TRUST, dated May 27,  
1998, hereinafter referred to as "LESSOR,"

with reference to the following:

**WHEREAS**, LESSOR is the owner of the property and building located at 1430 Mission Drive, in Solvang, California, 93463, more particularly described as Santa Barbara County Assessor's Parcel Number 137-590-011, (hereinafter "Property"), identified as the diagonally-slashed area of Exhibit "A", attached hereto and incorporated herein by this reference, and

**WHEREAS**, COUNTY desires to lease the approximately 3066 square foot building and the approximately 1000 square foot garage located on the Property (hereinafter "Premises"), as shown on Exhibit "B", attached hereto and incorporated herein by this reference, for a period of five years, for use by COUNTY'S Fire Hazards Materials Unit – Fire Prevention Office.

**NOW THEREFORE**, in consideration of the premises, and the mutual covenants and conditions contained herein, the COUNTY and LESSOR agree as follows:

1. **ADMINISTRATION AND ENFORCEMENT:** The provisions of this Agreement shall be administered and enforced for COUNTY by COUNTY'S Fire Chief, or designee, and for LESSOR by Lawnae Hunter, as Trustee of the HUNTER FAMILY TRUST, dated May 27, 1998.

2. **LEASED PROPERTY:** LESSOR hereby leases to COUNTY and COUNTY hereby takes from LESSOR, the Premises, consisting of approximately 3066 square feet of office space, together with the approximately 1000 square foot garage, as identified on Exhibit B hereof.

3. **TERM:** The term of this Agreement shall be for a period of FIVE (5) years, commencing July 1, 2011 (hereinafter "Commencement Date"), and terminating June 30, 2016, (hereinafter "Term") subject to the provisions for extension and termination contained herein.

4. **EXTENSION/RENEWAL OF TERM:** In the event this Agreement has not otherwise been terminated and COUNTY is in good standing at the end of the above-referenced term, COUNTY may extend the term of this Agreement for ONE (1) additional term of FIVE (5) years. COUNTY shall provide LESSOR with written notice of its intent to exercise its option to extend at least ninety (90) days prior to expiration of the initial term.

Option Period: July 1, 2016 – June 30, 2021

5. **RENT:** Rent for the term of this Agreement shall be FOUR THOUSAND SEVEN HUNDRED EIGHTY-FIVE DOLLARS AND EIGHTY CENTS (\$4,785.80) per month. Rent shall be paid monthly, in advance, on the first day of each month of the Term.

Rent shall be increased annually by THREE PERCENT (3%). On the first anniversary of the Commencement Date, and on each and every anniversary of that date, the monthly rent hereunder shall be increased from the monthly rent payable during the preceding year of the term by three percent (3%).

6. **PARKING:** COUNTY shall have exclusive use of the garage, as shown on Exhibit B hereof, that may be used for parking or storage. In addition, COUNTY shall have exclusive use of all parking spots on the Property.

7. **CONDITION/ TENANT IMPROVEMENTS:** LESSOR covenants that all mechanical, electrical, plumbing, HVAC and roofs are in good working order and condition upon commencement of this Agreement. COUNTY accepts the Premises in its current condition. COUNTY shall install no tenant improvements within or upon the Premises without the prior written consent of LESSOR. Any improvements shall be performed at COUNTY'S expense and COUNTY shall be responsible for obtaining all required permits prior to the commencement of work.

8. **MAINTENANCE AND REPAIR:** LESSOR agrees to perform all maintenance and repair to the Property, including all structural components of the building and all mechanical systems; including, but not limited to, electrical, plumbing, HVAC and roofs; at LESSOR'S expense. LESSOR shall also provide all landscaping services for the Property.

COUNTY shall maintain the interior of the Premises, including janitorial services, at COUNTY'S expense. Upon termination or expiration of this Agreement, COUNTY will return the Premises to LESSOR, in good order, reasonable wear and tear excepted.

9. **UTILITIES AND JANITORIAL SERVICES:** COUNTY shall pay all charges for utilities and janitorial services serving the Premises.

10. **FIRST RIGHT OF REFUSAL:** LESSOR agrees that LESSOR shall not sell the Property during the term of this Agreement, except subject to the Agreement. LESSOR further



agrees that it will not sell the Property to any other entity until LESSOR has given to COUNTY notice in writing of its intent to sell, specifying the fair market value for the Property, and the terms of the contemplated sale. At any time during the Term, COUNTY may make a written request to LESSOR for such a notice in writing of LESSOR'S intent to sell the Property. Within 90 days after LESSOR gives COUNTY written notice of LESSOR'S intent to sell, COUNTY shall have the right to purchase the Property on the same terms and conditions set forth in LESSOR'S written notice of intent to sell.

To exercise its option, COUNTY must, within the same 90 day period, give LESSOR written notice of COUNTY'S intent to purchase the Property on the same terms and conditions set forth in LESSOR'S written notice of intent to sell.

COUNTY may not assign the rights granted under this section either separately or together with a transfer of COUNTY'S leasehold. Any purported assignment by COUNTY shall be null and void. If the Property is sold to any third party during the term of this Agreement, the provisions of this section shall thereafter be of no further force or effect.

11. **NONDISCRIMINATION:** LESSOR shall comply with COUNTY laws, rules and regulations regarding nondiscrimination as such are found in the Santa Barbara Code and as such may from time to time be amended. These provisions are incorporated herein as if they were fully set forth.

Noncompliance with provisions of this article shall constitute a material breach hereof and in addition to any other remedies provided by law, COUNTY shall have the right to terminate this Agreement and the interest hereby created without liability therefor.

12. **QUIET ENJOYMENT:** LESSOR covenants that COUNTY, on performing the provisions of this Agreement, shall have peaceable and quiet enjoyment of the Premises. LESSOR further covenants that it will not deliberately interfere or permit other tenants of LESSOR to interfere with COUNTY'S peaceful possession or use of the Premises.

13. **NOTICES:** Except where otherwise specifically provided, all notices under this Agreement and in connection herewith and all statements shall be addressed and delivered as follows:

LESSOR: The Hunter Family Trust  
c/o Lawnae Hunter, Trustee  
105 NW Greeley Avenue  
Bend, OR 97701  
(805) 925-7750

COUNTY: Richard Todd  
Division Chief/Fire Marshal  
Santa Barbara County Fire Department  
4410 Cathedral Oaks Road  
Santa Barbara, CA 91030  
(805) 681-5554

or at such other address as the respective party may designate in writing. Any notice may be given by use of the United States mails, postage prepaid Certified mail, or by personal delivery. The date of mailing, or in the event of personal delivery the date of delivery, shall constitute the date of service.

14. **INDEMNIFICATION:** COUNTY shall defend, indemnify, and save harmless LESSOR, its officers, agents and employees (if any) from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments, or liabilities arising out of this Agreement, or occasioned by the performance or attempted performance of the provisions hereof, including but not limited to any act or omission to act on the part of COUNTY or its agents, employees, or independent contractors.

LESSOR shall defend, indemnify, and save harmless COUNTY, its officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments, or liabilities arising out of this Agreement or occasioned by the performance or attempted performance of the provisions hereof, including but not limited to any act or omission to act on the part of LESSOR, his agents, employees, or independent contractors.

15. **INSURANCE:** COUNTY is self insured for General and Automobile Liability Insurance. Upon request, documentation will be provided to LESSOR evidencing the \$500,000 self-insured retention by the COUNTY and the remaining coverage evidenced by a Certificate of Insurance for Excess Liability Coverage up to \$1,000,000. COUNTY shall provide Fire Legal Liability coverage in the amount of \$50,000 as part of the General Liability Policy.

LESSOR shall maintain property insurance on the building, including the Premises, throughout the term of this Agreement.

16. **MUTUAL WAIVER OF SUBROGATION RIGHTS:** LESSOR and COUNTY hereby waive any rights each may have against the other on account of any loss or damage suffered by LESSOR or COUNTY, as the case may be, to their respective property, the Premises, its contents, or to other portions of the Property arising from any risk generally covered by "all risk" property insurance; and the parties each, on behalf of their respective insurance companies insuring the property of either LESSOR or COUNTY against any such loss, waive any right of subrogation that either may have against the other, as the case may be. The foregoing waiver of subrogation shall be offered only so long as any such policy carried by LESSOR will not be invalidated thereby.

17. **TAXES AND ASSESSMENTS:** LESSOR shall pay and discharge all property taxes and assessments, including special assessments, if any, levied upon the Property and/or the Premises during the term of this Agreement, or any extension thereof.

18. **NONAPPROPRIATION:** LESSOR understands that monies paid to LESSOR by COUNTY as rent are derived from federal, state, or local sources, including local taxes, and are subject to curtailment, reduction, or cancellation by government agencies or sources beyond the control of COUNTY. COUNTY shall have the right to terminate this Agreement in the event that such curtailment, reduction, or cancellation occurs. Termination shall be effective upon the expiration of six (6) calendar months after the mailing of termination notice by COUNTY to LESSOR, and the liability of the parties hereunder for further performance under the terms of the



Agreement, except as otherwise set forth in this Section and in Section 14, INDEMNIFICATION, herein below, shall thereupon cease, but neither party shall be relieved of their duty to perform their obligations up to the date of termination.

19. DEFAULT: Except as otherwise specified herein, should either party at any time be in default hereunder with respect to any material covenant contained herein, the nondefaulting party shall give notice to the defaulting party specifying the particulars of the default and the defaulting party shall promptly commence remedial action to cure the default. Should such default continue uncured for a period of twenty-one (21) calendar days from such notice, then this Agreement shall terminate at the option of the nondefaulting party unless the cure of such default shall reasonably take more than twenty-one (21) calendar days in which case the defaulting party shall proceed with all due speed to cure the default and shall have a reasonable time to effectuate its cure.

20. REMEDIES: In the event of a default or breach by either party, the nondefaulting party may exercise any right or remedy at law or in equity which such nondefaulting party may have by reason of such default or breach including but not limited to the following:

A. Either party may waive the default or breach in accordance with Section 21, WAIVER, herein below.

B. Either party may maintain this Agreement in full force and effect and recover whatever monetary loss(es) may have resulted from such default or breach.

C. Where COUNTY is the nondefaulting party, COUNTY may terminate this Agreement and surrender possession.

D. Where LESSOR is the nondefaulting party, LESSOR may terminate this Agreement, and regain possession of the Premises.

21. WAIVER: It is further understood and agreed that any waiver, express or implied, of any breach of any term of this Agreement shall not be a waiver of any subsequent breach of a like or any other provision of this Agreement.

22. TERMINATION: This Agreement shall terminate and all rights of COUNTY shall cease and COUNTY shall quietly and peacefully deliver to LESSOR, possession and interest in the Premises and upon such delivery, shall be relieved of all future liability:

A. Upon the failure of either party to satisfy, observe, or perform any of the covenants, conditions, or reservations set forth in this Agreement and the expiration of the cure period as provided in Section 19, DEFAULT; or

B. Upon the total destruction of the Premises, as provided in Section 25, DESTRUCTION OF THE PREMISES.

23. ABANDONMENT: COUNTY shall not vacate or abandon the Premises at any time during the term of this Agreement and if COUNTY shall abandon, vacate, or surrender said Premises, any personal property belonging to COUNTY and left in the Premises more than thirty (30) days after termination of this Agreement shall be deemed abandoned, at the option of the LESSOR.

24. **FIXTURES:** The parties agree that all improvements to, or fixtures on, the Premises, made or added by either party, except trade fixtures added by COUNTY that may be removed as hereinafter provided, shall be and become the property of LESSOR upon their being affixed or added to the Premises. At the termination of the term hereof, COUNTY may remove such trade fixtures as it shall have affixed or added to the Premises (if any) which may be removed without damage to the Premises.

25. **DESTRUCTION OF THE PREMISES:** If the Premises are totally destroyed by fire or any other cause, this Agreement, at the option of COUNTY, shall terminate.

If a loss renders any portion of the Premises unusable, COUNTY may choose to remain or may terminate this Agreement by written notice to LESSOR. Should COUNTY choose to remain, LESSOR shall promptly repair the Premises within ninety (90) days of the casualty.

26. **OBLIGATIONS TO SECURED LENDER/FORECLOSURE:** In case of a foreclosure or other proceeding by which the lender or its successor takes title to the Property, COUNTY will accept the lender or its successor as the lawful landlord in place of LESSOR. COUNTY shall provide such estoppel or attornment certificates as the lender, or successor, may require, without subordination of this Agreement.

27. **CAPTIONS:** The title on headings to the sections of this Agreement are not a part of this Agreement, and shall have no effect upon the construction or interpretation of any part hereof.

28. **SEVERABILITY:** If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

29. **SUCCESSORS IN INTEREST:** This Agreement shall bind and enure to the benefit of the parties hereto, their respective personal representatives, heirs, successors in interest, and assigns.

30. **WASTE AND NUISANCE:** COUNTY shall not commit, nor suffer to be committed, any waste upon the Premises, nor permit any nuisance to exist thereon.

31. **CERTIFICATION OF SIGNATORY:** The signatories of this Agreement and each of them represent and warrant that they are authorized to execute this Agreement and that no additional signatures are required to bind COUNTY and LESSOR to its terms and conditions or to carry out duties contemplated herein.

32. **EXECUTION IN COUNTERPARTS:** This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an Original, and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.



33. **FACSIMILE/ELECTRONICALLY TRANSMITTED SIGNATURES:** In the event that the parties hereto utilize facsimile transmitted documents or electronically transmitted documents which include signatures, such documents shall be accepted as if they bore original signatures provided that documents bearing ORIGINAL SIGNATURES are provided within seventy-two (72) hours of transmission; however, funds shall not be released nor shall documents be accepted for recordation by the Clerk Recorder of the County until such documents bearing original signatures are received by COUNTY.

34. **ENTIRE AGREEMENT:** This Agreement constitutes the entire agreement between the parties hereto and no obligation other than those set forth herein will be recognized.

35. **AMENDMENTS:** This Agreement may be amended by written consent of both parties. Said amendments, once fully executed, shall be binding upon heirs, successors, and assigns of all parties hereto.

///  
///  
///

Project: Solvang Fire Prevention Office  
APN: 137-590-011  
Folio: 003642  
Agent: DG

IN WITNESS WHEREOF, COUNTY and LESSOR have executed this Agreement to be effective on the date executed by COUNTY.

"COUNTY"  
COUNTY OF SANTA BARBARA

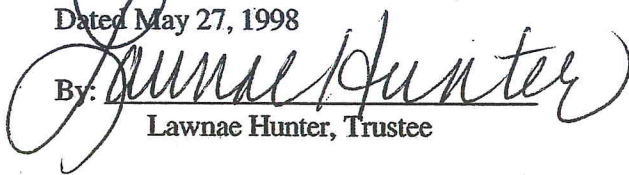
ATTEST:  
MICHAEL F. BROWN  
CLERK OF THE BOARD


\_\_\_\_\_  
Chair, Board of Supervisors

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

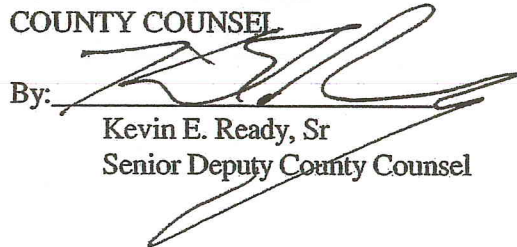
Date: \_\_\_\_\_

"LESSOR"  
The HUNTER FAMILY TRUST,  
Dated May 27, 1998

By:   
Lawnae Hunter, Trustee

APPROVED:   
Michael Dyer, County Fire Chief


APPROVED AS TO FORM:  
DENNIS A. MARSHALL  
COUNTY COUNSEL

By:   
Kevin E. Ready, Sr  
Senior Deputy County Counsel

APPROVED AS TO FORM: <sup>Accounting</sup>  
ROBERT W. GEIS, CPA  
AUDITOR-CONTROLLER

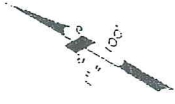
By:   
Deputy

APPROVED:   
Ronn Carlentine  
Real Estate Services Manager

APPROVED:   
Ray Aromatorio, ARM, AIC  
Risk Manager



137-59



Property  
POR. RANCHO SAN CARLOS DE JONATA

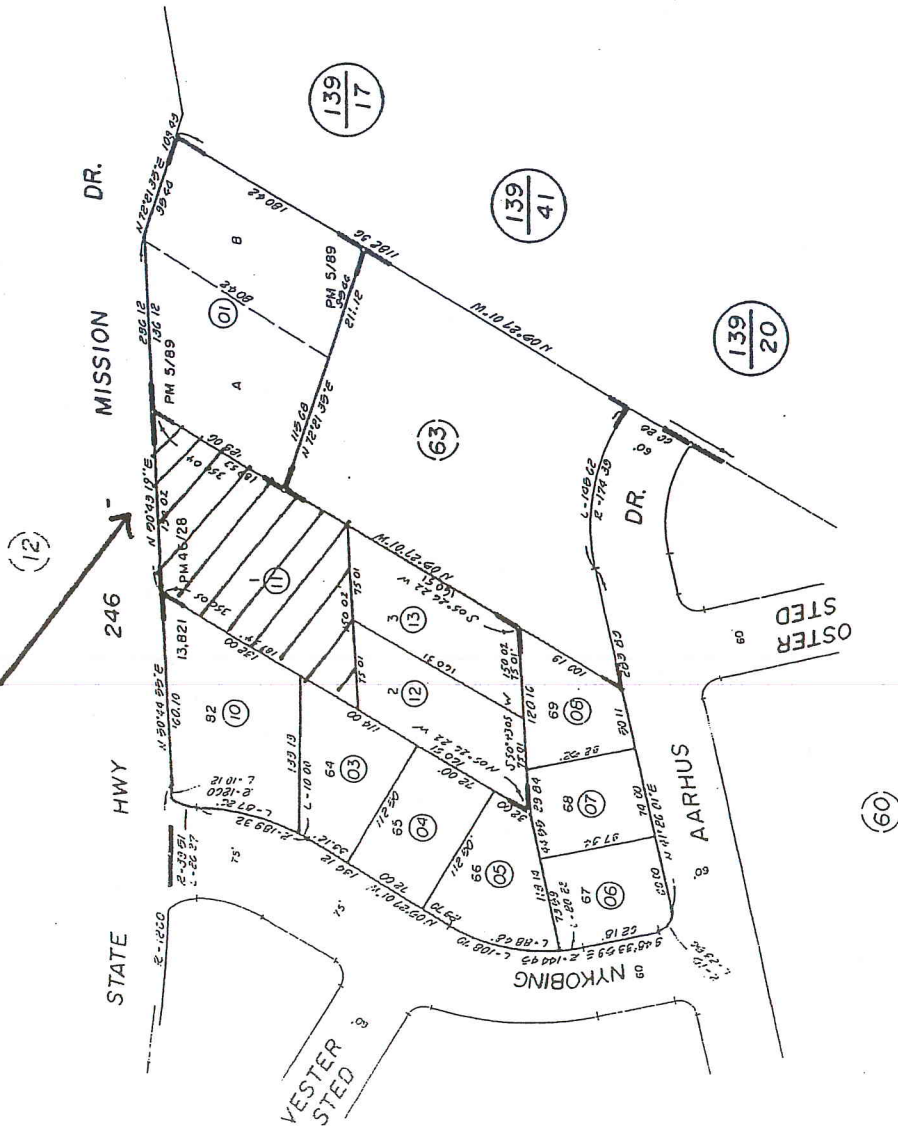
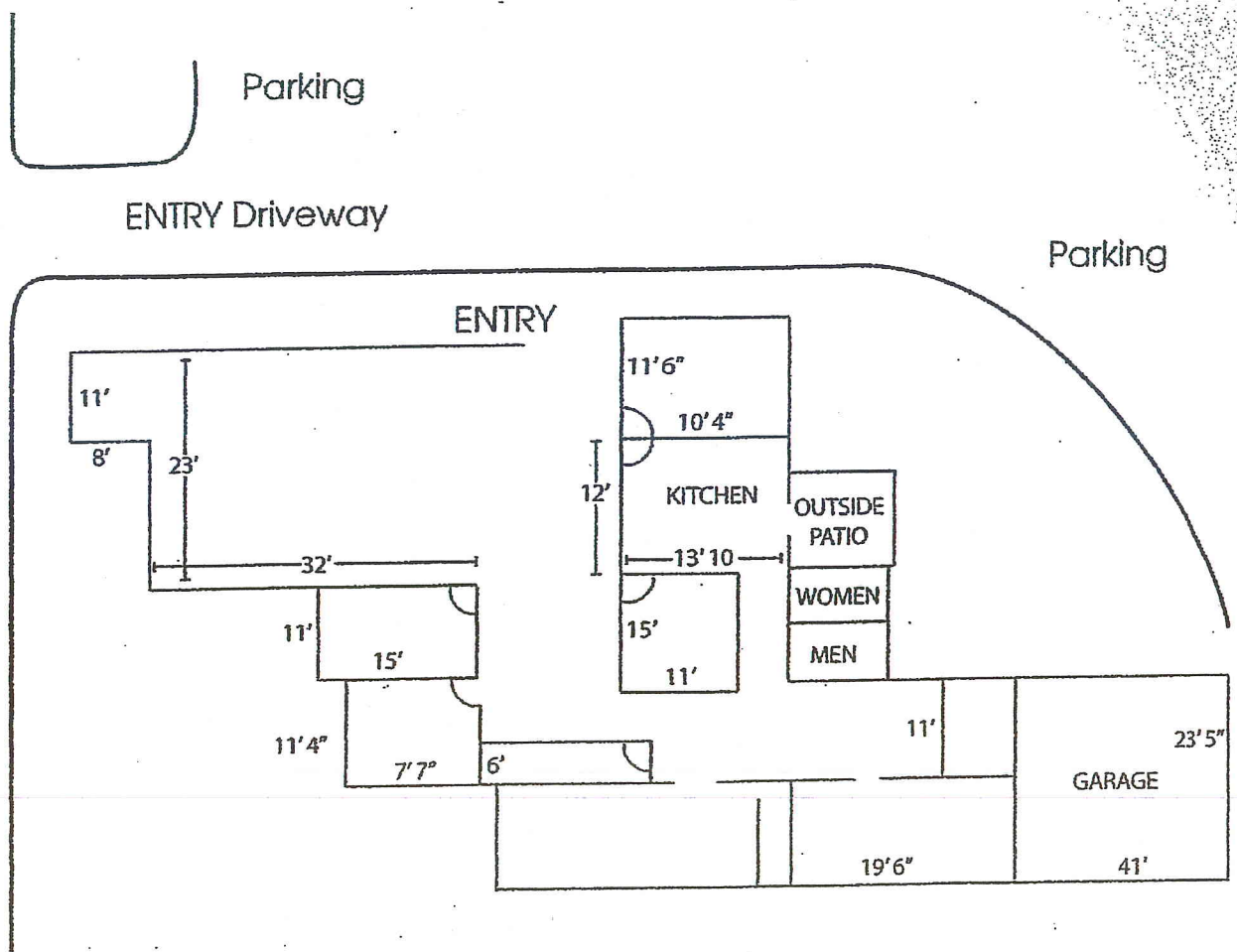


EXHIBIT A  
PROPERTY





**EXHIBIT B  
PREMISES**