

Attachment 1

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**Standstill Agreement to Lease Agreement;
one (1) original and one (1) duplicate
original**

Project: Standstill Agreement to 2007
Lease Agreement for VA Clinic
APN: 059-140-024 (portion)
Folio: 003527
Agent: AC

STANDSTILL AGREEMENT

Between
U.S. Department of Veterans Affairs and
County of Santa Barbara

THIS STANDSTILL AGREEMENT ("Standstill Agreement") is made by and between County of Santa Barbara, whose address is 1105 Santa Barbara Street, Santa Barbara, California 93101 ("Lessor"), and the United States of America ("Government").

WHEREAS, the Lessor is the owner of 6700 net rentable square feet (RSF) located at 4440 Calle Real, Santa Barbara, CA 93101 (hereinafter, "the Premises"). The underlying Lease (Lease No. VA-262-R-0115) between the Lessor and Government (together, the "Parties") will expire on September 30, 2020 (hereinafter, the "Lease").

WHEREAS, the Government does not wish the operations and services of its Outpatient Clinic, presently located in the Premises, to be interrupted or disturbed.

WHEREAS, the Parties intend that the Government will continue to occupy the Premises under this Standstill Agreement.

WHEREAS, both Parties consider this Standstill Agreement to be in their own best interest, and the Parties prefer their negotiations to end with a succeeding lease agreement.

WHEREAS, the Parties desire to continue the process of completing a succeeding lease agreement for the Premises during the period of this Standstill Agreement.

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants set forth herein, the adequacy of consideration of which is hereby acknowledged, the Parties hereby agree as follows:

A. During the term of this Standstill Agreement:

The Parties agree that, with the execution of this Standstill Agreement, during the period between October 1st, 2020 and September 30, 2021 (the "Standstill Period") the Government will not be considered a holdover tenant in the Premises, and that the Government shall retain a leasehold interest. All provisions of the Lease by operation of this Standstill Agreement will be applicable during the Standstill Period, except to the extent otherwise indicated below:

1. Effective as of October 1st, 2020 the Government shall lease the Premises from Lessor at a fully serviced annual rental rate of \$283,916.52 (\$42.38/RSF). The Government will pay rent at a rate of \$23,659.71 per month in arrears.
2. The Parties agree to negotiate, actively and in good faith towards a succeeding lease for the Premises. Lessor is aware that succeeding leases are governed by 48 CFR 570.402.
3. The Lessor will not, during the Standstill Period, provided that the Government complies with its obligations hereunder and under the Lease:
 - A. Undertake to evict the Government from the Premises; or
 - B. Interfere with the use, quiet enjoyment, or occupancy of the Premises by the Government; or
 - C. Interrupt the operations, building services or utilities of the Government (from what they were while the Lease was in effect); or
 - D. Threaten to do any of the acts or omissions mentioned in A, B, or C above.

B. At all times after this Standstill Agreement is executed by the Parties and thereby becomes effective:

1. The Government shall receive full credit for money paid to the Lessor during the course of this Standstill Agreement. Lessor shall have no obligation to pay any commission of any kind to or for Government's broker in connection with the execution, delivery, or performance of this Standstill Agreement.
2. **Termination of Agreement:** This Standstill Agreement shall terminate on the earlier of September 30, 2021, or on the date the Parties sign a succeeding lease agreement or subsequent standstill extension agreement.
3. **Successors in interest:** All of the terms, covenants, agreements, and provisions herein contained shall bind and insure to benefit the Lessor and Government, their heirs, executors, administrators, personal representatives, successors, trustees, receivers, and assigns, as applicable, except as otherwise provided herein.
4. **Merger Clause:** As to the matters specifically covered in this Standstill Agreement, this Standstill Agreement represents the final agreement between the Parties and may not be superseded, except by a separate written agreement agreed to and signed by the Parties.
5. **Amendments:** Subject to provisions of the Lease, neither this Standstill Agreement, nor any terms hereof, may be changed waived, discharged, or terminated orally, but only by an instrument in writing signed by the Parties.

6. **Construction:** Any provision contained in this Standstill Agreement which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. A waiver by a Party of any right, covenant, condition or remedy in any instance hereunder shall not operate as a waiver of such right, covenant, condition or remedy in any other instance, and waiver by Party of any breach of the terms hereof shall not be a waiver of any additional or subsequent breach. This Standstill Agreement shall be governed by, and construed in accordance with, the laws of the United States of America.
7. **Counterparts:** This Standstill Agreement may be executed in photocopied counterparts which, when taken together, shall constitute a single agreement.

IN WITNESS WHEREOF, the Parties have executed this Standstill Agreement as of the _____ day of _____, 2020.

LESSOR:

By: _____

Printed Name

Title: _____

GOVERNMENT: United States of America

By: _____

Jon Hartwick

Title: VA Contracting Officer

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

“LESSOR”
COUNTY OF SANTA BARBARA

ATTEST:
MONA MIYASATO
CLERK OF THE BOARD

GREGG HART, CHAIR
BOARD OF SUPERVISORS

By: _____
Deputy Clerk

Date: _____

APPROVED:

By: Janette Pell
Janette D. Pell, Director
General Services Department

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: [Signature]
Scott Greenwood
Deputy County Counsel

APPROVED AS TO ACCOUNTINGFORM:
BETSY M. SCHAFFER, CPA, CPFO
AUDITOR-CONTROLLER

By: C. Edwin Price, Jr.
Digitally signed by C. Edwin Price, Jr.
Date: 2020.08.05 08:26:02 -07'00'
Deputy Auditor-Controller

APPROVED:

By: Ray Aromatorio
Ray Aromatorio, ARM, AIC
Risk Manager

APPROVED:

By: Carlo Achdjian
Carlo Achdjian, Manager
Real Estate Division