

ATTACHMENT 1

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Lease Agreement

Project: Sheriff Storage Lease
APN: [REDACTED]
File No.: 003908
Agent: MP

LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter "Agreement") is made by and between

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

and

[REDACTED], hereinafter referred to as "LESSOR,"

with reference to the following:

WHEREAS, LESSOR is the owner of the parcel of improved land located in the incorporated area of the City of [REDACTED], commonly known as [REDACTED], [REDACTED], California, also known as Assessor Parcel Number [REDACTED]; improved with an approximately 18,685 square foot office and warehouse building with a parking lot, and identified as the diagonally slashed area of Exhibit "A", attached hereto and incorporated herein by reference (hereinafter "Property"); and

WHEREAS, LESSOR hereby leases to COUNTY the entire Property shown as the outlined area of Exhibit "B", attached hereto and incorporated herein by reference (hereinafter "Premises"), for a period of five (5) years, subject to the terms and conditions contained herein; and

WHEREAS, this Lease Agreement is intended to be a "Gross" lease wherein COUNTY's rent set forth herein includes all reasonable costs directly associated with the maintenance and operation of the Property, including but not limited to property insurance, taxes, and landscaping, but excluding trash, sewer, water, gas, electricity, and phone and data connectivity; and

WHEREAS, LESSOR and COUNTY desire to enter into this Lease Agreement (hereinafter "Agreement"), for the purpose of leasing the Premises to COUNTY, to be used by COUNTY'S Sheriff's Department.

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

1. **ADMINISTRATION AND ENFORCEMENT**: The provisions of this Agreement shall be administered and enforced for COUNTY by the Director of the General Services Department (hereinafter "Director"), or designee.

2. **LEASED PREMISES:** LESSOR hereby leases to COUNTY and COUNTY hereby takes from LESSOR, the 18,685 square foot office and warehouse space (hereinafter “Premises”), as shown and described on Exhibit "B", attached hereto and incorporated herein by reference.

3. **PARKING:** COUNTY shall have exclusive use of the parking spaces on the Property. LESSOR shall be responsible for all maintenance and repair of the parking lot and landscaping.

4. **TERM:** The term of this Agreement shall be for a period of approximately FIVE (5) years, commencing upon full and final execution by the COUNTY BOARD OF SUPERVISORS (hereinafter “Commencement Date”), and terminating March 31, 2024, subject to such provisions for extension and termination as described herein.

5. **OPTIONS TO EXTEND:** Provided COUNTY is in compliance with all terms and conditions of this Agreement, COUNTY shall have the option to extend the Agreement for three (3) consecutive two (2) year periods from and after the expiration of the then-current term, as follows:

Extension One, 2 years	April 1, 2024 through March 31, 2026.
Extension Two, 2 years	April 1, 2026 through March 31, 2028.
Extension Three, 2 years	April 1, 2028 through March 31, 2030.

COUNTY, through its Board of Supervisors, may exercise its option to renew by providing written notice to LESSOR at least one hundred eighty (180) days prior to expiration of the Term.

6. **RENT:** The monthly rent for the first year of this Agreement shall be **SEVENTEEN THOUSAND THREE HUNDRED SEVENTY-SEVEN DOLLARS AND FIVE CENTS, (\$17,377.05)**, based on \$0.93 per square foot, per month. Rent shall begin to accrue on the Commencement Date, and shall become due and payable, in advance, on or before the first day of each calendar month of the Term and any extended term. The rent due for any period which is for less than one (1) calendar month shall be prorated based upon a thirty (30) day month. On April 1, 2020, and each subsequent April 1st of each year of the term, rent shall be subject to a **2% increase**, based on the prior year’s rent. The monthly rent represents the fair rental value of the Premises; each payment shall be in consideration for the use and possession of the Property for the month following the due date of such payment. LESSOR shall not under any circumstances have the right to accelerate the rental payments that fall due in future rental periods or otherwise declare any rental payments not then in default to be immediately due and payable.

County shall not be required to pay rent for the initial two (2) months beginning upon the Commencement Date.

COUNTY shall pay a Security Deposit in the amount of one (1) month’s rent.

In the event rent is not received by LESSOR within ten days after rent payment is due, rent shall be considered late. In the event of late rent, COUNTY shall pay LESSOR a late charge equal to 10% of the rent that is due. The COUNTY shall not incur late charges in the event that this Agreement is terminated in accordance with Section 26 herein.

7. **UTILITIES AND JANITORIAL SERVICES:** COUNTY shall be responsible for payment of utilities serving the Premises including water, electricity, gas, trash and recycle services, and data and telephone services, and shall pay all charges when due. Additionally, COUNTY shall arrange and pay for any janitorial services to the Premises. LESSOR shall be responsible for all

reasonable costs directly associated with the maintenance and operation of the exterior portions of the Property, including but not limited to property insurance, taxes, and landscaping.

8. **COUNTY'S USE/RIGHT TO SUBLEASE:** COUNTY shall use and occupy the Premises for COUNTY'S Sheriff's Department or other related COUNTY business or services, or any other legal use which is reasonably comparable thereto, and for no other purpose. COUNTY shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, or waste. COUNTY shall have the right to sublease space within the Premises to governmental and other agencies which provide services to the public provided COUNTY gives notice to LESSOR of any such sublease along with copies thereof. Said subleases (if any) shall be subject to the terms and conditions of this Agreement. Other than the foregoing, COUNTY shall not assign this Agreement or sublet the Premises or any portion thereof without the consent of LESSOR, which consent shall not be unreasonably withheld.

9. **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 during the Term or any extended term in the event that such curtailment, reduction, or cancellation occurs, provided that COUNTY has used its best efforts to obtain appropriations to fulfill its obligations under this Agreement. Termination shall be effective upon the expiration of six (6) calendar months after the termination notice is delivered 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 20, **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 or that are intended to survive the termination.

10. **TENANT IMPROVEMENTS:**

a) **General Provisions.** COUNTY and LESSOR agree that COUNTY may, at a later date, wish to conduct tenant improvements to the Premises and that COUNTY and LESSOR will work together on such tenant improvements. Tenant Improvements shall be defined as customized alterations to the Premises to configure the space to fit the specific needs of COUNTY. Any Tenant Improvement to the Premises shall be detailed in a separate agreement, where such agreement must be agreed to and executed by both parties prior to commencement of any construction. The foregoing notwithstanding LESSOR agrees to perform and pay for mutually agreed upon tenant improvements requested by COUNTY in an amount not to exceed TEN THOUSAND DOLLARS (\$10,000).

b) **Approved COUNTY Installations.** Under the supervision of LESSOR, LESSOR authorizes COUNTY to pay for and install voice and data communication systems as further described below.

c) **ADA Compliance.** All Tenant Improvements, whether performed by LESSOR or COUNTY, must comply with the Americans With Disabilities Act (ADA) requirements, and must conform to: (1) Approved Floor Plans; (2) the City of Santa Maria Building Code; and (3) any permit(s) issued by the City of Santa Maria or other applicable regulatory agency.

d) County's Communication System. COUNTY shall independently contract to install and maintain voice and data communication systems within the Premises to COUNTY standards. COUNTY shall pay the cost of all equipment, installation, maintenance, and monthly charges for said internal systems. All voice and data communication equipment and wiring installed by COUNTY shall be the property of COUNTY.

e) Ownership of Tenant Improvements. Upon termination of this Agreement and/or vacation of the Premises by COUNTY, all Tenant Improvements and alterations made by LESSOR in accordance with the provisions of this Agreement shall remain the property of the LESSOR and COUNTY shall relinquish possession with all such improvements in good condition and repair with only normal wear and tear.

11. **FIXTURES**: The parties agree that all improvements to, or fixtures on the Premises, made or added by either party, that has become attached to and considered as part of the Premises, shall be and become the property of LESSOR upon their being affixed or added to the Premises. Trade fixtures, which are defined as articles of personal property which are fastened to the Premises and used for COUNTY's business purposes, may be removed, without damage to the Premises, upon expiration or termination of this Agreement.

12. **ALTERATIONS**: COUNTY agrees that, after occupancy, no alterations, improvements, or any construction within the Premises will be made without the prior written consent of the LESSOR which consent shall not be unreasonably withheld provided the alteration or improvement is consistent with the design and long term use of the Property. LESSOR reserves the right to post notices of non-responsibility on the Premises.

In the event COUNTY desires alterations or improvements made to the Premises, LESSOR shall have the option to make the alterations or improvements or grant COUNTY the right to make the alterations or improvements under LESSOR'S direction. If LESSOR consents to making the alterations or improvements, LESSOR shall provide a price and timetable for all such work requested, and detail all work in a separate tenant improvement agreement. Approval by COUNTY of the requested work may be granted by the Director. In the event LESSOR undertakes the alteration using any other vendor/contractor other than LESSOR itself, LESSOR shall, to the extent required by law, comply with all provisions of public contract law, and Section 28, PREVAILING WAGE RATES, hereof. Payment by COUNTY for alterations shall be made within thirty (30) days following COUNTY'S inspection and acceptance of the alteration.

13. **SIGNS**: LESSOR shall allow COUNTY to install reasonable signage on the Property and Premises, at COUNTY'S sole cost and expense provided such signage complies with all applicable city and county requirements. COUNTY shall remove all signage at its sole cost and expense upon termination of this Agreement.

14. **PROPERTY SUPPLIED BY COUNTY**: It is understood and agreed that COUNTY may install additional equipment and systems, such as, but not limited to: security, water purification, data, and telephones, as well as using and installing lateral files that are required to be installed with anchors into the building walls in order to comply with safety standards. COUNTY shall pay the cost of all equipment, installation, maintenance, and monthly charges for such internal systems. All such equipment and systems shall remain the property of COUNTY

and shall be removed by COUNTY upon termination of this Agreement. COUNTY shall restore all walls to their condition at occupancy, reasonable wear and tear excepted.

15. **MAINTENANCE AND REPAIR:** LESSOR and COUNTY agree to perform maintenance and repair to the Premises and appurtenances as follows:

a) **LESSOR'S Responsibilities:** Throughout the term of this Agreement, LESSOR shall maintain all mains, wires (other than wiring installed by COUNTY), and cables to the Premises. LESSOR will contract and pay all charges for maintenance of the heating, ventilation and air conditioning equipment (HVAC), the roof and structural elements of the Property as well as all plumbing, electricity and utility systems, all exterior surfaces, landscaped areas and parking lot (COUNTY shall maintain and repair all wiring and cabling installed by COUNTY). LESSOR shall retain qualified service providers to perform regular maintenance on such systems as LESSOR reasonably determines to be necessary or appropriate to maintain the Property in good condition and repair.

LESSOR shall keep the Premises in good order and repair as LESSOR's responsibilities are set forth herein. LESSOR shall, upon receipt of notice from COUNTY that maintenance or repair work is required, perform or cause to be performed such maintenance, and repair work in a competent, expeditious, and workman-like manner and in such a way as to cause the least inconvenience and disruption to COUNTY as may be commercially practicable.

LESSOR shall have ten (10) days after notice from COUNTY to make repairs and/or provide maintenance pursuant to this Section, except that LESSOR shall make repairs within one (1) workday if the nature of the problem presents a hazard or emergency. If LESSOR does not make repairs within the time limits specified, COUNTY may make such repairs and LESSOR shall reimburse COUNTY for the cost thereof.

b) **COUNTY'S Responsibilities:** COUNTY, through its Sheriff's Department shall, at its sole cost and expense, keep and maintain in good condition and repair all exterior signs added by COUNTY, and all interior portions of the Premises, including replacement of light bulbs, coded entry and security systems, thermostats, stoppages in sinks and toilets, plate glass, display windows and glass doors. COUNTY shall repair any damage caused by negligent acts or omissions of COUNTY or its employees, agents, invites or contractors within a reasonable period of time after the occurrence or in any case within thirty (30) days after receipt of notice from LESSOR. Upon termination or expiration of this Agreement, COUNTY will return the Premises to LESSOR, with those items in good order, reasonable wear and tear excepted.

COUNTY shall reimburse LESSOR annually upon completion of each year of the Term and any extensions thereafter, in the amount of TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500) to be used by LESSOR to slurry, seal, and stripe the parking lot on the Property, hereinafter "Lot Maintenance". This Lot Maintenance shall occur approximately every 48th month of the Term including extension options. Upon completion of said Lot Maintenance, COUNTY shall pay to LESSOR the difference, if any, between the actual cost of the Maintenance and the sum of COUNTY'S annual reimbursements to LESSOR over the most recent 48 month period. The sum of COUNTY'S annual reimbursements and above-described "difference" shall NOT exceed \$15,000 over any 48 month period in which the reimbursements for Lot Maintenance were allocated.

16. **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.

17. **NONDISCRIMINATION:** LESSOR and COUNTY in their respective operations to be conducted pursuant to the provisions of this Agreement, will not discriminate or permit discrimination against any person or class of persons by reason of race, color, creed, religion, ancestry, age, sex, or national origin in any manner prohibited by the laws of the United States, the State of California, or COUNTY ordinance.

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.

18. **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 others acting subsequently through or under LESSOR to deliberately interfere with COUNTY'S peaceful possession or use of the Premises.

The obligation to pay rent is contingent upon COUNTY having beneficial use and occupancy of the Property and Premises and if such use and occupancy is not provided, there shall be an abatement of rent during the period that occupancy and use is not available.

19. **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:

COUNTY: County of Santa Barbara
Sheriff's Department
4434 Calle Real
Santa Barbara, CA 93110
Attn: Special Investigations Bureau
(805) 681-4100

with a copy to:

County of Santa Barbara
General Services Dept./Support Services Div.
1105 Santa Barbara St., 2nd Floor, East Wing
Santa Barbara, CA 93101
Attn: Real Property Manager

LESSOR:



or at such other address as the respective party may designate in writing. Any notice may be given by use of the United States postage prepaid certified mail, overnight courier, email if receipt is

confirmed or by personal delivery. The date of mailing, or in the event of personal delivery the date of delivery, or in the case of email, the date receipt is confirmed, shall constitute the date of service.

20. **INDEMNIFICATION:** Each party (the “Indemnifying Party”) agrees to defend, indemnify, and hold harmless the other party and its officers, officials, employees, volunteers or agents (the “Indemnatee”) against any and all claims, damages, costs, liabilities, and expense, including attorney’s fees, arising from or attributable to the Indemnifying Party’s negligent acts or omissions and intentional misconduct which is brought against an Indemnatee in connection with the activities, related services or the Indemnifying Party’s breach of its responsibilities under this Agreement.

21. **INSURANCE:** Each party shall maintain its own insurance coverage, through commercial insurance, self-insurance or a combination thereof, against any claim, expense, cost, damage, or liability arising out of the performance of its responsibilities pursuant to this Agreement.

Minimum Scope of Insurance for both Parties to the Agreement.

Coverage shall be at least as broad as:

- A. **Commercial General Liability (CGL).** Insurance on an “occurrence” basis, including products-completed operations, personal & advertising injury, with limits no less than \$2,000,000 per occurrence and \$4,000,000 in the aggregate.
- B. **Automobile Liability.** Insurance covering any auto with policy limits no less than \$2,000,000 per accident for bodily injury and property damage.
- C. **Workers’ Compensation.** Insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

22. **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.

23. **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 non-defaulting 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 non-defaulting 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.

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

a) The non-defaulting party may waive the default or breach in accordance with Section 25, WAIVER, herein below.

b) The non-defaulting 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 non-defaulting party, COUNTY may terminate this Agreement and surrender possession.

d) Where LESSOR is the non-defaulting party, LESSOR may terminate this Agreement.

e) In the event of termination by either party, the rights and obligations of the parties shall cease and terminate.

25. **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 or any other provision of this Agreement.

26. **TERMINATION:** This Agreement may 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) At the expiration of the term as provided in Section 4, TERM;

b) Upon termination of funding as stated in Section 9, NONAPPROPRIATION, and COUNTY's exercise of its right to terminate;

c) Upon discrimination by LESSOR in violation of Section 17, NONDISCRIMINATION, and COUNTY's exercise of its right to terminate;

d) 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 23, DEFAULT; or

e) Upon the total destruction of the Premises, as provided in Section 29, DESTRUCTION OF THE PREMISES.

27. **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 on the Premises more than thirty (30) days after termination of this Agreement shall be deemed abandoned, at the option of the LESSOR.

28. **PREVAILING WAGE RATES:** Rates of Wages, including overtime, holiday and Sunday rates provided for construction work on the Premises as requested by, or completed on behalf of, COUNTY may be subject to California Labor Code, Sections 1770 et. seq., as amended. If so required, LESSOR shall, if it hires any employees after the Commencement Date of this Agreement to work at the Property, pay no less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations. A copy of the prevailing rate of per diem wages is on file at the office of the General Services Department.

29. **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.

If COUNTY remains in possession of the Premises despite partial destruction, the rent provided in this Agreement shall be reduced by the same percentage that usable floor space has been reduced until the destroyed portion is rebuilt to its condition prior to the casualty.

30. **OBLIGATIONS TO SECURED LENDER/FORECLOSURE:** In case of a foreclosure or other proceeding by which the lender or its successor takes title to the Premises, 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.

31. **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.

32. **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.

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

34. **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.

35. **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.


36. **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.

Project: Sheriff Storage Lease
APN: [REDACTED]
File No.: 003908
Agent: MP

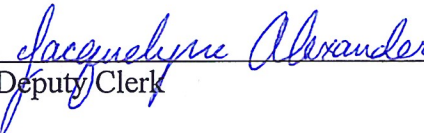
IN WITNESS WHEREOF, COUNTY and LESSOR have executed this Agreement to be effective on the date executed by COUNTY.

"COUNTY"
COUNTY OF SANTA BARBARA

ATTEST:
MONA MIYASATO
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD



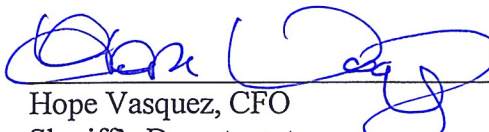
STEVE LAVAGNINO
CHAIR, BOARD OF SUPERVISORS

By: 

Deputy Clerk

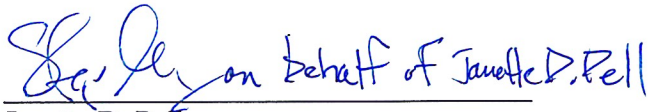
Date: 4/9/2019

APPROVED:




Hope Vasquez, CFO
Sheriff's Department

APPROVED:



Janette D. Pell
Director of General Services

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: 

Scott Greenwood
Deputy County Counsel

APPROVED AS TO FORM:
BETSY SCHAFFER, CPA, CPFO
AUDITOR-CONTROLLER

By: 


Deputy Auditor-Controller

APPROVED:



Don Grady, Esq.
Real Property Manager

APPROVED:



Ray Aromatorio, A.R.M., A.I.C.
Risk Manager

Project: Sheriff Storage Lease
APN: [REDACTED]
File No.: 003908
Agent: MP

“LESSOR”

[REDACTED]

By: _____
[REDACTED]

Date: _____

EXHIBIT "A"
The Property



Redacted

EXHIBIT "B"
The Premises



Redacted