

Project: Solvang Senior Center at
1745 Mission Drive, Solvang
APN: 139-150-025 (Portion of)
Folio: 002121
Agent: MP/CS

SERVICE AND GROUND LEASE AGREEMENT

THIS GROUND 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

SANTA YNEZ VALLEY SENIOR ADVISORY COUNCIL INCORPORATED, a California non-profit corporation, DBA SOLVANG SENIOR CENTER, hereinafter referred to as "LESSEE,"

with reference to the following:

WHEREAS, COUNTY is the fee owner of that certain real property known as the Solvang Mission Drive Campus located at 1745 Mission Drive, in the City of Solvang, State of California, and also described as Santa Barbara County Assessor's Parcel Number 139-150-025, (hereinafter "Property") and shown as the diagonally slashed area of Exhibit "A", attached hereto and incorporated herein by this reference; and

WHEREAS, COUNTY and LESSEE entered into a Rental Agreement dated January 10, 1983 for a term of 10-years, followed by a License and Service Agreement dated March 26, 1994 for a term of 10 years, followed by the current Ground Lease dated December 14, 2004, and has continued leasing that portion of the Property (hereinafter "Premises") for a multi-purpose senior center serving the residents of Solvang and the Santa Ynez Valley, and now wishes to expand the Premises identified as the diagonally slashed area shown on Exhibit "B" (hereinafter, the "Site"); and

WHEREAS, the Site is currently improved with three connected modular units, mobility impaired access ramps, decking, landscaping, storage shed and other related accessories (hereinafter "Facility"), for the purpose of providing services necessary to meet the health, welfare, and social needs of seniors, including a daily noon time meal five (5) days a week, guidance and advice on tax and legal matters, transport to medical centers, hospice counseling and other related senior activities; and

WHEREAS, after so many years of deterioration, LESSEE desires to replace the Facility with a new building constructed at their sole expense, or may replace the existing modulars with newer modulars of approximately the same size, and continue to provide and enhance the above-stated services during and upon completion of the a proposed construction or improvements; and

WHEREAS, the existing Ground Lease, expiring on December 31, 2019, shall be replaced and superseded by this new Service and Ground Lease Agreement (hereinafter “Agreement”) that will extend the term effective upon execution by COUNTY, for a period of approximately 20-years, including 3 renewal options of 10-years each which will grant LESSEE time to pursue an application for all necessary permits, CEQA and 65402 compliances from the City of Solvang for proposed improvements to replace the Facility with a new building, or modulars of the approximate same size, on the Site subject to conditions for approval as stated herein and final approval by COUNTY’S Board of Supervisors at a future date; and

WHEREAS, California Government Code §26227 allows a board of supervisors of a county to fund programs deemed necessary to meet the social needs of the population of the county and to make available any real property of the county which will not be needed for county purposes during the time of possession, to be used to carry out such programs; and

WHEREAS, COUNTY has determined that the services provided by LESSEE are necessary to meet the social needs of the senior population of the COUNTY in the Solvang and Santa Ynez areas and that the Site will not be needed for COUNTY purposes during the time of possession.

NOW, THEREFORE, in consideration of the provisions, covenants, and conditions, contained herein, the parties agree as follows:

1. **ADMINISTRATION AND ENFORCEMENT**: The provisions of this Agreement shall be administered and enforced for COUNTY through the General Services Department Director, or designee (hereinafter referred to as “Director”). The Director shall be the priority contact with LESSEE and is the reviewing department which will make periodic visits to the Site for inspection and/or other matters as necessary.

2. **LEASED AREA**: For and in consideration of the covenants to be performed by LESSEE under this Agreement, COUNTY hereby leases to LESSEE and LESSEE hereby takes from COUNTY, the Site shown as the crosshatched area on Exhibit “B” attached hereto and incorporated by reference consisting of approximately 16,000 square feet of land, located at the northeasterly corner of the Solvang Mission Drive Campus located at 1745 Mission Drive, Solvang, California.

3. **PARKING**: As of the date of execution of this Agreement, LESSEE currently has 5 assigned parking spaces within their Site boundary. Once construction of the proposed new building has been finalized it is projected that the number of parking spaces within LESSEE’s Site boundary will increase to fourteen (14), one of which shall be ADA designated. In addition to these spaces, upon completion of such construction as evidenced by a Certificate of Occupancy issued by the City of Solvang, LESSEE shall also have three (3) ADA assigned parking spaces in the County Parking Lot, which are not on the Site. LESSEE shall have the right to utilize their on-Site parking spaces at

any time. LESSEE shall be guaranteed the three (3) ADA assigned spaces in the County lot at all times.

4. **PURPOSE AND USE:** LESSEE shall continue to use the Site and Facility solely as a multi-purpose senior center for providing services necessary to meet the health, welfare, and social needs of seniors, including a daily noon time meal five (5) days a week, guidance and advice on taxes and legal matters, transport to medical centers, Hospice counseling and other related senior activities.

LESSEE desires to replace the deteriorating modular units with a newly constructed building. If approved, LESSEE intends to obtain financing for a portion of the proposed construction costs from a bank and use funds raised by holding public fundraising events and private events at the center for repayment of the loan.

LESSEE shall not expand its use of the Site beyond the scope of this Agreement, nor use the Site for any other purposes without the express written consent of COUNTY.

5. **TERM:** The initial term of this Agreement shall be for a period of approximately twenty (20) years, commencing upon execution by COUNTY, and terminating August 31, 2038, subject to such provisions for extension and termination as contained herein.

6. **EXTENSION OF LEASE:** In the event this Agreement has not otherwise been terminated and LESSEE is in good standing at the end of the above-referenced term, such term may be extended for three (3) additional terms of ten (10) years each upon mutual agreement of LESSEE and COUNTY. LESSEE shall request extensions in writing no later than nine (9) months prior to the termination of the then-current term. Approval of the extensions shall be granted by amendment to the Agreement and signed by the Chair of the Board upon receipt of LESSEE'S written request. Failure of LESSEE to submit a request to extend shall be notice to COUNTY of LESSEE'S intent to terminate the Agreement at the end of the then-current term.

The extension periods shall be as follows:

Extension Period One, 10 years September 1, 2038 through August 31, 2048

Extension Period Two, 10 years September 1, 2048 through August 31, 2058

Extension Period Three, 10 years September 1, 2058 through August 31, 2068

7. **PROVISION OF SERVICES AS CONSIDERATION FOR RENT:** In accordance with Section 4, PURPOSE AND USE it is determined that the services to senior citizens are a benefit to the community, therefore the Site is being provided to LESSEE by COUNTY at no costs to LESSEE.

Should, for any reason, it be determined that the services provided by LESSEE as outlined in Section 4, PURPOSE AND USE are no longer being performed, or should LESSEE lose its "non-profit" status, LESSEE shall pay fair market rent for the Site upon written notice from COUNTY. The amount of such fair market rent shall be determined by an independent appraiser, who has been agreed upon by both parties hereto; and shall be determined by the rental value of the land only. Said rent shall be due for the remainder of the term of this Agreement and shall rise 3% per year on the first day of the thirteenth month during which rent payments are due, and annually thereafter. Rent payments shall be made payable to and delivered to the County of Santa

Barbara, General Services Department at the address stated in Section 28, NOTICES, or at such other place as may be designated in writing.

It is the intention of this Agreement that the Site shall be provided to LESSEE at no cost to the COUNTY.

8. **SITE SUITABILITY**: LESSEE has been operating the senior center from the Site for 35 years under consecutive agreements and has therefore determined that the Site continues to be suitable for LESSEE'S intended operations, and therefore, LESSEE hereby accepts, by way of executing this Agreement, the Site, as shown in Exhibit "B" hereof, in its existing condition.

LESSEE ACKNOWLEDGES THAT, EXCEPT AS STATED HEREIN, COUNTY HAS MADE NO REPRESENTATIONS OR WARRANTIES ABOUT THE CONDITION OF THE SITE, OR THE SUITABILITY OF SAME FOR THE INTENDED USE BY LESSEE.

9. **IMPROVEMENTS AND ALTERATIONS**: "Improvements" shall mean any proposed improvements or alterations on the Site to be made under the terms of this Agreement, inclusive of the structure (including replacement of the modulars with newer modulars), and all street appurtenances, parking, utilities and landscaping work constructed on the leased Site during the term. After any of the above-mentioned improvements are made, they shall be included as part of the existing Facility.

Any exterior or interior improvements or alterations proposed by LESSEE in, on, or about LESSEE'S leased portion of the Property must be presented to COUNTY in written form with proposed plans and specifications prior to commencement of any improvements or alterations. Such plans shall be submitted by LESSEE and considered for COUNTY approval as set forth in Section 10 herein.

As set forth in Section 10, any COUNTY approval shall be deemed conditional upon LESSEE acquiring all necessary permits from the appropriate governmental agencies at its sole expense, furnishing a copy(ies) thereof to COUNTY, and LESSEE'S compliance with all conditions of said permit(s). Any and all permits or clearances required shall be granted only on the merits of the application thereof, and nothing in this Agreement shall be construed to require that COUNTY, or any other government agency, grant such permits or clearances. After obtaining final approval from the COUNTY Board of Supervisors, LESSEE shall give COUNTY'S General Services Department not less than ten (10) days written notice prior to the commencement of any such work in, on, or about the Property; and COUNTY shall have the right to post Notices of Non-responsibility, as provided by law.

During any such improvements or alterations, LESSEE shall keep the leasehold and improvements free and clear of liens for labor and materials expended by or for LESSEE or on its behalf, and shall hold COUNTY harmless and defend COUNTY with respect to any improvements or alterations. Non-compliance with this section shall constitute a material breach hereof. When improvements or alterations are made by LESSEE under the provisions of this Agreement, LESSEE shall inform COUNTY of the date of completion of such improvements or alterations, and shall provide "as-built" drawings of the completed improvements or alterations.

The requirements relating to improvements and alterations set forth herein are those of COUNTY as landowner and not as a governmental entity. Nothing in this Agreement shall be

construed to entitle LESSEE to undertake any improvements or alterations without complying with all permitting required by COUNTY in its governmental capacity.

10. PROPOSED NEW CONSTRUCTION; COUNTY APPROVAL REQUIRED:

Any proposed new construction to replace the existing modular units, or replacement with modulars of approximately the same size (hereinafter "Project"), shall be subject to the following conditions for approval and completed within the Site boundary.

LESSEE shall not commence any proposed Project without first having obtained COUNTY approval, which shall consist of both the review of the submitted letter for completion by the Director and Director's submittal to the COUNTY Board of Supervisors for final approval. COUNTY expressly reserves the right to (a) require LESSEE to adopt a Project alternative; (b) impose mitigation measures; and/or (c) disapprove the Project for any reason, including, but not limited to, the results of any environmental review that may be conducted. COUNTY may require LESSEE to conduct additional environmental reviews in order to comply with the California Environmental Quality Act.

(A) CONDITIONS OF APPROVAL: Prior to commencement of any proposed Project, approval **must** be obtained by the Board of Supervisors.

The following Conditions of Approval shall be satisfied prior to COUNTY's consideration of any proposed Project. LESSEE shall submit a letter to the Director requesting COUNTY approval of the proposed Project ("Letter of Request"), which shall include documentation of LESSEE's satisfaction of the following Conditions of Approval:

(i) FINANCING: LESSEE's Letter of Request shall include a letter from LESSEE's bank ("Bank Letter") stating that LESSEE has the funds required to complete the proposed Project as estimated in the construction documents submitted concurrently therewith. The Bank Letter shall include a notarized bank statement showing the amount of funds in an account that is segregated and identified as set aside exclusively for the proposed Project.

LESSEE shall not lien the leasehold interest created by this Agreement. LESSEE shall not lien the COUNTY'S fee estate or other interest in the Property or any of the improvements or the Facility on the Site. Furthermore, COUNTY shall not be required to subject its fee estate and/or interest in the Property to the lien of any financing or mortgage sought or obtained by LESSEE.

(ii) PERMITS: The Letter of Request shall also include a reference to all permits and governmental approvals that may be required for the proposed Project. Those permits and approvals shall include but not be limited to land use permits, building permits, and review of the proposed Project by the City of Solvang. Any and all permits and approvals required shall be evaluated and granted only on the merits of the application therefor, and nothing in this Agreement shall be construed to require COUNTY, or any other governmental agency, to grant such permits or approvals. A copy of all approved reports and permits, or pending permits, as deemed applicable by the Director, shall be included with the Letter of Request.

(iii) ENVIRONMENTAL REVIEW: The Letter of Request shall also include documentation of all environmental reviews that have been conducted pursuant to the California Environmental Quality Act (CEQA). LESSEE will be the Project Applicant in order to complete the CEQA process pertaining to the proposed Project, and for ensuring compliance with CEQA. A copy of any notices, studies or reports required by CEQA shall be included with the Letter of Request.

(iv) APPROVAL OF COUNTY ARCHITECT: LESSEE shall, at LESSEE's sole cost and expense, engage a licensed architect or engineer to prepare plans and specifications for the Project. Concurrently with the Letter of Request, LESSEE shall submit to the County Architect for approval, in compliance with Article IV of Chapter 12A of the Santa Barbara County Code, detailed working drawings, plans and specifications for the Project, and an estimate of the construction costs that has been prepared and approved by the engaged architect or engineer.

(B) DIRECTOR REVIEW OF LETTER OF REQUEST. Prior to submitting LESSEE's request for final approval of the Project to the County Board of Supervisors, the Director shall review the Letter of Request. The Director shall provide LESSEE written notification of his or her determination regarding the sufficiency of the information provided in the Letter of Request, as proposed, or the Director may request that LESSEE provide more information to assist in the determination, or may state that the Project may be approved by the COUNTY Board of Supervisors upon satisfaction of certain conditions. In the event the Director requires certain conditions be satisfied prior to submittal to the COUNTY Board of Supervisors for final approval, LESSEE shall submit the additional information evidencing satisfaction of those conditions.

(C) COMMENCEMENT OF WORK. After receiving final approval from the County Board of Supervisors, LESSEE shall give COUNTY no less than ten (10) days written notice prior to the commencement of any work in, on, or about the Site and shall keep the Site free and clear of liens for labor and materials. Nothing in this Agreement shall be construed to entitle LESSEE to undertake alterations or improvements to the Site, nor additional future improvements, without receiving express written consent according to this Section and complying with all permitting required by COUNTY in its governmental capacity, or by any other government agency.

11. **TITLE**: COUNTY recognizes that title to the Facility and any improvements that currently exist at the Facility and any proposed new construction project, if approved, shall remain vested with LESSEE. In the event that LESSEE discontinues the intended use of the Facility as stated in Section 4, PURPOSE AND USE, LESSEE may (with COUNTY'S written consent) dispose of the buildings in place by transferring title thereto to COUNTY. LESSEE shall execute whatever documents are reasonably requested by COUNTY to facilitate, acknowledge and evidence the release of all interest in the Facility and the passing of title thereto from LESSEE to COUNTY, and COUNTY shall execute whatever documents are required to accept said ownership interest and title.

For purposes of this Agreement, all equipment, furniture and supplies used to provide services necessary for LESSEE to meet the health, welfare, and social needs of seniors within the Facility shall not be a part of the Facility, and LESSEE shall retain title to such.

12. **ABANDONMENT OF THE SITE and/or FACILITY**: LESSEE shall not abandon, vacate, surrender or assign use of the Site and/or the Facility at any time during the term of this Agreement. If LESSEE does abandon, vacate, surrender or assign use of the Site and/or Facility, this Agreement and all of LESSEE'S rights thereto shall terminate at the option of COUNTY. COUNTY shall memorialize such termination via letter to LESSEE. In the event of such termination, the Facility and any personal property belonging to LESSEE and left on the Site more than ninety (90) days after the mailing of such termination letter shall be deemed abandoned at the option of COUNTY, and title to such may pass to COUNTY pursuant to Section 11, TITLE. This

provision shall also apply to property left after the termination, or other expiration of this Agreement.

13. **CONVEYANCE OF REAL PROPERTY:** COUNTY shall have the right to convey fee and other real property interests in the Property and Site. Said conveyance shall not unduly interfere with LESSEE'S interests herein and LESSEE shall not interfere with any such rights granted by COUNTY. COUNTY shall notify LESSEE before a conveyance of real property interest and furnish LESSEE with information concerning such proposed conveyance.

14. **NONINTERFERENCE:** LESSEE agrees not to use, nor permit those under its control, including, but not limited to, its employees, volunteers, guests, invitees, agents and/or contractors, to use any portion of the Property, Site, or Facility in any way which interferes with the use of the Property by COUNTY or other Lessees of COUNTY occupying the Property. Such interference shall be deemed a material breach, and LESSEE shall terminate said interference immediately upon notice from COUNTY.

15. **EVENTS:** LESSEE may contract with public and private entities for the use of the Facility for public and private events such as wedding receptions, birthday parties, fundraisers, etc. LESSEE shall comply with all applicable land use and zoning restrictions. LESSEE shall require that all contractors obtain insurance for their event(s) naming the County of Santa Barbara as an "additional insured" on said policy. LESSEE shall also require that all contractors hire a security guard to maintain security of the event and to ensure the building is vacated no later than 10PM and adherence to noise level restrictions.

Due to the Site/Facility being located in a residential neighborhood, LESSEE shall not allow any amplified music, live or otherwise, to reach noise levels higher than the "comfortable neighborhood level" and will end all events promptly at 10PM weekdays and weekends. LESSEE shall keep all events indoors or on the BBQ patio area. COUNTY can and will impose penalties for events that continue beyond 10PM or have complaints received by COUNTY staff.

16. **UTILITIES/WATER/SEWER/TRASH:** LESSEE shall have the right to install and maintain the necessary mains and ancillary equipment required to bring utilities, water and sewer services and trash disposal services to the Site and Facility. COUNTY may provide and grant any licenses or easements deemed necessary to bring such utility, water and sewer services and trash disposal services to the Site and Facility at LESSEE'S sole cost and expense. All accounts for such utilities, water and sewer services, and trash disposal services shall name LESSEE as the responsible party. LESSEE shall pay all charges for utilities and trash disposal services when due.

17. **MAINTENANCE/REPAIR:** During the term of this Agreement, including any extensions, LESSEE agrees to keep in good maintenance and repair, at its sole expense, the Site, Facility, and County Parking Lot as it stands now as well as after the Proposed Expansion Project, including, but not limited to:

A. The structural parts of the Facility including the foundation, subflooring, bearing and exterior walls, roof framing, sub-roofing, and roof surfaces; including reroofing every 20 years; The electrical conduits, conductors, ground equipment and all other associated devices;

- B. All mechanical equipment, as well as ancillary connections to the equipment, including but not limited to, electrical, gas, and water and sewer services, vent drains, ducting, and supporting structures;
- C. All other unexposed electrical, plumbing and sewage systems;
- D. The grounds, landscaping and County Parking Lot; and
- E. All Improvements as defined in Section 9, IMPROVEMENTS AND ALTERATIONS above.

18. **RECORD KEEPING/AUDITING:** LESSEE shall keep at LESSEE'S office, full and accurate books of account, cash receipts and other pertinent data customarily used in LESSEE'S activities, including without limitation, all data and information relevant to the cost of maintenance and repair of the Site and Facility and the use of the Facility for public and private events. LESSEE shall keep such books of account, cash receipts and other pertinent data for a period of not less than four (4) years following the end of each year of the term of this Agreement.

The County shall have the right, upon reasonable notice during the term of this Agreement, and one year after expiration or termination of the term of the Agreement, to examine the books of account, cash receipts, records and other pertinent data showing all transactions related to maintenance and repair, as well as normal business done by LESSEE in conjunction with the Agreement. Any such audit(s) or examination(s) will be conducted by the County Auditor, or designee. LESSEE shall fully comply with the County Auditor, or designee, in making any such inspections and examinations. If any examination performed by the County Auditor, or designee, discloses a breach by LESSEE in any of its obligations hereunder, said breach shall be cured within thirty (30) days of receipt of written notice from COUNTY of such breach.

19. **ASSIGNMENT/SUBLEASE:** LESSEE shall not assign, license, or sublease the Site, Facility or any part thereof or any right or privilege appurtenant thereto without COUNTY'S written consent. Consent by COUNTY to one assignment shall not be deemed to be consent to any subsequent assignment. Any assignment made contrary to this Section shall be null and void.

20. **SUCCESSORS IN INTEREST:** This Agreement and the covenants contained herein shall be binding upon and inure to the benefit of the respective parties, their heirs, successors and assigns, and to any government or private organization into which LESSEE may be merged.

21. **INDEMNIFICATION:** LESSEE agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless COUNTY and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments and/or liabilities arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by COUNTY on account of any claim except where such indemnification is prohibited by law. LESSEE's indemnification obligation applies to COUNTY's active as well as passive negligence but does not apply to COUNTY's sole negligence or willful misconduct.

NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS: LESSEE shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

22. **INSURANCE**: LESSEE shall procure and maintain for the duration of the Agreement 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.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL)**: Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
2. **Automobile Liability**: ISO Form Number CA 00 01 covering any auto (Code 1), or if LESSEE has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation**: 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.
4. **Property Insurance**: against all risks of loss to any tenant improvements or betterments, at full replacement cost with no coinsurance penalty provision

If the LESSEE maintains higher limits than the minimums shown above, the COUNTY requires and shall be entitled to coverage for the higher limits maintained by the LESSEE. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the COUNTY.

B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured** – The COUNTY, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the LESSEE including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the LESSEE's insurance at (least as broad as ISO Form CG 20 10).
2. **Primary Coverage** – For any claims related to this Agreement, the LESSEE's insurance coverage shall be primary insurance as respects the COUNTY, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the COUNTY, its officers, officials, employees, agents or volunteers shall be excess of the LESSEE's insurance and shall not contribute with it.
3. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the COUNTY.
4. **Waiver of Subrogation Rights** – LESSEE hereby grants to COUNTY a waiver of any right to subrogation which any insurer of said LESSEE may acquire against the

COUNTY by virtue of the payment of any loss under such insurance. LESSEE agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the COUNTY has received a waiver of subrogation endorsement from the insurer.

5. **Deductibles and Self-Insured Retention** – Any deductibles or self-insured retentions must be declared to and approved by the COUNTY. The COUNTY may require the LESSEE to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.
6. **Acceptability of Insurers** – Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best’s Insurance Guide rating of “A- VII”.
7. **Verification of Coverage** – LESSEE shall furnish the COUNTY with proof of insurance, original certificates and amendatory endorsements as required by this Agreement. The proof of insurance, certificates and endorsements are to be received and approved by the COUNTY before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the LESSEE’s obligation to provide them. The LESSEE shall furnish evidence of renewal of coverage throughout the term of the Agreement. The COUNTY reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
8. **Failure to Procure Coverage** – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, COUNTY has the right but not the obligation or duty to terminate the Agreement. Maintenance of required insurance coverage is a material element of the Agreement and failure to maintain or renew such coverage or to provide evidence of renewal may be treated by COUNTY as a material breach of contract.
9. **Special Risks or Circumstances** – COUNTY reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.
10. **Subcontractors** – CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and CONTRACTOR shall ensure that COUNTY is an additional insured on insurance required from subcontractors.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. LESSEE agrees to execute any such amendment within thirty (30)-days of receipt.

Any failure, actual or alleged, on the part of COUNTY to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of COUNTY.

23. **NONDISCRIMINATION:** LESSEE shall comply with COUNTY law, 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 section shall constitute a material breach of this Agreement 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 therefore. LESSEE shall comply with applicable laws, rules and regulations regarding nondiscrimination.

24. **ENVIRONMENTAL IMPAIRMENT:** LESSEE shall comply with all applicable laws, regulations, rules, and orders regardless of when they become or became effective, including without limitation those relating to construction, grading, signing, health, safety, noise, environmental protection, waste disposal, water and air quality, and shall furnish satisfactory evidence of compliance upon request of COUNTY.

Should any discharge, leakage, spillage, emission, or pollution of any type occur upon or from the Property, Site or Facility due to LESSEE'S use and occupancy, LESSEE shall clean all property affected to the satisfaction of COUNTY and any governmental body having jurisdiction therefore. LESSEE shall indemnify, hold harmless, and defend COUNTY from and against all liability, claim, cost, and expense (including without limitation any fines, penalties, judgments, litigation costs, attorney's fees, consulting, engineering and construction costs) incurred by COUNTY as a result of LESSEE'S breach of this section, or as a result of any such discharge, leakage, spillage, emission or pollution due to LESSEE'S use and occupancy, regardless of whether such liability, cost or expense arises during or after the term of this Agreement, and regardless of negligence, active or passive, of COUNTY.

25. **TOXICS:** LESSEE shall not manufacture or generate hazardous wastes on or in the Facility, Site or Property unless specifically authorized by this Agreement. LESSEE shall be fully responsible for any hazardous wastes, substances or materials as defined under federal, state or local law, regulation, or ordinance that are manufactured, generated, used, placed, disposed, stored, or transported by LESSEE, its agents, employees, or designees on or in the Facility, Site or Property during the term of this Agreement and shall comply with and be bound by all applicable provisions of such federal, state, or local law, regulation, or ordinance dealing with such wastes, substances, or materials. LESSEE shall notify COUNTY and the appropriate governmental emergency response agency(ies) immediately in the event of any release or threatened release of any such wastes, substances or materials.

26. **COMPLIANCE WITH THE LAW:** LESSEE shall comply with all applicable laws, rules, and regulations affecting the Site, Facility or Property now or hereafter in effect.

27. **TAXES AND ASSESSMENTS:** LESSEE shall pay and discharge any and all property taxes and/or assessments, including special assessments and possessory interest taxes, which, due to LESSEE's Facility may be levied upon said Facility and/or Site during the term of this Agreement.

28. **NOTICES:** Any notice to be given to the parties shall be in writing and shall be served, either personally or by mail, to the following:

COUNTY: County of Santa Barbara
Facilities Services Division
Real Property Division
1105 Santa Barbara Street, 2nd Floor
Santa Barbara, CA 93101-6065
(805) 568-3065

LESSEE: Solvang Senior Center
1745 Mission Drive
Solvang, CA 93463
(805) 688-3793
Attn: Executive Director

or to the parties at such other place as may be designated in writing. Such notices shall be served by depositing them addressed as set out above, postage prepaid, in the U.S. mail, reliable overnight courier, 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.

29. **DEFAULT:** Except as otherwise required herein, should LESSEE at any time be in material default hereunder with respect to any covenant contained herein, COUNTY shall give notice to LESSEE specifying the particulars of the default and LESSEE shall promptly commence remedial action to cure the default. Should such default continue uncured for a period of thirty (30) calendar days from such notice, this Agreement shall terminate at the option of the COUNTY; unless the cure of such default shall reasonably take more than thirty (30) calendar days in which case LESSEE shall proceed with all due speed to cure the default and shall have a reasonable time to effectuate its cure.

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

A. The nondefaulting party may waive the default or breach in accordance with Section 31, **WAIVER**, herein below.

B. The nondefaulting 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 LESSEE is the nondefaulting party, LESSEE may terminate the Agreement and surrender use of the Site.

D. Where COUNTY is the nondefaulting party, COUNTY may terminate the Agreement and LESSEE shall vacate within 90 days of written notice from COUNTY.

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

32. **AMENDMENTS:** This Agreement may only be amended by written consent of the parties and such changes shall be binding upon the heirs or successors of the parties. Amendments to

this Agreement that are consistent with Section 4, PURPOSE AND USE, may be executed by the Director.

33. **TERMINATION**: This Agreement shall, or may at COUNTY'S option, terminate and all rights of LESSEE shall cease and LESSEE shall quietly and peacefully deliver to COUNTY, possession and interest in the Site:

- A. Upon expiration of the Agreement as provided in Section 5, TERM; or
- B. Upon abandonment of the Facility and Site as provided in Section 12, ABANDONMENT OF THE SITE and/or FACILITY; or
- C. Upon the failure of LESSEE 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 29, DEFAULT; or
- D. As provided in Section 34, DESTRUCTION.
- E. Upon termination for convenience, which will become null upon COUNTY'S approval of construction of a new building.

Upon expiration or early termination of this Agreement, COUNTY shall have the right to take title and ownership of the improvements, or may require LESSEE to remove the improvements and restore the Site to its original condition, at the option of COUNTY. In the event that COUNTY elects to take title and ownership of the Facility, LESSEE shall execute whatever documents are reasonably requested by COUNTY to facilitate, acknowledge and evidence the release of all interest in the Facility and the passing of title thereto from LESSEE to COUNTY, and COUNTY shall execute whatever documents are required to accept said ownership interest and title.

34. **DESTRUCTION**: If the Facility or the Site is partially or totally destroyed by fire or other casualty, this Agreement, at the option of LESSEE, shall terminate. If LESSEE chooses to terminate the Agreement then LESSEE, at COUNTY'S option, shall remove all structures and equipment from the Property and Site and shall return the Site to its original condition as near as is practical.

35. **HOLDING OVER**: Should LESSEE occupy the Site after the expiration date of this Agreement or any extension thereof, with the consent of the COUNTY, express or implied, such possession shall be construed to be a tenancy from month to month.

36. **AGENCY DISCLOSURE**: LESSEE acknowledges that the General Services Department, Facilities Services Division of the COUNTY is the agent for the COUNTY exclusively, and is neither the agent for LESSEE nor a dual agent in this transaction.

37. **SURRENDER OF PREMISES**: Upon expiration or termination of this Agreement, LESSEE shall vacate and surrender possession of, and any claim to the Site, leaving it in good condition, except for ordinary wear and tear.

The Facility, at option of COUNTY, may be requested to be removed upon expiration of this Agreement by LESSEE or agent therefore. Then, upon completion of said removal, LESSEE shall provide the COUNTY with written notice that said Facility has been removed and the Site has been restored to its pre-Agreement condition as near as is practicable.

38. **CAPTIONS:** The title or 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.

39. **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.

40. **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 LESSEE to its terms and conditions or to carry out duties contemplated herein.

41. **CONSTRUCTION:** The parties have negotiated the terms of this Agreement. They have consulted an attorney when they felt the need. The terms of this Agreement reflect this negotiation and the intentions of both parties. These terms shall be interpreted with regard to each party equally.

42. **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.

43. **ENTIRE AGREEMENT:** The parties to this Agreement intend that their negotiations, conversations and statements made prior to execution of this Agreement are fully integrated and expressed herein, and no such negotiations, conversations, and statements shall be deemed to create rights or obligations other than those stated herein.

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41. **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.

42. **CONSTRUCTION:** The parties have negotiated the terms of this Agreement. They have consulted an attorney when they felt the need. The terms of this Agreement reflect this negotiation and the intentions of both parties. These terms shall be interpreted with regard to each party equally.

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Project: Solvang Senior Center at
1745 Mission Drive, Solvang
APN: 139-150-025 (Portion of)
Folio: 002121
Agent: MP/CS

IN WITNESS WHEREOF, COUNTY and LESSEE have executed this Ground Lease Agreement to be effective upon execution by COUNTY.

“COUNTY”
COUNTY OF SANTA BARBARA

ATTEST:
MONA MIYASATO
CLERK OF THE BOARD

By: _____
Das Williams, Chair
Board of Supervisors

By: _____
Deputy Clerk

Dated: _____

“LESSEE”
SANTA YNEZ VALLEY SENIOR
ADVISORY COUNCIL, INC. dba
SOLVANG SENIOR CENTER

By: _____
Thom Garrett, Co-Treasurer

By: _____
Alice Olla, Board President

RECOMMEND FOR APPROVAL:

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

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: Scott Greenwood
Scott Greenwood, Deputy Counsel

APPROVED AS TO ACCOUNTING FORM:
THEODORE A. FALLATI, CPA
AUDITOR-CONTROLLER

By: Theo Fallati
Deputy

APPROVED:

By: Don Grady
Don Grady, Manager
Real Property Division

APPROVED:

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

Project: Solvang Senior Center at
1745 Mission Drive, Solvang
APN: 139-150-025 (Portion of)
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APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:
THEODORE A. FALLATI, CPA
AUDITOR-CONTROLLER

By: _____
Scott Greenwood, Deputy Counsel

By: _____
Deputy

APPROVED:

APPROVED:

By: _____
Don Grady, Manager
Real Property Division

By: _____
Ray Aromatorio, ARM, AIC
Risk Manager

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1745 Mission Drive, Solvang
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Janette Pell, Director
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Scott Greenwood, Deputy Counsel

By: Theo Fallato
Deputy

APPROVED:

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Don Grady, Manager
Real Property Division

APPROVED:

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

Project: Solvang Senior Center at
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THEODORE A. FALLATI, CPA
AUDITOR-CONTROLLER

By: _____
Scott Greenwood, Deputy Counsel

By: _____
Deputy

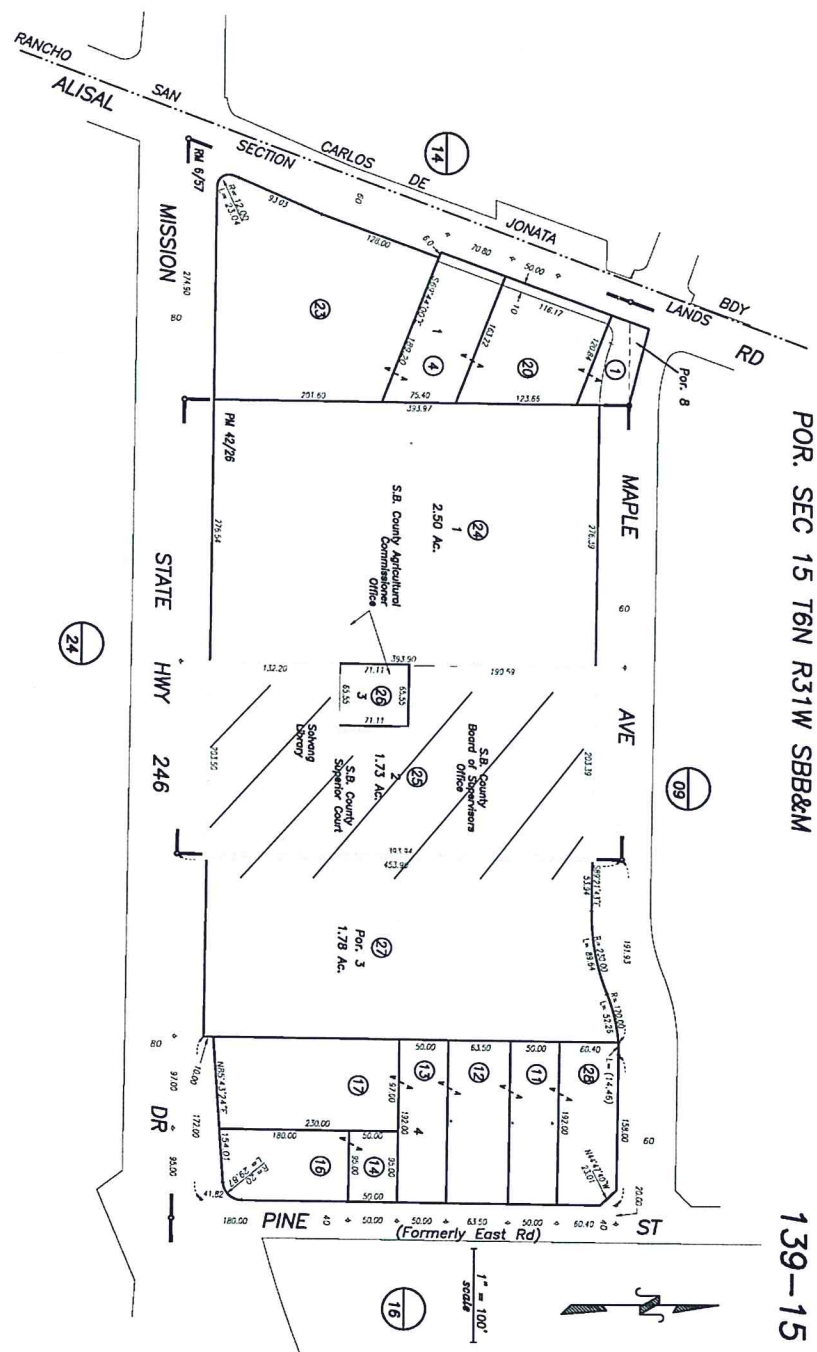
APPROVED:

APPROVED:

By: _____
Don Grady, Manager
Real Property Division

By: _____
Ray Aromatorio, ARM, AIC
Risk Manager

EXHIBIT "A" THE PROPERTY



POR. SEC 15 T6N R31W SBB&M

139-15

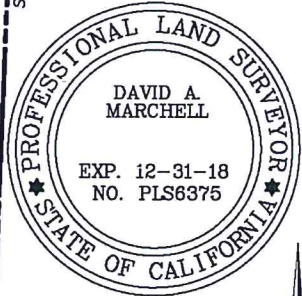
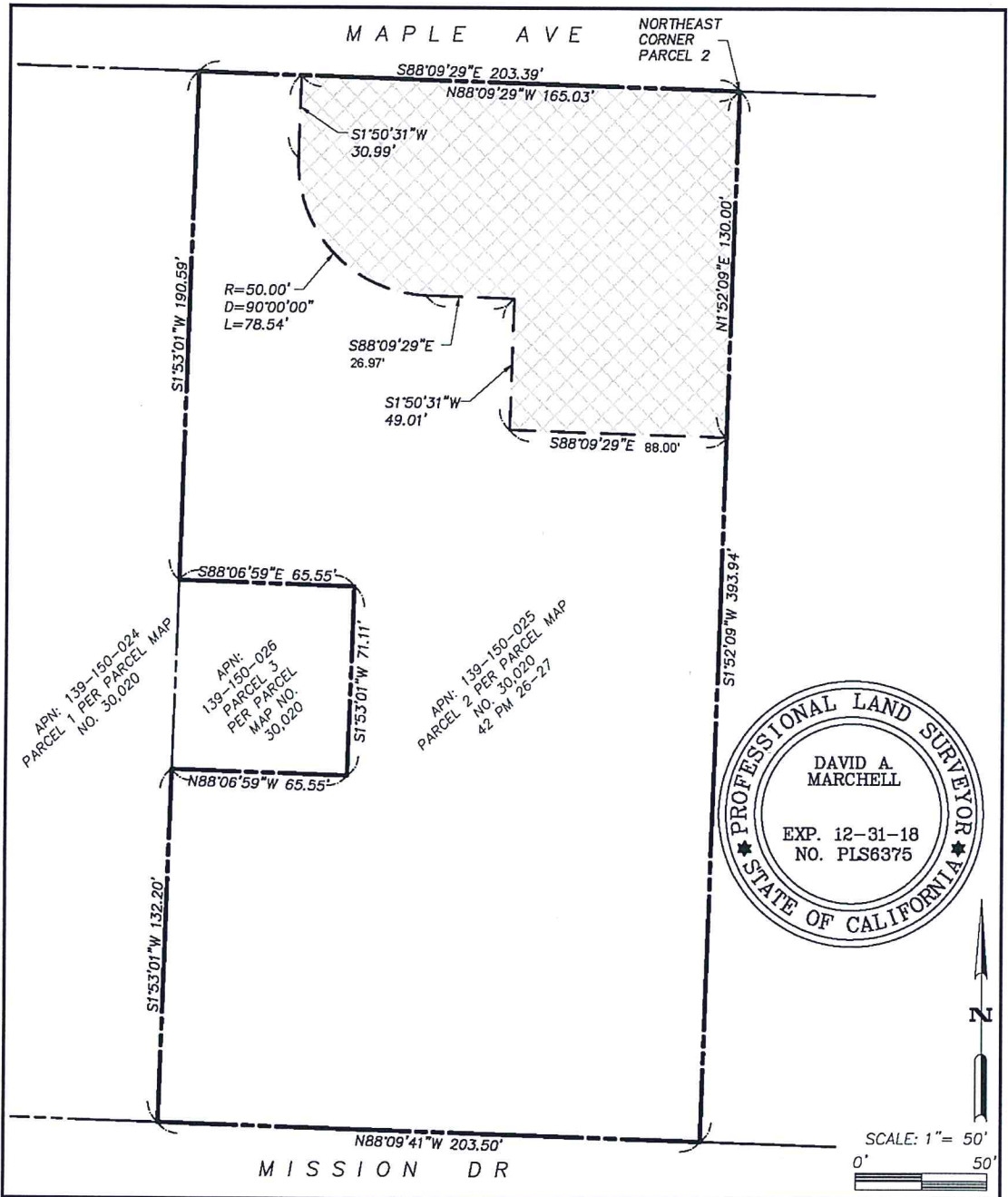
03/12/1912 M.S. Bk. 6 , Pg. 57 (Rasmussen)

NOTICE
Assessor's Parcels are for tax assessment purposes only and do not indicate either parcel history or a valid building file.

City of Solvang
Assessor's Map Bk, 139 -Pg, 15
County of Santa Barbara, Calif.

(10/15) 10 Map Book 8 28

EXHIBIT "B" THE SITE



	Civil Engineering Surveying Architecture	PLOT DATE: 04/12/18	<h2 style="margin: 0;">LEASE EXHIBIT EXHIBIT "B"</h2> <p style="margin: 0;">SOLVANG SENIOR CENTER</p> <p style="margin: 0;">1745 MISSION DR SOLVANG, CA 93463</p>
	711 Tank Farm Rd, Suite 100 San Luis Obispo California, 93401	JOB NO. 1187-01	
	Phone: (805) 544-9700 email: omni@odgsl.com	DWG. NAME: LEASE EXHIBIT	
		SCALE: 1" = 50'	
		SHEET NO.: 1	