

# Attachment A: Ground Lease Agreement

Document: DignityMoves Ground Lease  
Project Hope Village Santa Maria  
Folio: 004026  
APN: 128-085-044

**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 “COUNTY”;

and

DIGNITYMOVES HOPE VILLAGE LLC, a California limited liability company, hereinafter referred to as "DIGNITY" (and together with COUNTY, collectively, the “Parties” and each a “Party”);

with reference to the following:

**WHEREAS**, COUNTY is the fee owner of that certain real property in the City of Santa Maria, State of California, with an address of 2131 Southside Parkway, Santa Maria, located at the north easterly corner of the intersection of Centerpointe Parkway and Southside Parkway, more particularly described as County Assessor’s Parcel Number 128-085-044, and shown as the diagonally-slashed area of Exhibit A, attached hereto and incorporated herein by reference (“Property”); and

**WHEREAS**, COUNTY is the fee owner of that certain real property in the City of Santa Maria, State of California, with an address of 522 Lakeside Parkway, located at the south easterly corner of the intersection of Centerpointe Parkway and Lakeside Parkway, more particularly described as County Assessor’s Parcel Number 128-085-043, and shown as the vertically-slashed area of Exhibit A, attached hereto and incorporated herein by reference (“Parcel”); and

**WHEREAS**, COUNTY and DIGNITY are parties to that certain Temporary Right-of-Entry Agreement (“TROE”), a true and correct copy of which is attached hereto as Exhibit B and incorporated herein by reference, pursuant to which DIGNITY may utilize certain parts of the Parcel and the Property for the purposes specified therein and in accordance with the provisions thereof, before and during development of the Property; and

**WHEREAS**, DIGNITY desires to provide for construction and development on the Property of modular Interim Supportive Temporary Emergency Housing Units (“Units”) for homeless individuals and related facilities (such Units and facilities, collectively, the “Development”) where such individuals may receive on-site support services to rebuild their lives; and

**WHEREAS**, DIGNITY and GOOD SAMARITAN SHELTER, a 501(c)(3) California nonprofit public benefit corporation (together with its permitted successors and assigns, “SERVICE PROVIDER”) are parties to that certain Use Agreement, attached hereto as Exhibit C and incorporated herein by reference (“Use Agreement”), setting forth the respective roles and responsibilities of DIGNITY and SERVICE PROVIDER with respect to the Development during and after construction of the Development, and which Use Agreement is deemed approved by COUNTY; and

**WHEREAS**, COUNTY desires to lease the Property to DIGNITY, and DIGNITY desires to lease the Property from the COUNTY, at no cost to DIGNITY, for the purpose of DIGNITY constructing, and SERVICE PROVIDER, following completion of construction of the Development, maintaining, operating, and providing services to occupants of, the Development (the “Project”) on the Property; and

**WHEREAS**, concurrently herewith, the COUNTY and DIGNITY are entering into a Development Management Agreement in substantially the form of Exhibit D attached hereto and incorporated herein (the “Development Management Agreement”) providing for DIGNITY’s responsibilities with respect to the construction of the Development, including providing utilities to, in, on and along the Property for the Project and associated appurtenances that may be incidental to the activities of the Project; and

**WHEREAS**, the Coronavirus State and Local Fiscal Recovery Fund Required Terms attached as Exhibit B to the Development Management Agreement and incorporated herein by reference (“Development Subrecipient Agreement”) sets forth the terms and conditions governing the provision by the COUNTY of Federal 2021 American Rescue Plan Act (“ARPA”) funding, from which funds DIGNITY may request reimbursement from COUNTY for eligible costs incurred by DIGNITY in connection with the construction of the Development; and

**WHEREAS**, the Parties contemplate that DIGNITY will hold title to the Units and SERVICE PROVIDER will be responsible for maintenance and repair of the Development and the Property, including the Project and all other improvements in and on the Property; and

**WHEREAS**, COUNTY and SERVICE PROVIDER intend to enter into a Subrecipient Agreement (“Service Provider Agreement”) that will set forth their respective roles and responsibilities with respect to operation of the Project, including SERVICE PROVIDER’S roles and responsibilities in implementing programs necessary to meet the social needs of the population of the COUNTY by providing on the Property, in connection with the Development, associated programs and services to meet the social needs of the homeless population of the COUNTY and mitigate the homelessness crisis; and

**WHEREAS**, California Government Code Section 26227 and County Code Section 12A-10.3 allow the Board of Supervisors 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 programs deemed necessary to meet the social needs of the population of the COUNTY and mitigate the homelessness crisis, including emergency temporary interim supportive housing units and associated programs and services for homeless individuals; and

**WHEREAS**, COUNTY has determined that the Property will not be needed for COUNTY purposes during the time of possession contemplated herein.

**NOW, THEREFORE**, in consideration of the mutual covenants, conditions, promises and agreements hereinafter set forth, COUNTY and DIGNITY agree that any and all prior lease agreements between the Parties for, related to, or in connection with the use or occupancy of the Property are hereby terminated, and that the following terms and conditions shall govern DIGNITY'S use and occupancy of the Property.

1. **ADMINISTRATION AND ENFORCEMENT:** The provisions of this Agreement shall be administered and enforced for the COUNTY through its General Services Department Director, or designee ("Director"). The Director shall be the priority contact with DIGNITY, and may authorize General Services Department personnel to make periodic visits to the Property for purposes of inspection, administration, and/or enforcement of this Agreement.

2. **PROPERTY and PARCEL:**

A. **Leased Property.** COUNTY hereby leases to DIGNITY and DIGNITY hereby leases from COUNTY the Property, subject to the provisions of this Agreement.

B. **Temporary Right-of-Entry -- Parcel.** COUNTY and DIGNITY are parties to the TROE, a true and correct copy of which is attached hereto as Exhibit B and incorporated herein by reference, which grants to DIGNITY a temporary right-of-entry on the Parcel and the Property, and sets forth the terms and conditions governing DIGNITY's use of the Parcel and, through the Effective Date (defined hereinbelow), the Property thereunder.

3. **INGRESS & EGRESS:**

A. **During-Construction.** During construction of the Development, access for ingress and egress to and from the Property by DIGNITY and its duly authorized employees, invitees, agents, volunteers, and contractors, shall be through the adjacent Parcel to the Property's northern property line.

B. **After-Construction.** After construction of the Development is completed, ingress to and egress from the Property shall be to and from the entrances depicted on the Site Plan attached hereto as Exhibit E and incorporated herein.

4. **TERM:** This Agreement will be effective as of the Effective Date (defined hereinbelow). The term of this Agreement (the "Term") shall commence upon Substantial

Completion, as such term is defined in Section 5, below, and will continue for five (5) years thereafter, subject to such early termination as set forth herein or otherwise agreed to in writing and duly executed by both DIGNITY and COUNTY. The use of the Property for the provision of Service Provider Services is anticipated for five (5) years. Any extension of the Term beyond five (5) years after the Effective Date shall be subject to approval by the COUNTY Board of Supervisors at a regularly scheduled meeting held at the Santa Maria Board Hearing Room location.

**5. CONSTRUCTION AND INSTALLATION OF IMPROVEMENTS:**

DIGNITY shall be responsible for construction of the Development and related improvements on the Property, including, but not limited to, construction of the Units and temporary restrooms and shower units (“Facilities” and, together with the Units, collectively, the “Improvements”), and associated appurtenances incidental to the activities of the contemplated interim supportive housing community, and shall obtain and provide for the delivery of all necessary and desired utilities to, in, on and along the Property through the date of substantial completion of the Development, which shall be deemed to have occurred upon issuance of a Temporary Certificate of Occupancy for the Project (“Substantial Completion”), including, but not limited to, all natural gas, heat, electricity, sewer service, telephone, internet, water, refuse disposal, and other services and utilities (collectively, “Utilities”) and shall pay, directly to the appropriate suppliers of the Utilities, the cost of all Utilities supplied to the Property. Following Substantial Completion, Utilities shall be paid by SERVICE PROVIDER in accordance with the provisions of the Service Provider Agreement and the Use Agreement; provided, however, that during any period following Substantial Completion when SERVICE PROVIDER fails to pay for Utilities, DIGNITY shall pay for all Utilities. All amendments to the Use Agreement shall be subject to prior written approval by the COUNTY, and SERVICE PROVIDER shall not be allowed to operate on the Property or provide services in connection therewith before a Service Provider Agreement by and between the COUNTY and SERVICE PROVIDER has been duly executed by each of the COUNTY and SERVICE PROVIDER. DIGNITY shall not create or permit to be created or to remain, and shall promptly discharge, any lien, encumbrance, or charge levied on account of any mechanic's, laborer's, or materialman's lien which might or does constitute a lien, encumbrance, or charge upon the Property, or any part thereof, or the income therefrom, having a priority or preference over or ranking on a parity with the estate, rights, or interest of COUNTY in the Property or any part thereof, or the income therefrom. Nothing in this Agreement shall be deemed or construed in any way as constituting the consent or request of COUNTY, express or implied, by inference or otherwise, to the filing of any lien against the Property by any contractor, subcontractor, laborer, materialman, architect, engineer, or other person for the performance of any labor or the furnishing of any materials or services for or in connection with the Property or any part thereof.

**6. PURPOSE AND USE:** DIGNITY shall use the Property solely for the purposes of constructing the Development and the performance of its obligations under this Lease, the Development Management Agreement, and the Use Agreement in compliance with all applicable federal, state, and local laws, regulations, rules and ordinances, guidelines, policies, directives, standards, and agreements approved by COUNTY, including, but not limited to, the Development Subrecipient Agreement (“Applicable Laws”). From and after Substantial Completion, the Project shall be operated by SERVICE PROVIDER, subject to the Use Agreement and Service Provider Agreement. If at any time during the Term, the Property is used for any purpose other than as set

forth herein without the express prior written consent of COUNTY, at COUNTY'S option, possession of the Property shall revert to COUNTY, and this Agreement shall terminate.

DIGNITY shall not use or occupy, nor permit or suffer the Property or any part thereof to be used or occupied for any unlawful, illegal, or extra hazardous business, use, or purpose, or in such manner as to constitute a nuisance of any kind (public or private), or for any purpose or in any way in violation of any Applicable Laws, or which may make void or voidable any insurance then in force on the Property. DIGNITY shall take, or cause to be taken immediately upon its discovery, knowledge, including constructive knowledge, or receipt of notification of any such unpermitted, unlawful, illegal, or extra hazardous use, all necessary actions, legal and equitable, to compel the discontinuance of such use. Without limiting the foregoing, DIGNITY shall promptly (i) cure or cause to be cured all violations of Applicable Law for which DIGNITY is responsible hereunder and has received notice or a public notice of violation has been issued, and (ii) pay or cause to be paid all fines, penalties, interest, or other costs imposed by any governmental authorities in connection with any violation or requirement of any Applicable Laws.

In the event that (i) COUNTY and SERVICE PROVIDER do not enter into a Service Provider Agreement in the form and substance acceptable to COUNTY, or (ii) the Use Agreement by and between DIGNITY and SERVICE PROVIDER is not in full force and effect at any point during the Term, then SERVICE PROVIDER shall not be involved with the Project or the Property, and any involvement of SERVICE PROVIDER on the Property or with the Project shall be conditioned on COUNTY and SERVICE PROVIDER first entering into a written Service Provider Agreement in form and substance acceptable to COUNTY, and DIGNITY and SERVICE PROVIDER entering into a Use Agreement in substantially the form and substance of the Use Agreement attached to this Agreement, which sets forth the terms and conditions of SERVICE PROVIDER's involvement with the Property and the Project. At any time when no agreement between COUNTY and SERVICE PROVIDER or between DIGNITY and SERVICE PROVIDER is in effect as contemplated in the foregoing sentence, COUNTY shall use reasonable efforts to promptly secure a SERVICE PROVIDER to enter into such agreements.

During the Term, DIGNITY shall not use or permit the Property to be used by any person (other than SERVICE PROVIDER in accordance with the terms of the Use Agreement) in such a manner as would impair COUNTY's title to or interest in the Property or in such a manner as would cause a claim or claims of adverse possession, adverse use, prescription, or other similar claims of, in, to, or with respect to the Property.

Notwithstanding the provisions of this Section 6 above, DIGNITY shall have no responsibility for the use of the Property by SERVICE PROVIDER provided SERVICE PROVIDER accepts responsibility for the use of the Property by SERVICE PROVIDER and its employees, tenants, invitees, agents, volunteers, and contractors pursuant to a Use Agreement between DIGNITY and SERVICE PROVIDER and Service Provider Agreement between the COUNTY and SERVICE PROVIDER. SPA

7. **RENT:** In accordance with Government Code Section 26227, the Santa Barbara County Board of Supervisors determined that the operations of the Project are necessary to meet the social needs of the population of the COUNTY. In consideration for DIGNITY's construction of the proposed Project and for SERVICE PROVIDER's administration, operation, and maintenance of the Project on the Property, as well as SERVICE PROVIDER's provision of

supportive services in connection with the proposed Project (the latter such services, the “Service Provider Services”), the Property is being leased to DIGNITY by COUNTY rent-free.

As also described in Section 4, above, should, for any reason, the Santa Barbara County Board of Supervisors determine, at a publicly noticed hearing of which Dignity receives at least fifteen (15) days’ advance written notice, that the Service Provider Services provided by SERVICE PROVIDER are no longer necessary to meet the social needs of the population of the COUNTY, or should the aforementioned Government Code Section 26227 be repealed or replaced (provided the County confirms the repeal/replacement of the same by written notice to DIGNITY) such that DIGNITY no longer qualifies for the rights granted hereunder, DIGNITY shall, at its election, either (a) pay to COUNTY fair market rent for the Property commencing thirty (30) days after said hearing, or (b) terminate this Lease upon thirty (30) days’ notice to COUNTY. The amount of such fair market rent shall be determined by an independent appraiser selected by COUNTY after good-faith consultation with DIGNITY (“Appraiser”), and shall be determined based upon the rental value of the land only (“Disqualified Provider Rent”). Such Disqualified Provider Rent shall be due and payable by DIGNITY for each month of the Term during which either Provider is so disqualified or ineligible, and shall increase at a rate of 3% per year on each anniversary following the Appraiser’s determination of the amount of such Disqualified Provider Rent. Each Party shall be responsible for half of the Appraiser’s fees and any other costs of the Appraiser’s appraisal of the fair market rent for the Property hereunder.

8. **PROPERTY SUITABILITY:** DIGNITY has inspected the Property and has determined that it is suitable for DIGNITY’s purposes, including the construction of the Development in accordance with the terms and conditions set forth in Appendix P and the Development Management Agreement and, therefore, DIGNITY hereby accepts, by way of executing this Agreement, use of the Property, as depicted in Exhibit A hereof, “AS-IS” in its existing condition as of the date of this Agreement.

**DIGNITY ACKNOWLEDGES THAT COUNTY HAS MADE NO REPRESENTATIONS OR WARRANTIES ABOUT THE CONDITION OF THE PROPERTY, OR THE SUITABILITY OF THE PROPERTY FOR THE INTENDED USE BY DIGNITY OR SERVICE PROVIDER OR FOR ANY OTHER USE.**

9. **CONSTRUCTION AND ALTERATIONS:** All construction, alterations, and improvements on the Property by DIGNITY shall be subject to COUNTY’s prior written approval of proposed plans and specifications for same presented by DIGNITY to COUNTY in written form prior to any such construction, alterations, or improvements, and shall be in accordance with the provisions of the Development Management Agreement. COUNTY, through its General Services Department, shall issue a written approval or disapproval of such plans and specifications submitted pursuant to this Section 9.

Any such COUNTY approval shall be deemed conditioned upon DIGNITY, at DIGNITY’s sole expense, (1) acquiring in advance all necessary permits, licenses, and approvals from, and making and filing all required notifications and registrations with, the appropriate governmental agencies and Utility companies, (2) furnishing a copy of all required permits and approvals to COUNTY prior to the commencement of such work, and (3) complying with all conditions of such permit(s) and approvals, and is subject to prevailing wage requirements with compliance monitoring and enforcement by the Department of Industrial Relations pursuant to the provisions of Section 1770 et seq. of the California Labor Code. Compensation paid by DIGNITY for such

work shall not be less than the prevailing rate of per diem wages as determined by the Director of the Department of Industrial Relations. Any and all permits, licenses, approvals, and 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, approvals, or clearances. DIGNITY shall provide to COUNTY'S General Services Department not less than ten (10) calendar days' prior written notice before 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 work on the Property, DIGNITY shall keep the Property and the Parcel, including all Improvements, free and clear of liens for labor and materials expended by or for DIGNITY, or on its behalf, and shall hold COUNTY harmless and defend COUNTY with respect to all such work. Non-compliance with this Section 9 shall constitute a material breach of this Agreement. When improvements are constructed by DIGNITY under the provisions of this Agreement, DIGNITY shall inform COUNTY of the date of completion of each such improvement.

The requirements relating to construction set forth herein are those of COUNTY as landowner and not as a governmental entity. Nothing in this Agreement shall be construed to entitle DIGNITY to undertake construction of any alterations or improvements without complying with all permitting required by COUNTY in its governmental capacity.

10. **TITLE:** During the Term, title to the Improvements shall vest with DIGNITY; Provided, however, that, in accordance with Section 9, above, DIGNITY does not have the right to, and shall not at any time during the Term, erect any improvements in or upon the Property or the Parcel without the prior written consent of the COUNTY.

Except as expressly provided otherwise herein, the above-grade Improvements shall be and remain the property of DIGNITY. Title to the Improvements shall remain with DIGNITY after the expiration or termination of this Agreement; provided, however, that in the event that above-grade Improvements (and such other improvements as DIGNITY and the COUNTY mutually agree DIGNITY is responsible for removing upon expiration or termination of this Agreement) are not removed within ninety (90) days of the expiration or termination of this Agreement, title to some or all of the Improvements shall, at COUNTY's election upon no less than thirty (30) days' written notice (which may be given during the foregoing ninety (90)-day period), transfer to and vest in the COUNTY. Such transfer or vesting of title shall not constitute a waiver of any right or remedy which the COUNTY may have against DIGNITY or any other person for any damage, loss, or injury suffered by the COUNTY as a result of any act or omission by DIGNITY in connection with this Agreement.

DIGNITY shall not have the right to waste, destroy, demolish or remove the Improvements, except as provided in this Agreement. In the event that DIGNITY and SERVICE PROVIDER discontinue use of the Improvements, this Agreement may be terminated as provided in Section 12 ABANDONMENT OF THE PROPERTY and/or IMPROVEMENTS. In such event, DIGNITY shall remove and dispose of the Improvements in accordance with Section 34, SURRENDER OF PROPERTY, below.

11. **ENTRY BY COUNTY:** COUNTY may enter upon the Property at all times upon reasonable (no less than 24 hours', unless emergency circumstances justify less) notice, and subject



to the rights of occupants and the terms of the Service Provider Agreement, to examine the condition thereof, provide emergency maintenance, make emergency repairs, and to make such other repairs as COUNTY may deem necessary in accordance with Section 15, below; provided, however, that prior to Substantial Completion, DIGNITY shall be given at least five (5) business days' written notice of any non-emergency repairs and an opportunity to make such repairs prior to the COUNTY making the same. DIGNITY shall reimburse COUNTY for all reasonable expenses COUNTY incurs for maintenance and/or repair(s) that COUNTY makes pursuant to this Section 11, in accordance with Section 15, below.

12. **ABANDONMENT OF THE PROPERTY and/or IMPROVEMENTS:** DIGNITY shall not abandon, vacate, surrender, or assign or otherwise transfer, directly or indirectly, whether by operation of law or otherwise, this Agreement or any of DIGNITY's rights or obligations hereunder, including, but not limited to, use of the Property and/or the Improvements, other than to SERVICE PROVIDER in accordance with the provisions of the COUNTY-approved Use Agreement, at any time during the Term of this Agreement, other than with the prior written consent of COUNTY in each instance. If DIGNITY attempts or does abandon, vacate, surrender, assign, or otherwise transfer this Agreement or any of DIGNITY's rights or obligations hereunder without the prior written consent of COUNTY, then this Agreement and all of DIGNITY'S rights thereto shall be subject to immediate termination by COUNTY.

In the event of such termination, the Improvements and all personal property belonging to DIGNITY and left on the Property more than ninety (90) days after such termination shall be deemed abandoned at the option of COUNTY, and title to such personal property shall pass to COUNTY as provided in Section 10, above.

13. **WASTE AND NUISANCE:** DIGNITY shall not commit, nor suffer to be committed, any waste upon the Property, nor cause or permit any nuisance to exist thereon. Notwithstanding the provisions of this Section 13 above, DIGNITY shall have no responsibility for waste or nuisance committed, suffered to be committed, caused or permitted by SERVICE PROVIDER provided SERVICE PROVIDER accepts responsibility for such waste or nuisance of the SERVICE PROVIDER and its employees, tenants, invitees, agents, volunteers, and contractors pursuant to a Use Agreement between DIGNITY and SERVICE PROVIDER and Service Provider Agreement between the COUNTY and SERVICE PROVIDER.

14. **UTILITIES:**  
A. **Utility Charges.** DIGNITY, at its sole cost and expense, shall install, provide, and maintain the necessary mains, laterals, meters and ancillary equipment required to maintain Utility services to the Property and Improvements, in accordance with all Applicable Laws, and shall obtain, maintain in full force and effect, and remain in compliance with, at all times during the Term, all required Utility permits and approvals. Following Substantial Completion, the obligations of DIGNITY set forth in the immediately preceding sentence is to be assumed by SERVICE PROVIDER pursuant to the Service Provider Agreement duly executed by both of DIGNITY and SERVICE PROVIDER, whereby SERVICE PROVIDER agrees to assume responsibility for same; provided, however, that such Service Provider Agreement shall not relieve DIGNITY of ultimate responsibility for same hereunder during the Term in the event that SERVICE PROVIDER defaults on such obligations, or in the event that SERVICE PROVIDER does not enter into a Service Provider Agreement with County. DIGNITY shall make and file all

notifications and registrations as required by Applicable Laws in connection with the Utilities. All accounts for such Utilities shall, prior to Substantial Completion, name DIGNITY as the responsible party and may, after Substantial Completion and execution of a COUNTY-approved Use Agreement as specified above in this Section 14, name SERVICE PROVIDER as the responsible party. DIGNITY shall pay when due all charges for all Utilities from the Effective Date (defined hereinbelow) through Substantial Completion and until execution by DIGNITY and SERVICE PROVIDER of the Use Agreement which provides that SERVICE PROVIDER shall pay when due all charges for all Utilities thereafter; provided, however, that such Use Agreement shall not relieve DIGNITY of ultimate responsibility hereunder for payment when due of all charges for all Utilities during the Term in the event that SERVICE PROVIDER defaults on such obligations, or in the event that SERVICE PROVIDER does not enter into a Service Provider Agreement with County.

**B. Removal.** Upon expiration or termination of the Agreement, DIGNITY shall, at its sole cost and expense, remove all above grade Utility improvements and ancillary equipment in, on, and below the Property, unless COUNTY agrees otherwise in writing with respect to specified Utility improvements and/or ancillary equipment in an agreement duly executed by COUNTY and DIGNITY.

15. **MAINTENANCE AND REPAIR:** During the Term of this Agreement, DIGNITY shall, at its sole cost and expense, maintain the Property and Improvements, and, during the term of the TROE, all portions of the Parcel to which the TROE is applicable, in a neat, clean, and safe and sanitary condition, and make all necessary repairs thereto, interior and exterior, structural and nonstructural, ordinary, and extraordinary, and foreseen and unforeseen, including, but not limited to:

- A. 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 utility service, HVAC, vents, drains, ducting, and supporting structures;
- C. All other unexposed electrical, plumbing and sewage systems;
- D. Ingress and egress location; and
- E. The grounds, including landscaping.

If DIGNITY fails to keep and maintain the Property and the Improvements as required by this Agreement, COUNTY may (but shall not be required to) perform and satisfy same, and DIGNITY hereby agrees to reimburse COUNTY, as additional rent, for the reasonable cost thereof promptly upon demand. DIGNITY shall not permit any material waste of the Property, and DIGNITY shall keep the entire Property, including adjoining sidewalks, substantially free of any accumulation of rubbish. COUNTY is not required to maintain, repair, clean, alter, or improve the Property, or to provide any services to the Property. Following Substantial Completion, the obligations of DIGNITY set forth in the foregoing provisions of this Section 15 may be assumed by SERVICE PROVIDER pursuant to the Use Agreement duly executed by both of DIGNITY and SERVICE PROVIDER, whereby SERVICE PROVIDER expressly agrees to assume responsibility for the obligations of DIGNITY set forth in the foregoing provisions of this Section 15; provided, however, that such Use Agreement shall not relieve DIGNITY of ultimate

responsibility for same hereunder for performance of maintenance and repairs hereunder during the Term in the event that SERVICE PROVIDER defaults on such obligations, or in the event that no Service Provider Agreement is in effect between SERVICE PROVIDER and COUNTY.

16. **ASSIGNMENT/ SUBLEASE:** DIGNITY shall not assign or otherwise transfer, directly or indirectly, by operation of law or otherwise, the Property, Parcel, Improvements, this Agreement, or any of DIGNITY'S rights or obligations therein or hereunder, or license, or sublease the Property, Parcel, Improvements, or any part thereof, or any right or privilege appurtenant thereto, other than to SERVICE PROVIDER pursuant to the Use Agreement, without COUNTY'S prior written consent. Consent by COUNTY to any one such assignment, transfer, license or sublease shall not be deemed to constitute consent to any subsequent assignment, transfer, license or sublease. Any assignment, transfer, license or sublease made contrary to this Section 16 shall be null and void at the election of COUNTY, in COUNTY's sole discretion.

17. **SUCCESSORS IN INTEREST:** This Agreement and the covenants contained herein shall be binding upon and inure to the benefit of the respective parties hereto and to their respective permitted successors and assigns in accordance with Section 16, above.

18. **INSURANCE AND INDEMNIFICATION:** DIGNITY shall comply with the indemnification and insurance provisions as set forth in Exhibit F, attached hereto and incorporated herein by reference. DIGNITY shall require its contractors and subcontractors to maintain the insurance coverage set forth in Exhibit F throughout the Term of this Agreement, and to provide proof of such insurance to DIGNITY, and COUNTY upon COUNTY's request, including, but not limited to, the required additional insured endorsements prior to accessing the Property or the Parcel.

19. **WAIVER OF SUBROGATION RIGHTS:** Notwithstanding anything in this Agreement to the contrary, neither Party shall be liable to the other Party (or to the other Party's successors or assigns) for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy with an extended coverage endorsement, and in the event of such an insured loss, neither Party's insurance company shall have a subrogated claim against the other Party hereto.

20. **QUIET ENJOYMENT AND NON-INTERFERENCE:** DIGNITY shall at all times conduct its business in a professional, quiet, and orderly manner to the satisfaction of the COUNTY. DIGNITY shall not use, nor permit those under its control, including, but not limited to, its employees, tenants, invitees, agents, volunteers and contractors to use any portion of the Property in any way that creates a nuisance or waste, or that interferes with any properties adjacent to the Property, or with COUNTY's ownership of or title to the Property, or with COUNTY's lawful use of the Parcel, or the COUNTY'S other adjoining property. Notwithstanding the foregoing, DIGNITY shall have no obligation to cause SERVICE PROVIDER or its employees, tenants, invitees, agents, volunteers and/or contractors to comply with the foregoing as long as SERVICE PROVIDER has accepted responsibility for the requirements of this paragraph 20

pursuant to a Use Agreement between DIGNITY and SERVICE PROVIDER and a Service Provider Agreement between COUNTY and SERVICE PROVIDER.

21. **NONDISCRIMINATION:** DIGNITY in its operations under this Agreement, shall 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 any COUNTY ordinance.

Noncompliance with provisions of this Section 21 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 interests hereby created without liability therefor.

22. **ENVIRONMENTAL IMPAIRMENT:**

DIGNITY shall, at all times during the Term, comply with all applicable federal, state, county, and municipal statutes, ordinances, laws, regulations, rules, and orders, regardless of when they become or became effective, including, but not limited to, those relating to signage, health, safety, noise, environmental protection, waste disposal, water and air quality, and shall furnish satisfactory evidence of compliance upon request by COUNTY.

23. **TOXICS:** DIGNITY shall not cause or permit in, on, or under the Property or the Parcel, or suffer or permit to occur in, on, or under, the Property or the Parcel, any generation, use, manufacturing, refining, transportation, emission, release, treatment, storage, disposal, presence, or handling of Hazardous Materials. For purposes of this Agreement, "Hazardous Materials" shall mean any pollutant, contaminant, or hazardous, dangerous, or toxic chemicals, materials, or substances within the meaning of any applicable Environmental Law, relating to or imposing liability or standards of conduct concerning any hazardous, toxic, or dangerous waste substance or material, all as amended or hereafter amended including, without limitation, any material or substance which is: (a) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. § 1317) or equivalent State Laws; (b) defined as a "hazardous waste" pursuant to § 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6903) or equivalent State Laws; (c) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601) or equivalent State Laws; (d) petroleum; (e) asbestos or asbestos-containing materials; (f) polychlorinated biphenyls ("PCBs") or substances or compounds containing PCBs; (g) radon; (h) medical waste; and (i) petroleum products.

DIGNITY shall be fully responsible for all Hazardous Materials, and any other hazardous wastes, substances or materials as defined under federal, state or local law, regulation, or ordinance, that are manufactured, generated, used, placed, disposed, stored, handled or transported by DIGNITY, or any of its agents, employees, invitees, volunteers or designees, on, under, or in the Property during the Term of this Agreement. Nothing contained in this Section 23 shall render DIGNITY responsible for the presence of Hazardous Materials resulting from (i) any period prior to the Effective Date; or (ii) resulting from the acts or omissions of SERVICE PROVIDER, its agents, employees, invitees, volunteers or designees provided SERVICE PROVIDER has accepted responsibility for the Release of Hazardous Materials by SERVICE PROVIDER and its agents,

employees, invitees, volunteers, or designees pursuant to a Use Agreement between DIGNITY and SERVICE PROVIDER and a Service Provider Agreement between COUNTY and SERVICE PROVIDER. DIGNITY shall notify COUNTY and all appropriate governmental emergency response agencies immediately in the event of any Release or threatened Release of any such Hazardous Materials. For purposes of this Agreement, "Release" shall mean any release, discharge, leakage, spillage, emission, or pollution of any type, including, but not limited to, hazardous materials,

24. **COMPLIANCE WITH THE LAW:** At all times during the Term, DIGNITY shall comply with all Applicable Laws, whether now or hereafter in effect.

25. **TAXES AND ASSESSMENTS:** DIGNITY shall promptly pay and discharge all property taxes and assessments, including special assessments and possessory interest taxes, if any, which may be levied upon the Improvements and/or the Property during Term except to the extent levied upon or by reason of the operations of SERVICE PROVIDER on the Property during any period in which SERVICE PROVIDER has accepted responsibility for the taxes and assessment under this paragraph 25 pursuant to a Use Agreement between DIGNITY and SERVICE PROVIDER and a Service Provider Agreement between COUNTY and SERVICE PROVIDER.

26. **NOTICES:** Any notice to be given to a Party hereunder shall be in writing and shall be delivered, either personally or by mail, to such Party as follows:

COUNTY: General Services Department  
Real Property Division  
1105 Santa Barbara Street 2<sup>nd</sup> Flr.  
Santa Barbara, CA 93101  
Attn: Julie Lawrence, Real Property Manager  
Phone: (805) 568-3070  
e-mail: [juliel@countyofsb.org](mailto:juliel@countyofsb.org)

DIGNITY: DignityMoves Hope Village LLC  
2406 Bush Street  
San Francisco, CA 94115  
Attn: Elizabeth Funk  
Phone: (415) 867-7397  
e-mail: [elizabeth@dignitymoves.org](mailto:elizabeth@dignitymoves.org)

Copy to: Brownstein Hyatt Farber Schreck, LLP  
2049 Century Park East, Suite 3550  
Los Angeles, CA 90067  
Attn: Diane De Felice  
Phone: (310) 500-4613  
Email: [DDeFelice@bhfs.com](mailto:DDeFelice@bhfs.com)

or to such Party at such other respective address as may be designated by such Party in writing in accordance with this Section 26. Such notices shall be served by depositing them addressed as set out above, postage prepaid, in the U.S. Postal Service mail, nationally recognized overnight courier, or by personal delivery. Notices personally or electronically delivered are considered received upon delivery. Notices sent by overnight delivery are considered received on the next business day. Mailed notices are considered received three (3) business days after deposit in the mail.

27. **DEFAULT:** Except as otherwise required herein, should DIGNITY at any time be in material breach of any of the provisions of this Agreement (“Event of Default”), and COUNTY determines in its reasonable discretion that such default is capable of being cured, COUNTY shall give notice to DIGNITY specifying the particulars of such Event of Default and the actions required to cure, and DIGNITY shall promptly commence remedial action to cure such Event of Default. Should such Event of Default continue uncured for a period of thirty (30) calendar days from such notice of such Event of Default, this Agreement shall terminate at the option of the COUNTY. In the event that COUNTY determines that such an Event of Default cannot be cured within such 30-day period, COUNTY may elect to allow DIGNITY to complete cure of such Event of Default thereafter, within a reasonable period of time specified by COUNTY in writing (“Extended Cure Period”), provided that DIGNITY diligently proceeds with all due speed to cure such Event of Default, as determined by COUNTY in COUNTY’s reasonable discretion.

28. **REMEDIES:** In the event of an Event of Default by DIGNITY or a material default or breach by COUNTY, the non-defaulting 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 non-defaulting Party may waive the default or breach in accordance with Section 29, WAIVER, below.
- B. The non-defaulting Party may maintain this Agreement in full force and effect and recover monetary losses resulting from such default or breach.
- C. Where DIGNITY is the non-defaulting party, DIGNITY may terminate the Agreement and surrender use of the Property.
- D. Where COUNTY is the non-defaulting party, COUNTY may terminate the Agreement and DIGNITY shall vacate the Property within 30 days of written notice of such termination from COUNTY (subject to longer periods for removal of Improvements as provided herein).

29. **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.

30. **AMENDMENTS:** This Agreement may only be amended in writing duly executed by each of the Parties, and such changes shall be binding upon the successors and permitted assigns of the Parties.

31. **TERMINATION:** This Agreement shall terminate, and all rights of DIGNITY hereunder shall cease, and DIGNITY shall quietly and peacefully deliver to COUNTY possession of the Property and possession of and all interest in and title to the Improvements:

- A. Upon ninety (90) calendar days' written notice from COUNTY to DIGNITY;  
or
- B. Upon ninety (90) calendar days' written notice from DIGNITY to COUNTY;  
or
- C. Upon abandonment of the Improvements and/or Property, as provided in Section 12, ABANDONMENT OF THE PROPERTY and/or IMPROVEMENTS;  
or
- D. Upon the failure of DIGNITY to satisfy, observe or perform any of the covenants, obligations, conditions set forth in this Agreement and the expiration of the applicable cure period, if any, as provided in Section 27, DEFAULT; or
- E. As provided in Section 32, DESTRUCTION; or
- F. Upon expiration or other earlier termination of the Agreement in accordance the provisions of this Agreement.

32. **DESTRUCTION:** If the Property and/or any of the Improvements are partially or totally destroyed by fire or other casualty, this Agreement, at the option of DIGNITY, shall terminate. Within one hundred twenty (120) days following any such termination of this Agreement, DIGNITY shall remove all above-grade Improvements from the Property, unless otherwise directed by COUNTY in writing, and shall return the Property to as near as its original condition as of the Effective Date as is practical. At the election of COUNTY, the Units may be moved, at the expense of COUNTY, to another site designated by COUNTY. The Units shall otherwise be removed at the expense of DIGNITY. The COUNTY and DIGNITY may mutually agree to arrangements with respect to Improvements at grade. In no event shall DIGNITY be required to remove below-grade Improvements.

33. **AGENCY DISCLOSURE:** DIGNITY 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 DIGNITY nor a dual agent in this transaction.

DIGNITY acknowledges that DIGNITY is the agent for itself exclusively, and is neither the agent for the COUNTY nor a dual agent in this transaction.

34. **SURRENDER OF PROPERTY:** Upon expiration or termination of this Agreement, DIGNITY shall vacate and surrender possession of, and all claim to, the Property, leaving it in good condition, except for ordinary wear and tear.

DIGNITY shall be required to remove all above-grade Improvements upon the expiration or termination of this Agreement, except as otherwise directed by the COUNTY in writing. At COUNTY's election, the Units may be moved, at the expense of COUNTY, to another site designated by COUNTY provided that COUNTY provides DIGNITY with six (6) months' notice specifying where the Units will be relocated. The Units shall otherwise (in the event COUNTY does not timely provide notice pursuant to the foregoing sentence) be removed upon expiration or termination of this Agreement at the expense of DIGNITY. The COUNTY and DIGNITY may mutually agree to arrangements with respect to Improvements at grade. In no event shall DIGNITY

be required to remove below-grade Improvements. In the event that DIGNITY fails to remove the Improvements in accordance with the provisions of this Agreement, COUNTY shall have the right, but not the obligation, to take title to the Improvements as described in Section 10 TITLE.

35. **CONDEMNATION:** In the event the Property or Improvements or any part thereof is taken by condemnation, eminent domain, or any such proceeding that precludes access to or use of the Property and/or Improvements, COUNTY shall have the right, subject to DIGNITY's consent, which consent shall not be unreasonably withheld, to control the defense of any such action in condemnation or eminent domain, and to defend any such action and settle the same in COUNTY'S absolute discretion. DIGNITY agrees that COUNTY shall have the right (subject to DIGNITY's consent, which consent shall not be unreasonably withheld), but not the obligation, to defend or settle any such action of condemnation or eminent domain affecting DIGNITY'S Improvements on or interest in the Property.

DIGNITY shall receive from COUNTY such proportionate amount of the judgment, award, or settlement as shall be attributable to DIGNITY'S interests hereunder.

In the event possession of the Property or partial possession of the Property is obtained by a public agency or other agency empowered to take by eminent domain, in a manner which precludes DIGNITY'S intended use hereunder, this Agreement shall terminate as of the effective date of such possession and, upon such termination, any obligations of DIGNITY up to said termination date shall cease.

In the event of a partial taking, this Agreement may continue at COUNTY'S option.

36. **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.

37. **SEVERABILITY:** If any one or more of the provisions contained herein shall for any reason be held by a court of competent jurisdiction 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.

38. **CERTIFICATION OF SIGNATORIES:** Each of the signatories of this Agreement represent and warrant that such signatory is duly authorized to execute this Agreement, and that no additional signatures are required to bind such Party to its terms and conditions, or to carry out any of such Party's duties or obligations hereunder. The Parties each represent and warrant that:

(a) This Agreement has been duly authorized, executed, and delivered by such Party and constitutes the legal, valid, and binding obligation of such Party.

(b) There are no actions, suits, or proceedings pending or, to the knowledge of such Party, threatened against or affecting such Party, at law or at equity or before any governmental authority that would impair such party's ability to perform its obligations under this Agreement.

(c) The consummation of the transactions hereby contemplated and the performance of this Agreement will not result in any breach or violation of, or constitute a default under, any other lease or financing agreement.



DIGNITY agrees that it shall provide to COUNTY, upon COUNTY's request, evidence that the execution and delivery of this Agreement has been duly authorized by DIGNITY.

39. **ENTIRE AGREEMENT:** This Agreement, together with the TROE, the Development Subrecipient Agreement, the Development Management Agreement, and all exhibits and other attachments hereto and thereto, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and thereof.

40. **GOVERNING LAW:** This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to conflict of laws provisions thereof.

41. **DISPUTES:** In the event of a dispute between the Parties arising hereunder, unless such dispute relates to claims for which a Party is entitled to be indemnified hereunder or otherwise by written agreement, each Party shall bear its own attorneys' fees and costs.

42. **CONSTRUCTION:** Each of the Parties agree that such Party and its respective counsel have reviewed and approved this Agreement to the extent that such Party in its sole discretion has desired, and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement. The terms and provisions of this Agreement embody the Parties' mutual intent, and this Agreement shall not be construed more liberally in favor of, nor more strictly against any Party hereto.

41. **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, any documents that shall or may need recordation, shall not be accepted for recordation by the Clerk Recorder of the COUNTY until such documents bearing original signatures are received by COUNTY.

42. **EXECUTION IN COUNTERPARTS:** This Agreement may be executed in any number of counterparts and each such counterpart 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.

[Signatures appear on the following page.]

Document: DignityMoves Ground Lease  
Project: Hope Village Santa Maria  
Folio: 004026  
APN: 128-085-044

**IN WITNESS WHEREOF**, COUNTY and DIGNITY have executed this Agreement by their respective authorized officers as set forth below to be effective as of the date executed by the COUNTY (“Effective Date”).

“COUNTY”  
COUNTY OF SANTA BARBARA  
a political subdivision of the State of California

ATTEST  
MONA MIYASATO  
CLERK OF THE BOARD

By: \_\_\_\_\_  
Das Williams, Chair  
Board of Supervisors

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

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

APPROVED AS TO FORM:  
RACHEL VAN MULLEM  
COUNTY COUNSEL

APPROVED AS TO FORM:  
GREG MILLIGAN  
CEO/RISK MANAGEMENT

By: \_\_\_\_\_  
Lauren Wideman  
Deputy County Counsel

By: \_\_\_\_\_  
Greg Milligan  
Risk Manager

APPROVED:

APPROVED:

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

By: \_\_\_\_\_  
Julie Lawrence  
Real Property Manager

*(DIGNITY signature continues on next page)*

Document: DignityMoves Ground Lease  
Project: Hope Village Santa Maria  
Folio: 004026  
APN: 128-085-044

**IN WITNESS WHEREOF**, COUNTY and DIGNITY have executed this Agreement by their respective authorized officers as set forth below to be effective as of the date executed by the COUNTY (“Effective Date”).

DIGNITYMOVES HOPE VILLAGE LLC,  
a California limited liability company

By: \_\_\_\_\_  
Elizabeth Funk,  
DignityMoves Chief Executive Officer

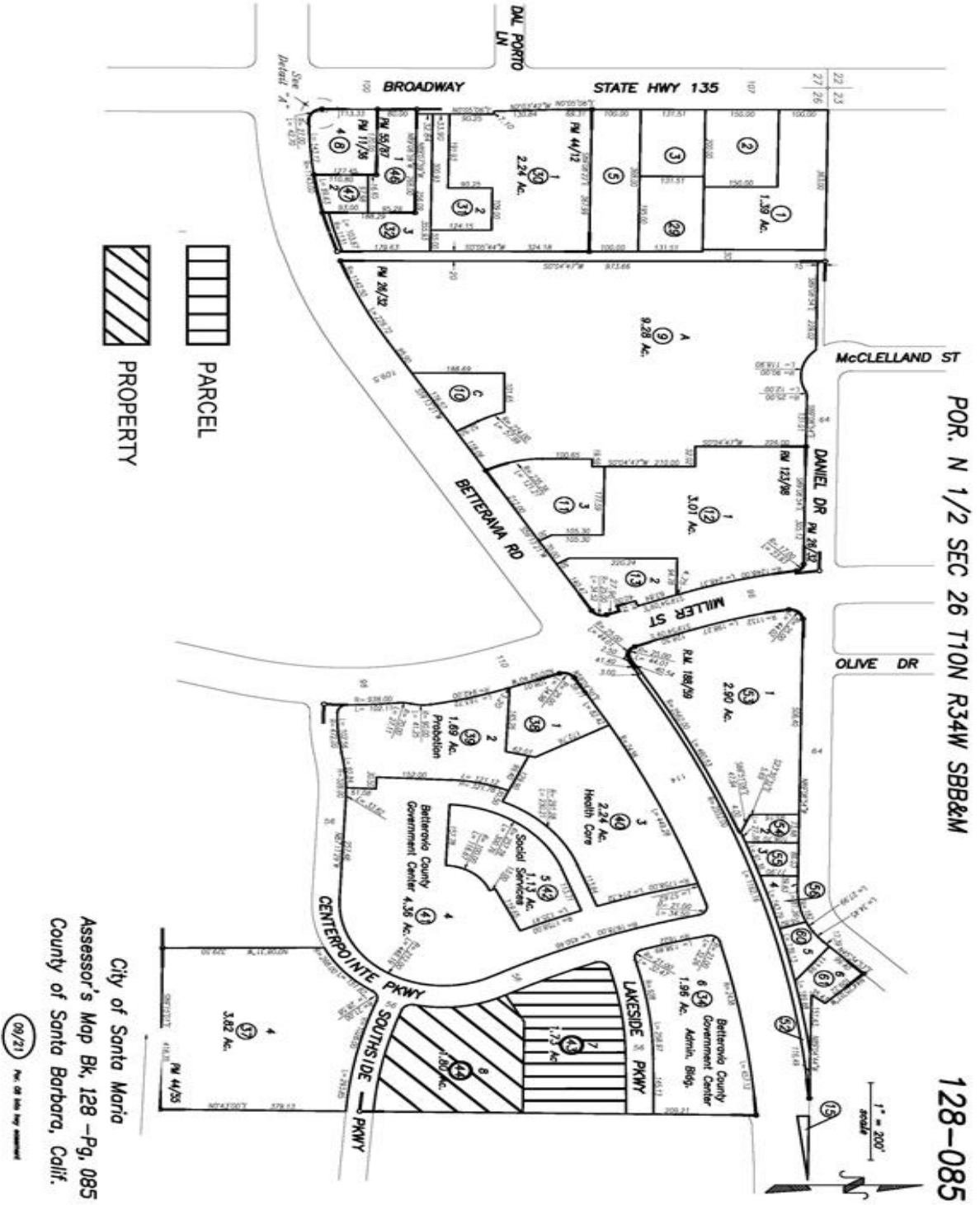
By: DIGNITYMOVES, a California nonprofit  
public benefit corporation, Sole Member

By: \_\_\_\_\_  
Elizabeth Funk,  
DignityMoves Chief Executive Officer

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

# EXHIBIT A

## The Property & Parcel



POR. N 1/2 SEC 26 T10N R34W SBB&M

128-085

City of Santa Maria  
 Assessor's Map Bk. 128 -Pg. 085  
 County of Santa Barbara, Calif.

(09/21) Pre-08 Map Approved

**EXHIBIT B**

**Temporary Right-of-Entry Agreement  
(TROE)**

Project: Hope Village Santa Maria  
Assessor Parcel Number: 128-085-043  
County Project No.: 004026

This Temporary Right-of-Entry Agreement (“TROE”) is made by and between DIGNITYMOVES HOPE VILLAGE LLC, a California limited liability company formed and existing under the laws of the State of California ("DIGNITY"), and the COUNTY OF SANTA BARBARA, a political subdivision of the State of California, ("COUNTY"), with reference to the following:

**WHEREAS**, COUNTY is the fee owner of that certain real property located at the north easterly corner of the intersection of Centerpointe Parkway and Southside Parkway in the City of Santa Maria, County of Santa Barbara, State of California, commonly known as Assessor’s Parcel Number 128-085-044, and identified as the diagonally slashed area on the County Assessor Parcel Map attached hereto as Exhibit 1 and incorporated herein by reference ("Property"); and

**WHEREAS**, COUNTY is the fee owner of that certain real property located at 522 Lakeside Parkway in the City of Santa Maria, County of Santa Barbara, State of California, commonly known as Assessor’s Parcel Number 128-085-043, and identified as the vertically slashed area on Exhibit 1 (“Parcel”); and

**WHEREAS**, COUNTY and DIGNITY are entering into a Ground Lease Agreement (“Agreement”) whereby COUNTY is leasing the Property to DIGNITY for the construction on the Property for a temporary interim supportive community and housing units, including any related facilities (such construction, “Development”); and

**WHEREAS**, DIGNITY desires a temporary right of entry onto the Parcel to access the Property during Development, and to access the Property prior to construction in order to conduct surveys and perform grading on the Property in preparation for construction.

**NOW, THEREFORE**, in consideration of the mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. **RIGHTS GRANTED:** COUNTY hereby grants to DIGNITY a personal, temporary, non-exclusive, revocable right of entry, including the right for DIGNITY to enter upon and move workers, equipment, and materials over and upon the Parcel for the purposes of

accessing the Property, and storing on the Parcel construction materials and equipment before and during Development, in accordance with the provisions, requirements, restrictions, terms and conditions of this TROE. COUNTY hereby further grants to DIGNITY a personal, temporary, non-exclusive, revocable right of entry, including the right for DIGNITY to enter upon and move workers, equipment, and materials over and upon the Property prior to the execution of the Agreement solely for the purposes of, and to the extent necessary for, surveying and grading the Property, in accordance with the provisions, requirements, restrictions, terms and conditions of this TROE. This TROE and the rights granted to DIGNITY hereunder are not transferable and shall not run with the Parcel or the Property. DIGNITY's access and use of the Property prior to the execution of the Agreement shall be limited to conducting pre-construction surveys and grading, all in accordance with the provisions, requirements, restrictions, terms and conditions of this TROE. Once the Agreement is mutually fully executed, this TROE shall have no effect as to the Property.

2. **PROTECTION OF PARCEL AND PROPERTY:** DIGNITY shall, and shall ensure that its authorized agents, contractors, officers, employees, volunteers and guests, exercise reasonable precautions necessary to prevent damage to, and to protect the Parcel and the Property, and all improvements thereon, in connection with use of the Parcel and the Property hereunder. DIGNITY shall be responsible for ensuring the safety and security of the Parcel at all times during the term of this TROE and of the Property at all times prior to the Effective Date of the Agreement.

3. **LIMITATION OF LIABILITY:** COUNTY assumes no liability for any loss or damage to DIGNITY'S property, or injury to or death of any agent, contractor, officers, employee, volunteer or guest of DIGNITY, except to the extent said loss, damage, injury, or death is directly caused by the sole negligence or willful misconduct of the COUNTY. If COUNTY sells, assigns, or otherwise transfers (whether by operation of law or otherwise) all or part of its interests in the Property or this TROE: (i) COUNTY shall be relieved of all obligations and liabilities of COUNTY under this TROE accruing after the effective date of such transfer; and (ii) the transferee shall be deemed to have assumed all of COUNTY's obligations and liabilities under this TROE effective from and after the effective date of the transfer.

4. **INDEMNIFICATION AND INSURANCE:** DIGNITY agrees to comply, and to cause all of its contractors and subcontractors to comply, with the insurance and indemnification requirements attached hereto as Exhibit 2 and incorporated herein by this reference.

5. **HAZARDOUS MATERIAL:** DIGNITY shall not, and shall ensure that none of its contractors, subcontractors, officers, employees, agents, volunteers or guests, cause in, on, or under the Property or the Parcel, or suffer, allow, or permit to occur in, on, or under, the Property or the Parcel, any generation, use, manufacturing, refining, transportation, emission, release, treatment, storage, disposal, presence, or handling of Hazardous Materials (as such term is defined in the Agreement). DIGNITY shall be fully responsible for all Hazardous Materials, and any other hazardous wastes, substances or materials as defined under federal, state or local law, regulation, or ordinance, that are manufactured, generated, used, placed, disposed, stored, handled or transported by DIGNITY, or any of its agents, employees, invitees, volunteers or designees, on, under, or in the Property or the Parcel during the Term of this TROE. DIGNITY shall notify

COUNTY and all appropriate governmental emergency response agencies immediately in the event of any Release or threatened Release of any such Hazardous Materials.

6. **IMPROVEMENTS:** If any improvement(s) on the Property or the Parcel are damaged, destroyed, or removed, without the prior written consent of COUNTY, by or on behalf of DIGNITY or any of DIGNITY's agents, employees, contractors, volunteers, or guests, DIGNITY shall repair or replace, at COUNTY's election and to COUNTY's satisfaction, such improvement(s) to as near the original condition and location as is practicable; provided, however, that DIGNITY shall have the right and responsibility to maintain the perimeter chain link fencing on the Parcel and Property, and may relocate such perimeter chain link fencing on the Parcel and/or Property.

7. **TERM:** The term of this TROE shall commence on the Effective Date, and shall expire as to the Property on the Effective Date of the Agreement, and as to the Parcel on the issuance of a final certificate of occupancy, unless extended by amendment to this TROE in writing duly executed by each of the Parties ("Term"). In the event that DIGNITY wishes to extend the Term of this TROE, DIGNITY shall submit such a request to COUNTY in writing at least fifteen (15) days prior to the expiration of the Term.

8. **REMEDIES:** COUNTY reserves all right to compensation, payment and indemnification with respect to any damage, harm or injury to persons property arising out of this TROE.

9. **WAIVER:** It is understood that any waiver of any term of this TROE, or of any default or breach of this TROE, shall not be deemed to be a waiver of any continuing or subsequent default or breach of any other provision of this TROE. All waivers of provisions of this TROE must be in writing and signed by the waiving Party.

10. **OWNERSHIP; CONDITION:** COUNTY does hereby certify that it is the sole owner of the Parcel and the. COUNTY has communicated the contents, rights and duties of this TROE to all parties having an interest in the Parcel. COUNTY makes and has made no representations or warranties regarding the condition of the Parcel or the Property, or suitability of the Parcel or the Property for DIGNITY'S intended purpose or any other purpose, and DIGNITY has inspected the Parcel and the Property and accepts the rights granted hereunder with respect to each of the Parcel and the Property in "AS-IS" condition.

11. **NOTIFICATION OF ACCIDENTS; SURVIVAL OF INDEMNIFICATION PROVISIONS:** DIGNITY shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with this TROE or access to or use of the Parcel or the Property. The indemnification provisions contained in this TROE shall survive any expiration or termination of this TROE.

12. **COMPLIANCE WITH THE LAW:** DIGNITY shall, at its sole expense, at all times during the Term comply with all applicable federal, state, and local laws, regulations, rules and ordinances, guidelines, policies, directives, and standards, and agreements approved by COUNTY (collectively, "Applicable Laws") in effect at any time during the Term, and shall ensure

that all of its contractors, subcontractors, officers, employees, agents, volunteers and guests likewise comply with all Applicable Laws in connection with the exercise of rights and the performance of DIGNITY's obligations hereunder.

13. **NON-INTERFERENCE**: DIGNITY shall not use, nor permit those under its control, including, without limitation, its employees, tenants, invitees, agents, volunteers and/or contractors, to use any portion of the Parcel in any way that interferes with any properties adjacent thereto or with COUNTY's lawful use of the COUNTY'S adjoining property.

14. **SUCCESSORS IN INTEREST; TRANSFERS**: DIGNITY shall not assign or otherwise transfer, directly or indirectly, in any transaction or series of transactions, whether by operation of law or otherwise, this TROE, or any of DIGNITY's rights or obligations hereunder without the prior written consent of COUNTY. Any purported assignment or other transfer of DIGNITY's interest in this TROE in violation of the provisions of this TROE shall be void and of no force and effect against COUNTY. Neither any assignment, transfer, nor any occupancy, or use of the Parcel or any part thereof by any person or entity, shall, in any circumstances, relieve DIGNITY of its obligations under this TROE. This TROE and the covenants contained herein shall be binding upon and inure to the benefit of the respective Parties and to their respective permitted assigns and transferees.

15. **EXECUTION IN COUNTERPARTS**: This TROE 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.

[Signatures appear on the following page.]



**IN WITNESS WHEREOF**, COUNTY and DIGNITY have signed this TROE by their respective authorized officers as set forth below to be effective as of the date executed by COUNTY (“Effective Date”).

DIGNITY:

DignityMoves Hope Village LLC, a California nonprofit limited liability company

COUNTY:

County of Santa Barbara, a political subdivision of the State of California

By: \_\_\_\_\_  
Signature

Elizabeth Funk, Chief Executive Officer  
Print Name/Title

2406 Bush Street  
Address

San Francisco, CA 94115  
City, State, Zip

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

Janette Pell/General Services Director  
Print Name/Title

105 E. Anapamu Street, Room 108  
Address

Santa Barbara CA 93101  
City, State, Zip

\_\_\_\_\_  
Date

## **EXHIBIT 1**

### **Description and Depiction of the Property & Parcel**

#### **Legal Description of the Property**

**For APN/Parcel ID(s): 128-085-044**

---

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SANTA MARIA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

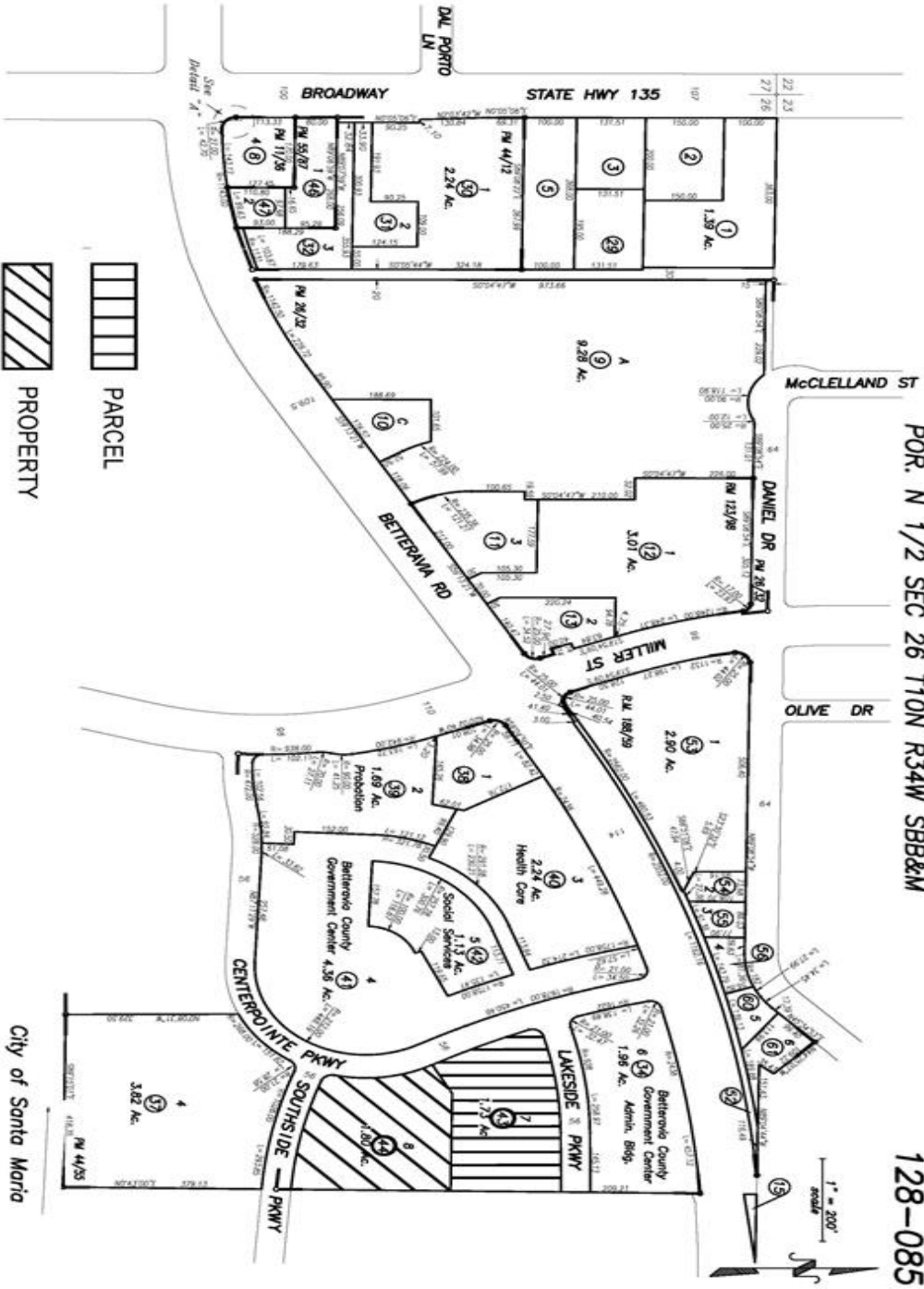
LOT 8 OF THE CENTRAL COAST PROFESSIONAL PARK II, TRACT 5579, IN THE CITY OF SANTA MARIA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS SHOWN ON THE MAP FILED IN BOOK 157, PAGES 51-57 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING FROM SAID LAND ALL OIL, OIL RIGHTS, MINERALS, MINERAL RIGHTS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBON SUBSTANCES BY WHATEVER NAME KNOWN, TOGETHER WITH ALL RIGHTS TO ALL THERMAL ENERGY BY WHATEVER NAME KNOWN, LYING AND BEING IN OR UNDER SAID LAND BELOW 500 DEPTH FROM SURFACE WITH THE RIGHT TO EXTRACT OR REMOVE ANY AND ALL SUCH SUBSTANCES BY SLANT DIRECTIONAL OR OTHER DRILLING OR TUNNELING BUT WITHOUT THE RIGHT TO ENTER IN OR UPON THE SURFACE SAID DEMISED LAND FOR ANY PURPOSES, AS RESERVED IN THE DEED FROM RICHARD JOSEPH LIBEU, ET AL, TO BETTERAVIA PROPERTIES RECORDED AUGUST 16, 1977 AS REEL NO. 77-41219 OF OFFICIAL RECORDS,

---

POR. N 1/2 SEC 26 T10N R34W SBB&M

128-085



PARCEL

PROPERTY

City of Santa Maria  
Assessor's Map Bk, 128 -Pg, 085  
County of Santa Barbara, Calif.

09/21 Per. 09 800 800 800

## **EXHIBIT 2**

### **INDEMNIFICATION AND INSURANCE REQUIREMENTS**

#### **INDEMNIFICATION**

DIGNITY shall defend (with counsel reasonably approved by the COUNTY), indemnify and hold harmless the COUNTY and its officers, officials, agents, volunteers, and employees from and against any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments and liabilities arising out of this Agreement or the performance or attempted performance of the provisions hereof, whether directly or indirectly (collectively, "Claims"), including, but not limited to, the acts, errors or omissions of DIGNITY, its employees, agents, volunteers, contractors or invitees, other than in the event of a California Environmental Quality Act (CEQA) challenge or where such indemnification is prohibited by law; provided, however, that Claims shall not include any claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities to the extent resulting from the sole or gross negligence or willful misconduct of the COUNTY or from the acts, errors or omissions of Good Samaritan Shelter, its employees, agents, volunteers, contractors or invitees.

#### **NOTIFICATION OF INCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS**

DIGNITY shall immediately notify the COUNTY in the event of any accident, injury, or Claim relating to this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

#### **INSURANCE**

Without limiting DIGNITY's indemnification of the COUNTY as provided in this Agreement, DIGNITY shall procure and maintain: (a) from the Effective Date through issuance of final certificates of occupancy for the Project, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the use of the Property and the Parcel by DIGNITY and its agents, representatives, employees, contractors, and subcontractors, including the following required insurance coverages and (b) after issuance of final certificates of occupancy for the Project, only Property Insurance as described in Section A.4. below, at DIGNITY's sole cost and expense (collectively, "Insurance Coverages"). All Insurance Coverages are to be placed with insurers which (1) have a Best's rating of no less than A: VII, and (2) are admitted insurance companies in the State of California. All other insurers require the prior approval of the COUNTY. Failure to comply with the insurance requirements set forth in this Agreement shall constitute default under this Agreement by DIGNITY. Upon request by the COUNTY, DIGNITY shall provide to COUNTY within ten (10) working days a certified copy of the insurance policy or policies evidencing the Insurance Coverage(s) specified in such request.

##### **A. Minimum Scope of Insurance**

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$2,000,000 per occurrence and \$4,000,000 in the aggregate. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **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.
3. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if DIGNITY has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
4. **Property Insurance:** against all risks of loss to any improvements, at full replacement cost with no coinsurance penalty provision.
5. **Contractor’s Pollution Legal Liability:** with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate.

If DIGNITY maintains higher limits than the minimums shown above, the COUNTY requires and shall be entitled to coverage for the higher limits maintained by DIGNITY. 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 DIGNITY 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 DIGNITY’S insurance at (least as broad as ISO Form CG 20 10 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).
2. **Primary Coverage** – For any claims related to this contract, DIGNITY’S insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the COUNTY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the COUNTY, its officers, officials, employees, or volunteers shall be excess of DIGNITY’S insurance and shall not contribute with it.

3. **Legal Liability Coverage** – The property insurance is to be endorsed to include Legal Liability Coverage (ISO Form CP 00 40 04 02 or equivalent) with a limit equal to the replacement cost of the Property and the Parcel.
4. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the COUNTY.
5. **Waiver of Subrogation Rights** – DIGNITY hereby grants to COUNTY a waiver of any right to subrogation which any insurer of DIGNITY may acquire from DIGNITY by virtue of the payment of any loss. DIGNITY 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. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the COUNTY for all work performed by DIGNITY, its employees, agents and subcontractors.
6. **Deductibles and Self-Insured Retention** – Any deductibles or self-insured retentions must be declared to and approved by the COUNTY. The COUNTY may require DIGNITY to (i) cause the insurer to reduce or eliminate such deductibles or self-insured retentions with respect to the COUNTY, its officers, officials, employees, agents and volunteers, or (ii) provide a financial guarantee satisfactory to the COUNTY guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
7. **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".
8. **Verification of Coverage** – DIGNITY shall furnish the COUNTY with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to COUNTY before occupying the premises. However, failure to obtain the required documents prior to the work beginning shall not waive DIGNITY'S obligation to provide them. The COUNTY reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.
9. **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.
10. **Subcontractors** – DIGNITY shall require and verify that its subcontractors and permitted sublessees, if any, maintain insurance meeting all the requirements stated herein, and DIGNITY shall ensure that COUNTY is an additional insured on insurance required from such subcontractors and permitted sublessees, if any. For

CGL coverage subcontractors shall provide coverage with a format least as broad as CG 20 38 04 13.

11. **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.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. DIGNITY 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 shall not be deemed as a waiver of any rights on the part of COUNTY.

**EXHIBIT C**  
**USE AGREEMENT**

(attached)



USE AGREEMENT

BETWEEN

Good Samaritan Shelter,  
a California nonprofit corporation

AND

DignityMoves Hope Village LLC  
a California limited liability company

FOR

Hope Village  
APN 128-085-044  
Santa Maria, California 93454

## USE AGREEMENT

THIS USE AGREEMENT (the “**Agreement**”) is entered into by Good Samaritan Shelter, a California nonprofit corporation (“**Service Provider**”), and DignityMoves Hope Village LLC, a California limited liability company (“**DignityMoves**”, and collectively with Service Provider, the “**Parties**”), as of February 28, 2023 (the “**Effective Date**”), with reference to the following:

### RECITALS

A. DignityMoves is constructing an interim supportive housing development for unhoused individuals (“**Project**”) consisting of [94] modular housing units (the “**Units**”), common areas, wet areas (either adjoining units or located in the common area), and administrative offices and service areas.

B. The Project will be constructed on a vacant parcel owned by the County of Santa Barbara (the “**County**”) in the City of Santa Maria and located at the north easterly corner of the intersection of Centerpointe Parkway and Southside Parkway, more particularly described as County Assessor’s Parcel Number 128–085–044 as legally described on **Exhibit A** attached hereto and incorporated herein (the “**Property**”).

C. In order to facilitate the construction by DignityMoves and maintenance by Service Provider of the Project, County (as ground lessor), and DignityMoves (as ground lessee) have entered into or will enter into a Ground Lease Agreement (“**Lease**”).

D. The County has entered into or will enter into that certain Subrecipient Agreement with Service Provider providing for Service Provider’s operation of the Project once the Project is constructed.

E. DignityMoves desires that Service Provider provide certain services in connection with the construction of the Project by DignityMoves and, after issuance of a temporary certificate of occupancy for the Project (at which point Service Provider will become the primary Project operator), assume responsibility for maintaining the Units as more particularly described herein.

F. In furtherance of the Lease and Development Management Agreement attached as an exhibit to the Lease, DignityMoves agreed to manage and procure the construction of the Project, including by entering into and administering a construction contract (the “**Construction Contract**”) with a California licensed general contractor (“**General Contractor**”) and other contracts with architects, engineers and other consultants and contractors (collectively, the “**Construction Services**”).

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by this reference, terms and conditions of this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

**1. Construction Services.** Except as otherwise determined and implemented by the Count, or by Service Provider on the County's behalf, DignityMoves will perform the Construction

Services without direct supervision. DignityMoves shall promptly notify Service Provider of any cessations or delays in construction.

**2. Duty to Inform.** Each of DignityMoves and Service Provider shall keep the other reasonably informed during the effectiveness of this Agreement, including, without limitation, as to the status and performance of services described herein and providing, promptly following receipt, copies of any material notice or correspondence received by a party from any governmental agency relative to the Project that has not otherwise been delivered directly to the other party.

**3. Substantial Completion; Inspection; Punch List Items.** DignityMoves shall promptly notify Service Provider of Substantial Completion of the Project and, for a period of up to ten (10) days after receiving such notice, Service Provider shall have the right to inspect the Project and notify DignityMoves of any defects or items that do not at Substantial Completion conform to the approved plans for the Project; provided, however, that Service Provider shall be deemed to have completed its inspection of and accepted possession of any Unit upon such Unit being occupied. Any such items of which Service Provider timely notifies DignityMoves are not completed satisfactorily, collectively with minor punch list items, shall be referred to herein as “**Punch List Items**”. DignityMoves shall use commercially reasonable efforts to cause any Punch List Items to be completed within forty-five (45) days after Substantial Completion. DignityMoves reserves the right to restrict access to any portion of the Project that contains Punch List Items requiring remedy. As used in this Agreement, “**Substantial Completion**” means the temporary certificate of occupancy for the Project has been issued by the County, and “**Completion**” means any and all punch list items remaining to be performed at Substantial Completion of the Project have been completed and a final certificate of occupancy has been issued by the County.

**4. Assignment of Warranties.** DignityMoves shall, as of Completion of the Project, assign and deliver all warranties applicable to the Project or any components thereof (“**Warranties**”) to Service Provider to the extent the warranty period does not extend beyond the term of this Agreement. From and after Completion of the Project and continuing with respect to the Project (including any Units that remain a part of the Project) during the term of this Agreement, Service Provider shall assume responsibility for directly enforcing any Warranties.

**5. Service Provider Obligations.** Except for Punch List Items (to be addressed as set forth in Section 3), Service Provider shall, from and after Substantial Completion, assume responsibility for promptly repairing, replacing and maintaining the Units and the Project to the reasonable satisfaction of DignityMoves and in all cases with no less than the standard of care an ordinarily prudent operator in the State of California would use to operate a newly constructed facility used to provide housing to previously unhoused individuals. Service Provider shall be solely responsible at its sole cost for furnishing the Units and Project and ensuring the same are supplied with utilities and consumable goods (e.g., soap, shampoo, and toilet paper). Service Provider shall take all such actions as are necessary to maintain the Units and Project in good, fully functioning, clean, safe and secure condition, and shall not allow the use of any portion of the Project that is not in such condition. Service Provider shall have sole responsibility for supervising the use of and access to the Units and Project.

**6. DignityMoves Right to Inspect.** DignityMoves shall have the right, upon no less than three (3) days' notice to Service Provider, but in all cases subject to the rights of occupants of the Project, to inspect any portion of the Project, including the condition of the Units and other improvements.

**7. Ownership of Units.** DignityMoves shall retain ownership of the Units in which Project Occupants are housed, and shall be entitled to remove (subject to County approval if required), decommission and/or restrict access to any Units, including in the case of an Event of Default hereunder.

**8. Surrender of Units.** Upon any cessation of the Project's existence or implementation by DignityMoves of any plan, with the consent of the County, if required, to remove any one or more Units from the Property, Service Provider shall ensure that any Units subject to removal are surrendered free of personal property, professionally cleaned, and in the condition in which the same existed at Substantial Completion (or, for any Units containing Punch List Items, at Completion), ordinary wear and tear excepted.

**9. Recognition.** Each party shall take reasonable measures to cause the other party to be recognized in press releases and other public messaging regarding the Project. No party shall cause the other to be represented in a negative or disparaging manner.

**10. Non-Exclusivity.** DignityMoves and Service Provider each agree that the other shall work with and provide consulting services to any other person or entity provided such services do not conflict with or unreasonably interfere with its ability to perform the services provided for herein.

**11. Disclaimers.** Service Provider acknowledges that (i) DignityMoves is not, and does not have the expertise of, a licensed general contractor or of an architect, engineer or other design professional, but is experienced in overseeing such professionals; (ii) DignityMoves will not be responsible for the Project design or the content of any of the construction documents, or for construction means, methods, techniques, sequences, or procedures employed by architects or contractors, or for the direct performance by the architects or contractors under their respective contracts (but will perform oversight of architects and the general contractor); (iii) in no event shall DignityMoves's review of matters submitted by any architects or contractors or consultants constitute a representation or warranty on behalf of DignityMoves that such matters are prepared in accordance with legal requirements applicable to the construction, equipping or operation of the Project and DignityMoves makes no warranty, express or implied, that the construction, furnishing and equipping of the Project will be in compliance with the construction documents or applicable legal requirements; (iv) DignityMoves is not providing design services in connection with the performance of its duties hereunder and DignityMoves is not providing design professional personnel in connection with the Construction Services; (v) DignityMoves does not warrant or represent that bids or negotiated prices will not vary from the budget proposed, established or approved by Service Provider on behalf of the County or from any cost, estimate, or evaluation prepared by DignityMoves; (vi) nothing in this Agreement shall obligate DignityMoves to advance funds on behalf of the County or to perform duties for which

insufficient funds are available and provided; and (vii) DignityMoves makes no representations or warranties with respect to the construction of the Project.

**12. Insurance.** DignityMoves shall maintain during the performance of the Construction Services and during the Term (as such term is defined in the Lease) of the Lease, the coverages set forth in the Lease, including exhibits thereto. Service Provider shall maintain during its management of the operations of the Project, the minimum insurance coverages described in **Exhibit B** attached hereto and incorporated herein.

**13. Indemnification.** DignityMoves shall defend (with counsel reasonably approved by Service Provider), indemnify and hold harmless Service Provider and its officers, officials, agents, volunteers, and employees from and against any and all claims, demands, damages, costs, expenses (including reasonable attorney's fees and costs), judgments and liabilities relating to this Agreement or the performance or attempted performance of the provisions hereof, whether directly or indirectly (collectively, "Claims"), including, but not limited to, the acts, errors or omissions of DignityMoves, its employees, agents, volunteers, contractors or invitees, other than in the event of a California Environmental Quality Act (CEQA) challenge or where such indemnification is prohibited by law; provided, however, that Claims indemnified pursuant to the foregoing shall not include claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities to the extent resulting from the sole or gross negligence or willful misconduct of Service Provider. Service Provider shall defend (with counsel reasonably approved by DignityMoves), indemnify and hold harmless DignityMoves, its member(s), manager(s) and their respective employees, officers, directors, agents, representatives, affiliates, successors and assigns from and against any and all Claims of any nature whatsoever, arising out of, in connection with or incidental to: (i) the gross negligence or willful misconduct of Service Provider or any of its managers, officers, directors, separate contractors, agents or employees, (ii) the failure by Service Provider to comply with its obligations under this Agreement; (iii) any failure by Service Provider to comply with any laws, statutes, ordinances, or regulations of any Governmental agency or authority except to the extent such compliance is the obligation of DignityMoves under a written agreement executed by DignityMoves; or (iv) work performed after termination of this Agreement and without DignityMoves's participation. Neither DignityMoves nor Service Provider shall be obligated to indemnify the other for any claims by Service Provider against DignityMoves or by DignityMoves against Service Provider. This Section 13 shall survive expiration or termination of this Agreement until actions against any person to be indemnified hereunder on account of any matter covered by this indemnity are barred by applicable statutes of limitations.

**14. Independent Contractor.** The parties expressly agree that each of DignityMoves and Service Provider are independent contractors for all employment law purposes and neither is entitled to any employee benefits from the other such as group insurance, profit sharing or retirement benefits. Neither party will contribute to unemployment insurance or provide workers' compensation for the other party. This Agreement is not intended to, nor does it, create any employer-employee relationship, nor shall it be construed as creating any joint venture or partnership between Service Provider and DignityMoves.

**15. Default.** Either party may terminate this Agreement as to the other party and cause this Agreement to be assigned to a replacement party, upon the incidence of the following with respect to the other party: (a) the termination by the County of DignityMoves's Construction Services prior to Completion of the Project or of Service Provider's operational services with respect to the Project; (b) the failure of the other party to fulfill any material obligation under this Agreement, provided such failure, if curable, is not cured by the other party upon fifteen (15) days' notice; (c) the filing of a petition for bankruptcy protection by or with respect to the other party under the applicable laws affording such protection, which petition is not dismissed or discharged within 120 days following such filing; and/or (d) the charging and conviction of other party of criminal conduct related to the performance of its services hereunder. Upon the occurrence of an Event of Default with respect to the other party, and the passage of any cure or notice periods hereunder without cure, a party shall have the right, subject to the consent of the County, in a writing to the other party, to terminate this Agreement and cause the other party to be replaced with another party agreed to by the County. In such event, the party subject to the Event of Default shall cooperate with the terminating party and County in order to assign and transfer the work and contracts (including this Agreement) in a manner that provides for an efficient transition intended to minimize the harm to the Project caused by the termination and replacement of the party subject to the Event of Default.

**16. Term.** This Agreement shall commence upon the Effective Date and shall continue (unless assigned pursuant to Section 15) as long as both parties, or their successors or assigns, retain an interest in and/or provide services to the Project.

**17. Notices.** Any notice, request, demand, consent, approval and other communications under this Agreement shall be in writing, and shall be deemed duly given or made upon the earlier of (i) personal delivery, or (ii) one (1) business day following its deposit with a reputable overnight courier (such as FedEx) for overnight delivery, or (iii) three (3) business days after being mailed by prepaid registered or certified mail, return receipt requested, to the address for each party set forth below, or (iv) upon delivery if delivery is made by email and the recipient confirms receipt completed before 5:00 p.m. California time on a business day, as evidenced by the transmission confirmation generated by the sending email system. Any party, by written notice to the other in the manner herein provided, may designate an address different from that set forth below:

DignityMoves:

DignityMoves Hope Village LLC  
2406 Bush Street  
San Francisco, CA 94115  
Attention: Elizabeth Funk  
Tel: 415-867-7397  
Email: [elizabeth@dignitymoves.org](mailto:elizabeth@dignitymoves.org)

Copy to: Brownstein Hyatt Farber Schreck, LLP  
2049 Century Park East, Suite 3550  
Los Angeles, CA 90067  
Attention: Diane De Felice, Esq.

Tel: 310.500.4613  
Email: ddefelice@bhfs.com

Service Provider:

Good Samaritan Shelter  
400 W. Park Ave.  
Santa Maria, CA 93458  
Attention: Sylvia Barnard  
Tel: (805) 331-0877  
Email: sbarnard@goodsamaritanshelter.org

Either party may, by written notice to the other, designate a different address to be substituted for the one specified above.

**19. Governing Law; Dispute Resolution.** This Agreement shall be governed and controlled by, and construed in accordance with, the law of the State of California as applied to transactions taking place wholly within California. All actions or proceedings based upon or arising out of or relating to this Agreement or the transactions contemplated hereby or thereby shall be brought and maintained only in a state or federal court in the County of Santa Barbara, and each party hereto consents to the exclusive jurisdiction and venue of any such court and hereby agrees that service of process may be made in the manner for giving notices as set forth in this Agreement and directed to the other party at the addresses set forth in this Agreement. Each party to this Agreement agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each party hereby expressly waives any and all rights that it may have to make any objections based on jurisdiction or venue or to assert the doctrine of forum non conveniens to any action or proceeding brought in any such court in accordance with this provision.

**20. Assignment.** Except as provided in Section 15, this Agreement shall not be assigned by either Service Provider or DignityMoves without the other party's written consent.

**21. Entire Agreement.** This Agreement is the final, complete and exclusive agreement of the parties with respect to the subject matter hereof and supersedes and merges all prior and contemporaneous discussions between parties. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless mutually agreed to in writing and signed by Service Provider and DignityMoves.

**22. Counterparts.** This Agreement may be executed in counterparts, each of which shall be an original and all of which, taken together, shall constitute one and the same agreement. Electronically executed and/or delivered signature pages (whether via facsimile, pdf, DocuSign or otherwise) shall be valid as originals.

**23. No Consequential or Punitive Damages.** Notwithstanding anything to the contrary contained in this Agreement, except for Service Provider's obligation to indemnify DignityMoves for third party claims for consequential and punitive damages pursuant to Section

13 above, DignityMoves and Service Provider shall in no other event be liable for consequential or punitive damages under this Agreement.

**24. Severability.** If any court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable, such provision, to the extent invalid or unenforceable, shall be severed from this Agreement and such invalidity or unenforceability shall not affect any other provision of this Agreement, the balance of which shall remain in, and have its intended full force and effect.

*[Signatures follow.]*



IN WITNESS WHEREOF, as of the Effective Date, Service Provider and DignityMoves have each caused this Agreement to be duly executed on its behalf by duly authorized persons.

**SERVICE PROVIDER:**

**GOOD SAMARITAN SHELTER,**  
a California nonprofit corporation

By: \_\_\_\_\_  
Sylvia Barnard, CEO

**DIGNITYMOVES:**

**DIGNITYMOVES Hope Village LLC,**  
a California limited liability company

By: \_\_\_\_\_  
Elizabeth Funk, CEO

## EXHIBIT A

### LEGAL DESCRIPTION OF PROPERTY

**For APN/Parcel ID(s): 128-085-044**

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THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SANTA MARIA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

LOT 8 OF THE CENTRAL COAST PROFESSIONAL PARK II, TRACT 5579, IN THE CITY OF SANTA MARIA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS SHOWN ON THE MAP FILED IN BOOK 157, PAGES 51-57 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING FROM SAID LAND ALL OIL, OIL RIGHTS, MINERALS, MINERAL RIGHTS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBON SUBSTANCES BY WHATEVER NAME KNOWN, TOGETHER WITH ALL RIGHTS TO ALL THERMAL ENERGY BY WHATEVER NAME KNOWN, LYING AND BEING IN OR UNDER SAID LAND BELOW 500 DEPTH FROM SURFACE WITH THE RIGHT TO EXTRACT OR REMOVE ANY AND ALL SUCH SUBSTANCES BY SLANT DIRECTIONAL OR OTHER DRILLING OR TUNNELING BUT WITHOUT THE RIGHT TO ENTER IN OR UPON THE SURFACE SAID DEMISED LAND FOR ANY PURPOSES, AS RESERVED IN THE DEED FROM RICHARD JOSEPH LIBEU, ET AL, TO BETTERAVIA PROPERTIES RECORDED AUGUST 16, 1977 AS REEL NO. 77-41219 OF OFFICIAL RECORDS,

**EXHIBIT B**

**SERVICE PROVIDER INSURANCE REQUIREMENTS**

**Service Provider shall procure and maintain, at its sole cost and expense from and after Substantial Completion the following insurance coverages (provided that, if Service Provider is obligated to carry greater or additional coverage under any other agreement, then that agreement shall govern such coverage):**

**1. Workers' Compensation:**

Coverage A. Statutory Benefits

Coverage B. Employers' Liability limits of not less than:

Bodily Injury by accident                      \$1,000,000 each accident

Bodily Injury by disease                        \$1,000,000 policy limit

Bodily Injury by disease                        \$1,000,000 each employee

**2. Commercial Auto Coverage:**

If the party has any owned, hired or non-owned motor vehicles, Automobile Liability coverage (equivalent in coverage to ISO form CA 00 01) of not less than \$1,000,000 combined single limit, each accident, covering all owned, hired and non-owned autos.

**3. Commercial General Liability:**

Commercial General Liability coverage (equivalent in coverage to ISO form CG 00 01) with limits of not less than:

Each Occurrence Limit    \$2,000,000

Personal Advertising Injury Limit                                      \$1,000,000

General Aggregate Limit    \$4,000,000

(other than Products/Completed Operations)

The insurance must include or provide:

- a) Standard ISO CG 00 01 12 07 Contractual Liability coverage, or its equivalent, and a Separation of Insureds clause.
- b) Broad Form Property Damage coverage.
- c) An Additional Insured Endorsement (equivalent to ISO form CG 20 10 10 01) naming the other party as additional insured.
- d) Coverage must be on an "occurrence" form. "Claims Made" and "Modified Occurrence" forms are not acceptable.
- e) Such coverage as is afforded by this policy for the benefit of the additional insured(s) is primary and any other coverage maintained by such additional insured(s) shall be non-contributing with the coverage provided under this policy

**4. Other Requirements:**

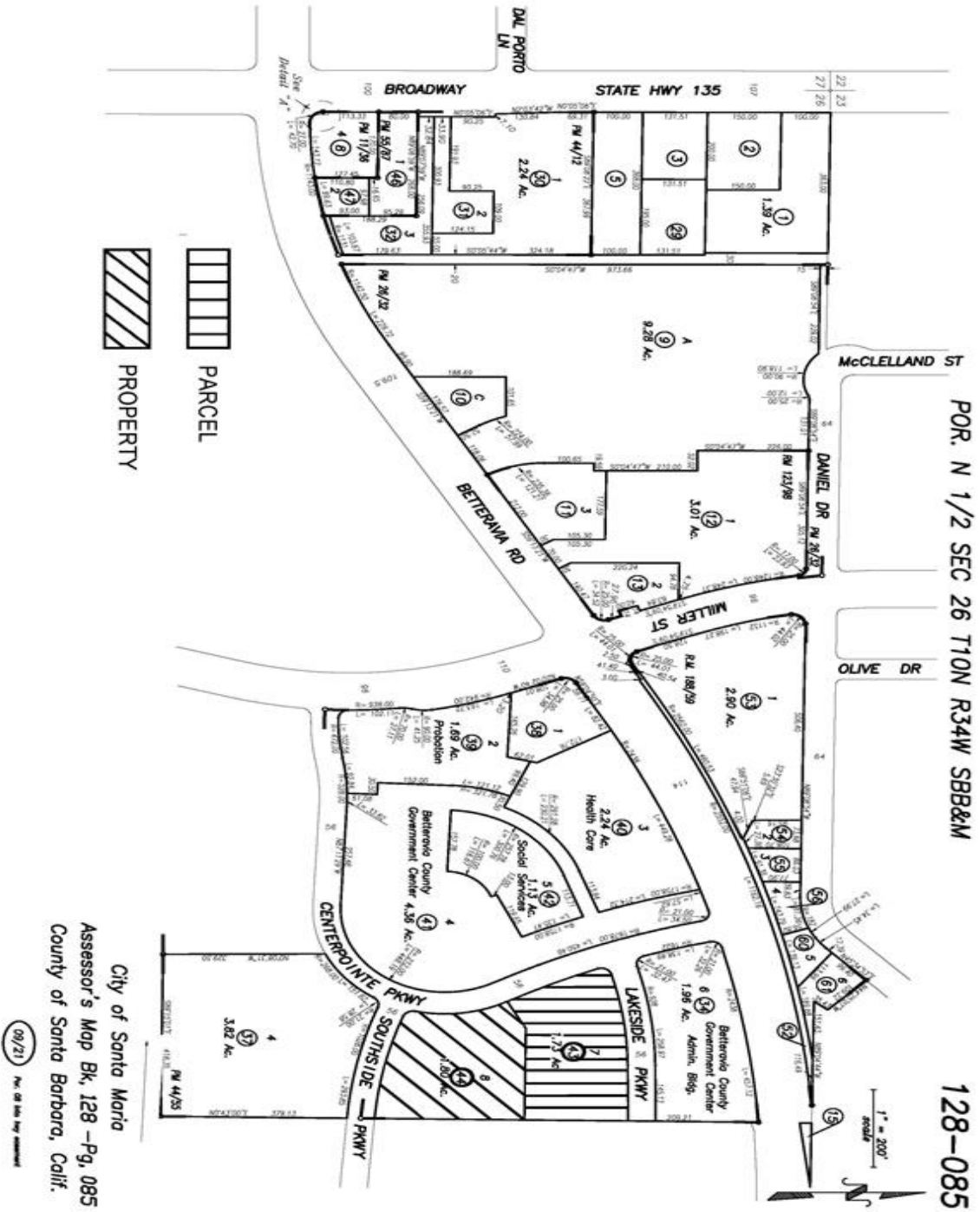
- a) All policies must be written by insurance companies whose rating in the most recent Best's Rating Guide, is not less than A (-):VII.
- b) Certificates of Insurance with the required endorsements evidencing the required coverages must be delivered to the other party prior to commencement of any work under this Agreement. If available, all of the insurance required to be maintained by a party under this Agreement shall require that the carrier give to the other party at least a 30 day prior notice of cancellation and ten (10) day notice of cancellation for non-payment of premium.

EXHIBIT D

**DEVELOPMENT MANAGEMENT AGREEMENT**

(attached)

EXHIBIT E  
SITE PLAN



## **EXHIBIT F**

### **INDEMNIFICATION AND INSURANCE REQUIREMENTS**

#### **INDEMNIFICATION**

DIGNITY shall defend (with counsel reasonably approved by the COUNTY), indemnify and hold harmless the COUNTY and its officers, officials, agents, volunteers, and employees from and against any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments and liabilities arising out of this Agreement or the performance or attempted performance of the provisions hereof, whether directly or indirectly (collectively, "Claims"), including, but not limited to, the acts, errors or omissions of DIGNITY, its employees, agents, volunteers, contractors or invitees, other than in the event of a California Environmental Quality Act (CEQA) challenge or where such indemnification is prohibited by law; provided, however, that Claims shall not include any claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities to the extent resulting from the sole or gross negligence or willful misconduct of the COUNTY or from the acts, errors or omissions of Good Samaritan Shelter, its employees, agents, volunteers, contractors or invitees.

#### **NOTIFICATION OF INCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS**

DIGNITY shall immediately notify the COUNTY in the event of any accident, injury, or Claim relating to this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

#### **INSURANCE**

Without limiting DIGNITY's indemnification of the COUNTY as provided in this Agreement, DIGNITY shall procure and maintain: (a) from the Effective Date through issuance of final certificates of occupancy for the Project, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the use of the Property and the Parcel by DIGNITY and its agents, representatives, employees, contractors, and subcontractors, including the following required insurance coverages and (b) after issuance of final certificates of occupancy for the Project, only Property Insurance as described in Section A.4. below, at DIGNITY's sole cost and expense (collectively, "Insurance Coverages"). All Insurance Coverages are to be placed with insurers which (1) have a Best's rating of no less than A: VII, and (2) are admitted insurance companies in the State of California. All other insurers require the prior approval of the COUNTY. Failure to comply with the insurance requirements set forth in this Agreement shall constitute default under this Agreement by DIGNITY. Upon request by the COUNTY, DIGNITY shall provide to COUNTY within ten (10) working days a certified copy of the insurance policy or policies evidencing the Insurance Coverage(s) specified in such request.

#### **C. Minimum Scope of Insurance**

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$2,000,000 per occurrence and \$4,000,000 in the aggregate. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **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.
3. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if DIGNITY has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
4. **Property Insurance:** against all risks of loss to any improvements, at full replacement cost with no coinsurance penalty provision.
5. **Contractor’s Pollution Legal Liability:** with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate.

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

#### **D. 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 DIGNITY 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 DIGNITY’S insurance at (least as broad as ISO Form CG 20 10 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).
2. **Primary Coverage** – For any claims related to this contract, DIGNITY’S insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the COUNTY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the COUNTY, its officers, officials, employees, or volunteers shall be excess of DIGNITY’S insurance and shall not contribute with it.



3. **Legal Liability Coverage** – The property insurance is to be endorsed to include Legal Liability Coverage (ISO Form CP 00 40 04 02 or equivalent) with a limit equal to the replacement cost of the Property and the Parcel.
4. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the COUNTY.
5. **Waiver of Subrogation Rights** – DIGNITY hereby grants to COUNTY a waiver of any right to subrogation which any insurer of DIGNITY may acquire from DIGNITY by virtue of the payment of any loss. DIGNITY 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. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the COUNTY for all work performed by DIGNITY, its employees, agents and subcontractors.
6. **Deductibles and Self-Insured Retention** – Any deductibles or self-insured retentions must be declared to and approved by the COUNTY. The COUNTY may require DIGNITY to (i) cause the insurer to reduce or eliminate such deductibles or self-insured retentions with respect to the COUNTY, its officers, officials, employees, agents and volunteers, or (ii) provide a financial guarantee satisfactory to the COUNTY guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
7. **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".
8. **Verification of Coverage** – DIGNITY shall furnish the COUNTY with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to COUNTY before occupying the premises. However, failure to obtain the required documents prior to the work beginning shall not waive DIGNITY'S obligation to provide them. The COUNTY reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.
9. **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.
10. **Subcontractors** – DIGNITY shall require and verify that its subcontractors and permitted sublessees, if any, maintain insurance meeting all the requirements stated herein, and DIGNITY shall ensure that COUNTY is an additional insured on insurance required from such subcontractors and permitted sublessees, if any. For

CGL coverage subcontractors shall provide coverage with a format least as broad as CG 20 38 04 13.

11. **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.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. DIGNITY 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 shall not be deemed as a waiver of any rights on the part of COUNTY.