

Project: Montecito Hall Second Amendment
APN: 009-060-038
Folio: 002066
Agent: AH

SECOND AMENDMENT TO LEASE AGREEMENT
(Filed as City of Santa Barbara Agreement No. 19500.2)

THIS SECOND AMENDMENT TO LEASE AGREEMENT is made by and between

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

and MONTECITO ASSOCIATION, a California non-profit corporation, hereinafter referred to as "ASSOCIATION",

and CITY OF SANTA BARBARA, a municipal corporation, hereinafter referred to as "CITY" (as per Ordinance No. _____, effective on _____, 2014.

with reference to the following:

WHEREAS, COUNTY is the owner of that certain real property and building located at 1469 East Valley Road, in Montecito, known as the Montecito Community Hall, also known as Santa Barbara County Assessor Parcel Number 009-060-038 (hereinafter "Property"); and

WHEREAS, CITY and ASSOCIATION have been occupying the Montecito Community Hall under successive three-way lease agreements with COUNTY, as lessor, and CITY and ASSOCIATION, as lessees, since 1981; the most recent of which, the Montecito Hall Lease Agreement ("Agreement"), was executed January 26, 1999, and subsequently amended by the First Amendment to Lease Agreement ("First Amendment"), executed May 20, 2003; and

WHEREAS, CITY has been using a portion of the building on the Property for the purpose of operating a public library, ASSOCIATION has been using a portion of the building for office space, and use of the remainder of the building, including a public meeting hall, has been shared by CITY and ASSOCIATION; and

WHEREAS, the parties desire to further amend the Agreement by extending the term for an additional ten (10) years, through December 31, 2023, and amending the provisions related to Association's obligations regarding rental proceeds from the public meeting hall, and the related accounting and reporting requirements.

NOW, THEREFORE, in accordance with the covenants and conditions contained herein, the parties agree as to amend the Agreement as follows:

1. The term of the Agreement, as set forth in Section 3, TERM, and as extended by the First Amendment, shall be further extended through December 31, 2023.

In all other respects, the terms and conditions of Section 3 shall remain in full force and effect.

2. The first paragraph of Section 6, RENT/CREDIT, shall be deleted in its entirety and replaced with the following:

“Rent for the portion of the Premises occupied by ASSOCIATION shall be seven hundred dollars (\$700.00) per month, subject to rental credits as described in this Section. ASSOCIATION shall receive rental credits reducing its monthly rental obligations under this Agreement for work performed in managing the Premises, at a rate of thirty dollars (\$30.00) per hour. In addition, ASSOCIATION shall receive rental credits for landscaping work performed on the Property and paid for by ASSOCIATION, in an amount not to exceed sixty dollars (\$60.00) per month. On a monthly basis, ASSOCIATION shall calculate its monthly rent due by multiplying the total number of hours spent in managing the public meeting hall by \$30.00, and adding \$60.00 if landscaping was performed and paid for by ASSOCIATION during the preceding month. In the event that calculation yields an amount that is less than \$700.00, ASSOCIATION shall pay to COUNTY the difference as monthly rent according to this Section. In the event that calculation yields an amount that is more than \$700.00, ASSOCIATION shall not be obligated to pay rent for that month.

In all other respects, the remaining terms and conditions of Section 6 shall remain in full force and effect.”

3. Section 8, REVENUE AND REPORTING, shall be deleted in its entirety and replaced with the following:

“ASSOCIATION shall deposit all revenue received from renting the meeting hall into a segregated account (“Hall Account”). Funds from the account may only be used by ASSOCIATION for maintenance and operation of the Property, which may include repairs, payment of utilities, landscaping services, janitorial services for the meeting hall and ASSOCIATION’S portion of the Property, and any rent that may be due pursuant to Section 6 hereof. Upon termination of this Agreement, all funds derived from ASSOCIATION’S use of the Property shall be transferred to COUNTY.

ASSOCIATION shall reconcile its income and expenditures on a monthly basis, at the end of each calendar month. In the event the net balance in the Hall Account exceeds SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$7,500) at the end of any calendar month, ASSOCIATION shall submit to COUNTY the amount that exceeds \$7,500 to be deposited in an account held in the name of COUNTY (“COUNTY Account”). Such submittal shall occur by the 15th of the following month in the form of a check to the COUNTY address identified in Section 20, NOTICES, as amended herein. COUNTY may apply those proceeds to operation and maintenance of the Property, or may retain those funds in the COUNTY Account, in COUNTY’S sole and absolute discretion.

ASSOCIATION shall keep and maintain good and sufficient books and records of any and all business conducted by ASSOCIATION and related to the Premises under the terms of

this Agreement, and shall keep financial records in accordance with generally accepted accounting principles. ASSOCIATION shall keep records of all expenses paid for maintenance and operation of the Property, including invoices and receipts, and shall keep records of the monthly rent calculations set forth in Section 6 hereof. ASSOCIATION shall keep such records, books of account, receipts, invoices and other pertinent data for a period of not less than six (6) years following the end of each year of the term of this Agreement. Such books and records shall be available for inspection by officers, employees and agents of COUNTY at all reasonable times. In addition, ASSOCIATION shall complete and submit to COUNTY a monthly report detailing its rental income and expenditures, the monthly rental calculations, and a list of then-current Directors and Officers.”

4. Section 11, MAINTENANCE AND REPAIR, subsection B, shall be deleted in its entirety and replaced with the following:

“B. ASSOCIATION and CITY’S Responsibilities: Except for landscaping, as noted in Section 6, ASSOCIATION and CITY shall at their sole cost and expense, keep and maintain in good condition and repair the Property and Premises and those items listed as ASSOCIATION’S and CITY’S responsibility in Exhibit C, as amended by this Second Amendment to Lease Agreement (“Second Amendment”). The ASSOCIATION shall consult with CITY on any maintenance issues before incurring costs or contracting for services valued at more than one thousand dollars (\$1,000.00). Upon termination or expiration of this Agreement, ASSOCIATION and CITY will return the Property and Premises to COUNTY, with those items in good order, reasonable wear and tear excepted. ASSOCIATION shall also provide, or have provided, janitorial service for the interior of the Premises and the common areas as stated in Section 13, UTILITIES AND JANITORIAL, herein below.”

In all other respects, the terms and conditions of Section 11 shall remain in full force and effect.

5. Section 20, NOTICES, shall be amended by replacing COUNTY’s address as follows:

To COUNTY: County of Santa Barbara
Support Services Division
Attn: Real Property
1105 Santa Barbara Street, Second Floor
Santa Barbara, CA 93101

6. Exhibit C to this Agreement is revised and included in its entirety with this Second Amendment.

Except as set forth above, this Second Amendment shall not modify or change any of the provisions of the Agreement, as amended by the First Amendment; and the parties to the Agreement are bound by its provisions, as amended herein.

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IN WITNESS WHEREOF, , CITY, ASSOCIATION, and COUNTY have executed this Second Amendment to Lease Agreement by the respective authorized officers as set forth below to be effective as of the date executed by COUNTY.

“CITY”
CITY OF SANTA BARBARA

By: _____
Helene Schneider
Mayor

Attest: _____
Deputy City Clerk

APPROVED AS TO FORM:
Ariel Peirre Calonne
City Attorney

By: _____

Date: _____

“ASSOCIATION”
MONTECITO ASSOCIATION

By: _____
Ted Uebel - President
Name and Title

“ASSOCIATION”
MONTECITO ASSOCIATION

By: _____
THOMAS KEEN - TREASURER
Name and Title

Signatures continue on next page

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“COUNTY”
COUNTY OF SANTA BARBARA

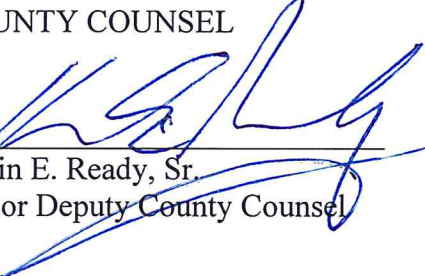
ATTEST:
MONA MIYASATO
CLERK OF THE BOARD

By: _____
Supervisor Steve Lavagnino
Chair, Board of Supervisors

By: _____
Deputy Clerk

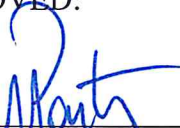
Date: _____

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

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

APPROVED AS TO FORM:
ROBERT GEIS, C.P.A.
AUDITOR-CONTROLLER

By: 
Deputy

APPROVED:

Matthew P. Pontes
Director of General Services

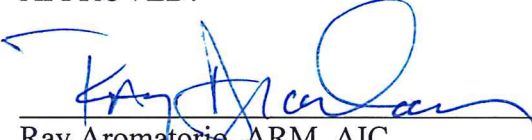
APPROVED:

Ray Aromatorio, ARM, AIC
Risk Manager

EXHIBIT "C"
MAINTENANCE AND REPAIR RESPONSIBILITIES

ITEM NO.	ITEM	NOT APPLICABLE	ASSOCIATION /CITY	COUNTY
1. Building Exterior				
	Repair Walls			X
	Painted Surfaces*			X
	Door and Window Trim			X
	Doors, Hardware			X
	Windows: Hardware and Screens			X
	Locks		Maintain	Replace
	Roof			X
	Rain Gutters			X
	Flashing			X
	Down Spouts			X
	Lighting			
	Bulbs		X	
	Fixtures		Maintain	Replace
	Transformers	NA		
	Fluorescent Lights	NA		
	Ballast		X	
	Handrails		Maintain	Replace
	Signs (County Designation)		X	
	Timers		Maintain	Replace
	Gutters			X
	Decking Walkways		Maintain	Replace
	Exterior Patios		Maintain	Replace
	Decking (Overdecking on roof top area)			
	Water Softener, Filter and Conditioner	NA		
	Stairs		Maintain	Replace
	Roof Drains			X
	Gates	NA		
	Gas/Water Lines			X
	Elect. Lines			X
	Phone/ Computer Lines		X	
	Sewer Lines			X

ITEM NO.	ITEM	NOT APPLICABLE	ASSOCIATION /CITY	COUNTY
2. Building Interior				
	Repair Walls			X
	Painted Surfaces		X	
	Doors, Hardware		X	
	Locks		X	
	General Cleaning		X	
	Floor		Clean	Replace
	Carpet		Clean	Replace
	Window Coverings		Maintain	Replace
	Lighting			
	Bulbs		X	
	Fixtures		X	
	Transformers			X
	Fluorescent Lights			X
	Ballast			X
	Handrails (ADA)			X
	Signs		Interior	Street Nos.
	Timers	X		
	Drinking Fountains		Maintain	Repair
	Ceiling			X
	Showers	X		
	Toilet/Urinals (Replacement)*			X
	Toilet/Urinals (Maintenance)		X	
	Sink & Faucets (Replacement)*			X
	Sink & Faucets (Maintenance)		X	
	Gas Lines			X
	Water Lines			X
	Sewer Lines/Drains			X
	Phone Lines & Jacks		X	
	Computer Lines & Jacks		X	
	T.V. Cable & Jacks	X		
	Phones		X	
	Towel Racks	X		

(*) ASSOCIATION/CITY to replace if damage caused by ASSOCIATION/CITY clientele

ITEM NO.	ITEM	NOT APPLICABLE	ASSOCIATION /CITY	COUNTY
	Garbage Disposal	X		
	Refrigerator/ Microwave	X		
	Stove	X		
	Counter Tops, replacement			X
	Cabinets, replacement	X		
	Dish Washer	X		
	Trash Compactor	X		
3. Grounds				
	Drinking Fountains	X		
	Mail Boxes		X	
	Fences	X		
	Trash Bins			X
	Trash Enclosures			X
	Bike Racks		X	
	Signs		X	
	Litter Pick-up		X	
	Lighting			
	Parking Lot		Maintain	Replace
	Driveways		X	
	Walkways		X	
	Timers (external)		X	
	Timers (internal)		X	
	Signs	X		
	Cleaning, Sidewalks, Walkways, Parking Lot		X	
4. Landscaping				
	Trees		Maintain	
	Shrubs		Maintain	
	Flowers		Maintain	
	Lawn		Maintain	

ITEM NO.	ITEM	NOT APPLICABLE	ASSOCIATION/CITY	COUNTY
	Sprinkler, Repair and Replace		Maintain	Replace
	Headers		X	
	Rodent/Pest (Limit \$500.00 per year)		X	
	Seeding		X	
	Fertilizer		X	
	Plant Trimming		X	
	Plant Removal		X	
	Plant Replacement		X	
	Tree Care & Trimming		X	
5. Mechanical Systems				
	Electrical Panels, Breaker, Interior			X
	Electrical Fuses, Interior		Maintain	Replace
	Electrical Receptacle, Switches, Interior		X	
	Electrical Central Switches			X
	Elevator	X		
	Heating		Maintain	Replace
	Air Conditioning		Maintain	Replace
	Water Heater		Maintain	Replace
6. Roadways/Parking Lots Repair & Maintenance				
	Striping			X
	Handicap Signage			X
	Asphalt Surface, Curbing			X
	Cement Surface, Curbing			X
	Wheel Stops			X
	Drainage			X
	Signs			X

ITEM NO.	ITEM	NOT APPLICABLE	ASSOCIATION/CITY	COUNTY
7. Fire Equipment				
	Sprinklers			X
	Hoses	X		
	Extinguisher (interior)		X	
	Alarm Systems			X
	Smoke Detectors		Maintain	Replace
8. Other Items				
	Paper supplies, dispensers, waste containers, soap in restrooms and kitchens		X	
	Interior janitorial products and services		X	
	Interior Floor Waxing, Sweeping		X	
	Window Washing (interior & exterior)		X	
	Exterior sweeping entry, sidewalks and walkways		X	
	Janitorial service for public areas or common use areas		X	
	Broken window glass or door glass*			X
	Refuse, Rubbish and Garbage Disposal		X	
	Cleaning Storage Rooms, Utility Rooms		X	
	Exterminating		X	
	Carpet Replacement, Linoleum Replacement, and/or Tile Replacement			X
	Lawn mower, repair and maintenance	X		
	Building Foundation			X
	Flooring (wood & concrete)			X
	Utility mains & appurtenances			X

(*) ASSOCIATION/CITY to replace if damage caused by ASSOCIATION/CITY clientele.