

# COUNTY OF MONTEREY

## LEASE AGREEMENT



LEASED PREMISES:	<b>62350 College St., San Ardo, CA 93450</b>
DEPARTMENT:	<b>Monterey County Free Libraries</b>
LESSOR:	<b>Susan Glau Living Trust, dated 2-22-05 Susan Glau, Trustee</b>

**COUNTY OF MONTEREY  
LEASE AGREEMENT**

**PREAMBLE**

THIS LEASE AGREEMENT (hereafter, "Lease" or "Lease Agreement") is made by and between **Susan Glau, Trustee, Susan Glau Living Trust dated 2-22-05** ("LESSOR") and the **COUNTY OF MONTEREY**, a political subdivision of the State of California ("LESSEE"), on behalf of the **Monterey County Free Libraries (MCFL)**.

WHEREAS, the parties understand and agree the following Lease Exhibits are incorporated by this reference:

- EXHIBIT A      DESCRIPTION OF PREMISES - Current Basic Floor Plan
- EXHIBIT B      EVIDENCE OF SEISMIC CONSTRUCTION
- EXHIBIT C      SUMMARY OF SERVICES AND UTILITIES
- EXHIBIT D      SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES
  
- EXHIBIT E      REMEDATION CONTRACTOR SPECIFICATIONS
- EXHIBIT F      SERVICE CONTACT LIST
- EXHIBIT G      PROP 65 WARNING

Lease Agreement A- 10468 dated June 6, 2006 and subsequently renewed on May 1, 2008, May 1, 2010, May 1, 2012, May 1, 2014, May 1, 2017 and May 1, 2019; is replaced by this Lease and terminates on the Commencement Date of this Lease.

LESSOR and LESSEE hereby agree as follows:

**ARTICLE 1 – PREMISES**

1.1 **Description:** LESSOR hereby leases to LESSEE and LESSEE hereby leases from LESSOR, upon the terms and conditions herein set forth, that certain real property and its appurtenances, situated at **62350 College Street, San Ardo, California** and described as follows: Public library consisting of approximately **1,008** square feet of space, (the "Premises"), as designated in **EXHIBIT A - DESCRIPTION OF PREMISES - Current Basic Floor Plan**, which is attached and incorporated by this reference. The term "square feet" shall be defined and measured from the outside finished surface of permanent outer building walls and to the center of the existing interior or common walls and does not include any portions of the roof, attic or crawl space.

1.2 **Common Areas:** Intentionally left blank.

1.3 **Parking Areas:** LESSEE shall have the right to use vehicle parking spaces located in close proximity to the Premises.

1.4 **Compliance with the "Americans with Disabilities Act of 1990" (ADA):** See Article 35 **LESSOR'S STATEMENT REGARDING DISABILITY ACCESS & CERTIFIED ACCESS SPECIALIST INSPECTION (CASp) REPORT.**

1.5 **Compliance with "No Smoking Law" (2003 Assembly Bill 846):** LESSEE shall ensure that the Premises and the non-exclusive areas of the building as described in Article 1.2 are in compliance with Government Code Title 1, Division 7, Chapter 32 (commencing with section 7596), as amended, and, if necessary, prior to the Commencement Date, shall modify the Premises to comply with the law and the regulations promulgated to implement 2003 Assembly Bill 846. Notwithstanding the foregoing, LESSEE shall be responsible for ensuring that LESSEE's employees, agents, contractors and invitees comply with the foregoing statutes and regulations.

1.6 **Statement of Seismic Adequacy**:. The Premises are contained in a building constructed on or after January 1, 1973, documentation from the County of Monterey Planning and Building Department is attached as **EXHIBIT B – EVIDENCE OF SEISMIC CONSTRUCTION**, and incorporated by this reference.

**ARTICLE 2 - TERM**

2.1 **Lease Term**: The term of this Lease (the "Lease Term") shall be for **3 years, commencing on May 1, 2022** ("Lease Commencement Date") and **ending April 30, 2025**.

2.2 **Extended Term**: This Lease authorizes an optional extension for an **additional three s (3) years** under the same terms and conditions if deemed by the Contracts/Purchasing Officer to be in the best interest of the County.

**ARTICLE 3 - RENT**

The LESSOR shall charge the LESSEE or Monterey County Free Libraries(MCFL) rent in the amount of **One Thousand Sixteen Dollars and Forty Cents (\$1,016.40) per month, every first of the month**.

**In addition, LESSEE shall contract and pay directly to its vendors for its responsibilities as outlined in EXHIBIT C– SUMMARY OF SERVICES AND UTILITIES which is attached and incorporated by this reference and EXHIBIT D- SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES which is attached and incorporated by this reference.**

**ARTICLE 4 – ANNUAL RENT ADJUSTMENT**

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**ARTICLE 5 - TERMINATION BY LESSOR AND LESSEE**

During the term of this Lease or any extension thereof, either party may terminate this lease by giving the other party written notice at least six (6) months in advance of the effective date of termination.

**ARTICLE 6 - NOTICES**

All notices or correspondence provided for herein shall be effective only when made in writing, personally delivered or deposited in the United States mail, certified, postage prepaid, return receipt requested, and addressed as follows:

<p>To LESSOR: Susan Glau, Trustee  Susan Glau Living Trust  Dated February 22, 2005  P.O. Box 913  Newbury Park, California 91319  Phone: 805-338-2615  Email: susan@ridiculousprods.com</p>	<p>To LESSEE: County of Monterey  Public Works, Parks, Facilities  c/o Real Property Specialist  1441 Schilling Place, South Bldg.   Salinas, California 93901  Phone: 831-755-4800  Email: <a href="mailto:salcidog@co.monterey.ca.us">salcidog@co.monterey.ca.us</a></p>
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Any notice or correspondence shall be deemed delivered upon personal delivery or upon receipt if mailed. Correspondence other than notices may be given by phone, regular mail, email or facsimile. Any correspondence sent by facsimile shall also be sent by United States mail if requested by either party. By written notice to the other, either party may change its own mailing address or correspondence information.

LESSOR or LESSOR’S designated property management company shall be available to LESSEE by phone during regular business hours, and for emergencies after hours and weekends. LESSOR or LESSOR’S designated property management company shall subscribe to a 24-hour, seven (7) days a week emergency answering service that maintains contact phone numbers of key personnel or maintenance/service companies in the event of an emergency.

Emergency answering service phone number for LESSOR is (805)338-2615.

LESSEE shall be available to LESSOR, by phone during regular business hours, and for emergencies after hours and on weekends. LESSEE shall subscribe to a 24-hour, seven (7) days a week emergency answering service that maintains contact phone numbers of key personnel or maintenance/service companies in the event of an emergency. Emergency answering service phone number for LESSEE is 831-212-0378 (Public Works Facilities after hours “on call” staff).

If applicable, LESSOR’S designated property management company shall be vested with such power and authority as is reasonably necessary or incidental to the performance of this Lease and the accomplishment of its purpose.

**ARTICLE 7 - PREMISE IMPROVEMENTS**

[ INTENTIONALLY LEFT BLANK]

**ARTICLE 8 - NOTICE OF COMPLETION**

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**ARTICLE 9 - PUBLIC WORKS LAWS**

Pursuant to California Labor Code Section 1720.2, any construction work done under private contract to improve the space to be leased by the County of Monterey for government services may be considered a “public work” when all of the following conditions exist: a) The construction contract is between private persons. (b) The property subject to the construction contract is privately owned, but upon completion of the construction work, more than fifty percent (50%) of the assignable square feet of the property is leased to the state or a political subdivision for its use. (c) Either of the following conditions exist: (1) The lease agreement between the LESSOR and the state or political subdivision, as LESSEE, was entered into prior to the construction contract. (2) The construction work is performed according to plans, specifications, or criteria furnished by the state or political subdivision, and the lease agreement between the LESSOR and the state or political subdivision, as LESSEE, is entered into during, or upon completion of, the construction work.

If applicable, LESSOR shall comply with provisions of law governing public works including, without limitation, California Labor Code Sections 1773, 1773.2, 1773.3, 1773.8, 1775 (payment of prevailing wages), 1776 (payroll records), and 1777.5 (employment of apprentices) as may be amended from time to time.

**ARTICLE 10 - TIME LIMIT AND PRIOR TENANCY**

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**ARTICLE 11 - USE**

11.1 **Use:** LESSEE shall use the Premises as a library and for ancillary county/community uses.

11.2 **Compliance with Laws:** LESSOR represents and warrants to LESSEE that, to the best of LESSOR'S knowledge, the current and proposed uses, and the operation of the Premises and Common Area are in full compliance with applicable building, environmental, zoning and land use laws, and other applicable local, state and federal laws, regulations and ordinances. LESSOR absolves LESSEE of legal or other responsibility for any code violations or other deviations from applicable local, state and federal laws, regulations and ordinances as may be listed above. Said absolution excludes LESSEE installed improvements to the Premises such as phone/data cabling, support equipment, trade fixtures, and any other equipment installed by LESSEE and used to meet LESSEE’S operational needs.

11.3 **Hazardous Substances:** LESSEE shall have no liability or responsibility for toxic or hazardous materials or substances in existence on the Premises or which result from LESSOR'S acts or omissions or which occur on any portion of LESSOR'S property not occupied by LESSEE, in each case unless, and only to the extent, caused by LESSEE. LESSOR

will comply with all applicable laws concerning the handling and removal of any hazardous materials, including asbestos or PCB containing materials. LESSOR warrants, to the best of LESSOR'S actual knowledge, that at the time of execution of this Lease there are no known areas on LESSOR'S property where hazardous or toxic materials or substances (including asbestos or PCBs) have been used, stored, or deposited. Nothing in this Lease shall be taken as LESSEE'S assumption of any duty or liability not otherwise imposed by law.

11.4 **Environmental Hazards – Remediation Contractor Specifications:** LESSOR hereby warrants and guarantees that the Premises and the Common Areas will be maintained free of all Environmental Hazards (including hazards related to asbestos, leads, toxic mold spores or PCBs) and agrees to survey, test, and abate as applicable and in accordance with Environmental Protection Agency, "EPA" guidelines. A qualified industrial hygienist approved by LESSOR and LESSEE shall perform all testing and development of an abatement work plan as deemed necessary, with the test results/reports/plans forwarded to LESSOR and LESSEE upon completion. LESSOR further agrees to contract with a qualified remediation contractor to provide remediation services as specified in **EXHIBIT I - REMEDIATION CONTRACTOR SPECIFICATIONS** attached and incorporated by this reference on an as needed basis as determined by and between LESSOR and LESSEE. LESSOR specifically agrees that any costs related to abatement of Environmental Hazards shall be the LESSOR'S responsibility unless caused by LESSEE.

LESSEE shall immediately notify LESSOR of any suspected appearance of toxic mold spores and of any conditions (such as excessive moisture) that may lead to the appearance of toxic mold spores, and LESSOR agrees to investigate same.

LESSEE may request that LESSOR hire a qualified industrial hygienist, approved by LESSOR and LESSEE, to perform indoor air quality testing/surveying for the Premises with the understanding that if test results reveal that unacceptable levels (as determined by Environmental Protection Agency [EPA] guidelines) of Environmental Hazards are not present, LESSEE will reimburse LESSOR the cost of the testing within thirty (30) day of receipt of invoice from LESSOR. By providing for and requesting air quality testing, LESSOR'S duties and obligations are not diminished and LESSEE does not assume or agree to share in LESSOR'S duties and obligations with respect to maintenance of the Premises.

11.5 **Acceptance of Premises:** By entry hereunder, LESSEE accepts the Premises as being in good and sanitary order, condition and repair.

## **ARTICLE 12 - SIGNS AND FIXTURES**

LESSEE may place such signs and advertisements upon the Premises as LESSEE may desire, subject to compliance with applicable law and approval by the LESSOR, which consent shall not be unreasonably withheld provided, however, that at the expiration of the term hereof or any renewal or extension of this Lease, LESSEE will remove said signs and will repair any damage caused by such removal

Any trade fixtures, equipment, furniture, demountable walls, and other property installed in the Premises by and at the expense of the LESSEE shall remain the property of the LESSEE, and the LESSOR agrees that the LESSEE shall have the right at any time, and from time to time, to remove any and all of its trade fixtures, equipment and other property which it may have stored or installed in the Premises, provided that LESSEE repairs any damage caused by such removal. LESSEE'S right to remove property described in the immediately forgoing sentence shall become an obligation of LESSEE at the expiration or earlier termination of the Lease Term. The LESSOR agrees not to mortgage or pledge the LESSEE'S trade fixtures, equipment and other property owned by LESSEE.

## **ARTICLE 13 - SERVICES AND UTILITIES**

Services and utilities shall be furnished and the cost borne as outlined in **EXHIBIT C - SUMMARY OF SERVICES AND UTILITIES**. In the event of failure by LESSOR to furnish, in a satisfactory manner, any of the services and utilities to the Premises for which LESSOR is responsible or to the Common Areas, LESSEE may furnish the same if LESSOR has not undertaken to correct such failure within five (5) days after written notice, and, in addition to any other remedy LESSEE may have, may deduct the amount thereof, including LESSEE'S service costs, from rent (if applicable) or other remuneration due LESSOR hereunder. As stated in **EXHIBIT C**, the term "adequate" shall mean sufficient enough to ensure the health, safety and general well-being of the occupants or invitees of the Premises; the term "deemed necessary" shall mean that LESSOR and LESSEE are in agreement that appropriate action needs

to be taken to ensure the health, safety and general well-being of the occupants and or invitees of the Premises.

#### **ARTICLE 14 - REPAIR AND MAINTENANCE**

14.1 **LESSOR and LESSEE Obligations:** The respective repair and maintenance responsibilities of LESSOR and LESSEE are set forth in **EXHIBIT D – SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES**. As stated in **EXHIBIT D**, or elsewhere in this Lease, the term “deemed necessary” shall mean that LESSOR and LESSEE are in agreement that appropriate action needs to be taken to ensure the health, safety and general well-being of the occupants and/or invitees of the Premises.

14.2 **Negligent Acts or Omissions of LESSEE:** Notwithstanding the foregoing, LESSEE will pay to LESSOR upon demand the reasonable cost of any repairs or maintenance required as a direct result of negligent acts or omissions, or which is otherwise the fault, of LESSEE.

14.3 **Failure of LESSOR to Make Repairs:** If LESSOR fails to maintain the Premises or to make the repairs required in this article within the time period as specified in Article 23.1, LESSEE may perform such maintenance or make such repairs at its expense and LESSOR shall reimburse LESSEE with the costs of repairs within thirty (30) days of receipt of invoice or invoices for said repairs. LESSOR agrees to perform all emergency repairs involving the Premises with the utmost urgency. An emergency repair is a repair that is necessary in order to protect health and safety of persons or public property or to save the building’s integrity. LESSEE agrees to make a diligent effort to contact LESSOR before it uses responsible judgment to contact the appropriate vendor identified in **EXHIBIT J – SERVICE CONTACT LIST** which is attached and incorporated by this reference, to perform emergency repair to protect health and safety of persons or public property or to save the building’s integrity.

14.4 **LESSOR/LESSEE Obligations in Applying Noxious Substances:** LESSOR, its officers, employees, and agents shall not apply or install any substance as part of any building construction, remodel, renovation, maintenance or repair which would cause an injurious, unsafe or hazardous condition to occupied spaces without prior notification of the LESSEE. Prior notification and approval shall be made at least 48 hours prior to the desired application or installation time to the LESSEE as identified under **Article 6**. Also, a Product Safety Data Sheet shall be furnished by the proposed applicator or installer to the LESSEE. Examples of such substances or materials may include, but are not limited to, the following:

- a. Termite Control Materials
- b. Pesticides
- c. Paint (excluding routine minor touch up in the common areas)
- d. Water Treatment Chemicals
- e. Carpeting, Pressed Wood Products, Insulation, Plastics and Glues
- f. Texture and Joint Compounds
- g. Roofing Material
- h. Construction Cleaning Solutions
- i. Any other substance that is or could be construed as hazardous (excluding common janitorial cleaning supplies)

In the event of any building construction, remodel, renovation, maintenance or repair to the Premises or other areas to the building which the Premises is a part of, LESSOR, to the best of LESSOR’S ability, shall exercise precautionary and protective measures to ensure the health, safety and general well-being of the occupants and or invitees of the Premises. Examples of precautionary and protective measures may include, but may not be limited to:

- a. Isolating or disconnecting heating ventilation and air-conditioning (HVAC) systems.
- b. Performing work on the weekends and/or outside normal business hours.
- c. Installing appropriate plastic containment systems for egress and egress to and from the building construction, remodel, renovation, maintenance or repair area.
- d. Using a HEPA vacuum to clean up dust and debris from the Premises after work is done.
- e. Compliance with the United States Department of Labor, Occupational Safety and Health Administration (OSHA) and State of California, Department of Industrial Relations, Division of Occupational Safety and Health (Cal/OSHA) regulations.

No activities shall be taken (or fail to be taken) that would violate any Federal or Cal OSHA standards.

**ARTICLE 15 - SERVICE COMPANIES**

Within ten (10) days after occupancy of the Premises by LESSEE, LESSOR shall give LESSEE a list (see **EXHIBIT J – SERVICE CONTACT LIST**) of the names, addresses and telephone numbers of any agencies or persons convenient to LESSEE as a local source of service with regard to LESSOR'S responsibilities under **EXHIBIT C - SUMMARY OF SERVICES AND UTILITIES** and **EXHIBIT D - SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES** of this Lease. If LESSOR fails to provide such list, LESSEE may choose service companies as needed and without penalty from LESSOR and shall have the right to offset the cost of such services as provided in Article 14.3.

**ARTICLE 16 - ALTERATIONS, MECHANICS' LIENS**

16.1 **Alterations:** No alterations or improvements shall be made to the Premises by LESSEE or at LESSEE'S request without the prior written consent of LESSOR, which consent shall not be unreasonably withheld.

16.2 **Condition at Termination:** Upon termination of this Lease, LESSEE shall return the Premises in the same condition as when delivered to LESSEE, reasonable wear and tear, and damage by casualty, and alterations approved by LESSOR excepted.

16.3 **Mechanic's Liens:** LESSOR and LESSEE shall keep the Premises free from any liens arising out of any work performed by, materials furnished to, or obligations incurred by such party.

**ARTICLE 17 - ASSIGNMENT AND SUBLETTING**

LESSEE shall not assign or sublet all or any portion of the Premises without the prior written consent of LESSOR, which consent shall not be unreasonably withheld.

**ARTICLE 18 - ENTRY BY LESSOR**

LESSEE shall permit LESSOR and LESSOR'S agents, employees, lenders and contractors to enter the Premises for any lawful purpose, with reasonable advance notice (except in the case of emergency), provided such entry is made in a reasonable manner and does not unreasonably interfere with the conduct of LESSEE'S business.

LESSOR recognizes and understands that LESSEE'S services, identity of clients, and records relate to a confidential relationship between the LESSEE and its clients, and LESSOR agrees that, in its interaction with LESSEE, its clients and records, whether through itself, its employees, or its agents, LESSOR will maintain such confidences as might become available to it and not release or divulge such confidential identities, information, or records.

**ARTICLE 19 - INSURANCE AND INDEMNIFICATION**

LESSEE, during the term hereof, shall indemnify and hold harmless the LESSOR from and against any and all claims and demands whether for injuries to persons or loss of life, or damage to property, occurring within the demised Premises and arising out of the use of the demised Premises by the LESSEE, its agents, contractors, employees, invitees or guests excepting however, such claims and demands whether for injuries to persons or loss of life, or damage to property, to the extent caused by acts or omissions of the LESSOR.

LESSEE shall maintain public liability and property damage coverage or program of self-insurance with liability limits of not less than \$1,000,000 for injury or death to one (1) or more persons and property damage limits of not less than \$50,000 per occurrence insuring against all liability of LESSEE and its agents, employees, or other authorized representatives arising out of and in connection with LESSEE'S use or occupancy of the Premises.

LESSOR, during the terms hereof, shall indemnify, defend and hold harmless the LESSEE from and against any and all claims and demands whether for injuries to persons or loss of life, or damage to property, arising out of acts or omissions of the LESSOR, its agents, employees and other authorized representatives, excepting however, such claims and demands whether for injuries to persons or loss of life, or damage to property, to the extent caused by acts or

omissions of the LESSEE.

LESSOR agrees that it will keep insured against loss or damage by fire, at full replacement value, the building, which insurance shall be, at a minimum, comparable to the coverage and amounts of insurance that are carried by reasonably prudent lessors of comparable buildings in the City or Unincorporated County, as applicable, in which the Premises is located.

#### **ARTICLE 20 - DESTRUCTION**

If the Premises are totally destroyed by fire or other casualty, either party may terminate this Lease immediately by giving notice to the other party.

If such casualty shall render ten percent (10%) or less of the floor space of the Premises unusable for the purpose intended, LESSOR shall effect restoration of the Premises as quickly as is reasonably possible, but in any event restoration shall begin within thirty (30) days after such destruction.

If such casualty shall render more than ten percent (10%) of such floor space unusable but not constitute total destruction, LESSOR shall forthwith give notice to LESSEE of the specific number of days required to repair the same. If LESSOR under such circumstances does not give such notice within fifteen (15) calendar days after such destruction, or if such notice shall specify that such repairs will require more than ninety one hundred twenty (90) days to complete from the date such notice is given, LESSEE, in either such event, at its option, may terminate this Lease.

In the event of any such destruction other than total, where LESSEE has not terminated the Lease as herein provided, LESSOR shall diligently prosecute the repair of the Premises and, in any event, if said repairs are not completed within sixty (60) calendar days from the work commencement date, for destruction aggregating ten percent (10%) or less of the floor space, or within the period specified herein in connection with partial destruction aggregating more than ten percent (10%), LESSEE shall have the option to terminate this Lease. LESSEE shall assist LESSOR with obtaining all applicable building permits if necessary.

LESSOR and LESSEE understand that, in circumstances for which a building permit is required, work cannot commence before a building permit is obtained. Time deadlines set forth herein shall not commence before required permits are issued. LESSOR warrants to diligently pursue issuance of said permits.

#### **ARTICLE 21 - DEFAULT BY LESSEE**

22.1 ***Default:*** If any of the following events occur, each such event shall constitute a material breach of this Lease, and LESSOR may, at LESSOR'S option, exercise any or all rights available to a LESSOR under the laws of the State of California:

- a. A default in the payment of rent or other obligation when such default continues for a period of thirty (30) days after written notice from LESSOR to LESSEE of such default, or
- b. LESSEE fails to faithfully perform or observe any other covenant or undertaking required under this Lease and such failure continues for a period of thirty (30) days after written notice thereof from LESSOR to LESSEE of such default or, if such default is not reasonably curable within such thirty (30) day period, LESSEE fails to commence to cure such default within such thirty (30) day period and thereafter fails to diligently pursue such cure to completion, or
- c. LESSEE is adjudicated bankrupt, or
- d. LESSEE'S lease interest is sold under execution of judgment.

22.2 ***Remedies:*** If LESSEE fails to cure a default within the time frames outlined above, if any, LESSOR shall have the option to cure the default, if curable, and terminate this Lease in addition to any other remedies at law not inconsistent herewith. Should LESSOR elect to cure the default, all costs associated with such cure, including reasonable attorneys' fees incurred and awarded as a result of any legal action or proceeding brought to enforce or interpret this Lease Agreement (if any), shall be reimbursed by LESSEE to LESSOR, as additional rent, within thirty (30) days of receipt of LESSOR'S invoice for said costs which shall be accompanied by invoices and receipts to document LESSOR'S costs to cure said default, and by any Court Order awarding reasonable attorney's fees incurred to cure said default.

**ARTICLE 22 - DEFAULT BY LESSOR**

23.1 **Default:** LESSOR shall not be in default unless LESSOR fails to perform its obligations under this Lease within a reasonable time, but in no event later than thirty (30) days after written notice by LESSEE to LESSOR specifying wherein LESSOR has failed to perform such obligations. If the nature of LESSOR'S obligation is such that more than thirty (30) days are required for performance, then LESSOR shall not be in default if LESSOR commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. LESSEE'S obligation to provide written notice to LESSOR of a default by LESSOR is limited to those instances where knowledge of LESSOR'S default is within the actual knowledge of LESSEE.

23.2 **Remedies:** If LESSOR fails to cure a default within the time periods outlined above, LESSEE shall have the option to cure the default, if curable, or to terminate this Lease, in addition to any other remedies at law not inconsistent herewith. Should LESSEE elect to cure the default, all costs associated with such cure, including reasonable attorneys' fees incurred and awarded as a result of any legal action or proceeding brought to enforce or interpret this Lease Agreement (if any), shall be reimbursed by LESSOR to LESSEE within thirty (30) days of receipt of LESSEE'S invoice for said costs which shall be accompanied by invoices and receipts to document LESSEE'S costs to cure said default, and by any Court Order awarding reasonable attorney's fees incurred to cure said default.

**ARTICLE 23 - CONDEMNATION**

If more than ten percent (10%) of the floor space area of the Premises is taken or condemned for a public or quasi-public use, or the part taken renders the entire Premises insufficient for the conduct of LESSEE'S business and operations, then this Lease shall terminate at the option of LESSEE as of the date title shall vest in the condemner. If only part of the Premises is taken and the remainder of the Premises is sufficient for the conduct of LESSEE'S business and operations, then LESSOR shall restore the Premises to a single architectural unit and the Lease shall continue as to the part not taken, but the monthly rent shall be reduced in proportion that the rentable area of the Premises taken bears to the rentable area of the Premises before the taking.

**ARTICLE 24 - HOLDING OVER**

If LESSEE, with LESSOR'S written consent, remains in possession of the Premises after the Lease Term or any Extended Term, this Lease shall automatically be extended on a two (2) month to two (2) month basis at the monthly rent applicable to the last month of the Lease Term or Extended Term, subject to termination upon sixty (60) days' written notice by either party. All other terms and conditions shall remain in full force and effect.

**ARTICLE 25 - WAIVER**

Any waiver of any term or condition of this Lease must be in writing and signed by LESSEE and LESSOR. The waiver by LESSOR or LESSEE of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other term, covenant or condition, nor shall either party consent to any breach of any term, covenant or condition, nor shall either party be deemed to constitute or imply its consent to any subsequent breach of the same or other term, covenant or condition herein contained.

**ARTICLE 26 - QUIET POSSESSION**

LESSEE shall at all times during the term of this Lease peaceably and quietly have, hold and enjoy the Premises, without suit, trouble or hindrance from LESSOR or any person claiming any interest in this Lease Agreement under LESSOR, subject to the terms of this Lease. LESSOR, to the best of LESSOR'S ability, shall also be responsible for ensuring that all other occupants in the building or complex do not interfere with the quiet enjoyment of the LESSEE.

**ARTICLE 27 - SUBORDINATION**

This Lease shall be subject and subordinated to the lien of any mortgages and deeds of trust which are hereafter placed against the LESSOR'S interest or estate in the property provided that the mortgagor or beneficiary under such mortgage or deed of trust shall agree in writing that, in the event of a foreclosure of same or of any other such action or proceeding for the enforcement thereof, or of any sale thereunder, this Lease shall not be barred, terminated, cut off, or foreclosed, nor will the rights and possession of LESSEE hereunder be disturbed if LESSEE shall not then be in default

under the terms of this Lease, and LESSEE shall attorn to the purchaser at such foreclosure, sale or other action or proceeding. The foregoing subordination shall be effective without the necessity of having any further instruments executed by LESSEE, but LESSEE shall nonetheless execute, upon demand, such further instruments evidencing such subordination as may be reasonably requested by LESSOR or any mortgagee or beneficiary.

#### **ARTICLE 28 - ESTOPPEL CERTIFICATE**

Within thirty (30) days of written notice by one party to the other, each will execute, acknowledge and deliver to the other an estoppel certificate in writing declaring any modifications, defaults or advance payments and whether the lease, as may be modified, is in full force and effect. Any such certificate may be conclusively relied upon for the intended transaction for which the statement was requested.

#### **ARTICLE 29 - MISCELLANEOUS PROVISIONS**

30.1 **Amendments:** This Lease may be amended or modified only by an instrument in writing signed by LESSEE and LESSOR.

30.2 **Time is of the Essence:** Time is of the essence of each term and provision of this Lease.

30.3 **Binding Effect:** Subject to any provision hereof restricting assignment or subletting by LESSEE, this Lease shall bind the parties, their personal representatives, successors, and assigns.

30.4 **Invalidity:** The invalidity of any provision of this Lease as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

30.5 **Authority:** Any individual executing this Lease on behalf of LESSEE or LESSOR represents and warrants hereby that he or she has the requisite authority to enter into this Lease on behalf of such party and bind the party to the terms and conditions of this Lease.

30.6 **Interpretation of Conflicting Provisions:** In the event of conflict between this Lease and any Addendum or Exhibit attached hereto, the provisions of such Addendum or Exhibit shall control.

30.7 **Successors and Assigns:** This Lease and the rights, privileges, duties, and obligations of LESSEE and LESSOR under this Lease, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successor, permitted assigns, and heirs.

30.8 **Headings:** The headings in this Lease are for convenience only and shall not be used to interpret the terms of this Lease.

30.9 **Governing Law:** This Lease shall be governed by and interpreted under the laws of the State of California.

30.10 **Construction of Lease:** LESSEE and LESSOR agree that each party has fully participated in the review and revision of this Lease 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 Lease or any amendment to this Lease.

30.11 **Counterparts:** This Lease may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one (1) and the same Lease.

30.12 **Integration:** This Lease, including the exhibits and addenda, represents the entire agreement between LESSEE and LESSOR with respect to the subject matter of this Lease and shall supersede all prior negotiations, representations or agreements, either written or oral, between LESSEE and LESSOR as of the effective date of this Lease, which is July 1, 2015.

#### **ARTICLE 30 - MAJOR APPLIANCES**

Installation of major appliances such as vending machines, refrigerators, stoves, etc., must be approved by LESSOR prior to installation. The LESSOR will grant installation approval for new appliances only. Such approval shall not be unreasonably withheld.

**ARTICLE 31 – PROPERTY TAX EXEMPTION**

LESSOR and LESSEE will cooperate and do all acts reasonably necessary and appropriate to secure and maintain tax exemption of the Premises pursuant to ARTICLE XIII, Section 3 of the California Constitution. The parties acknowledge and agree that the existence of the exemption was taken into account in fixing the terms and conditions of this Lease and that LESSEE therefore will receive the full benefit of the exemption by virtue of the rental terms set forth in this Lease.

**ARTICLE 32 - PUBLIC TRANSPORTATION**

LESSOR and LESSEE shall cooperate (at no cost to LESSOR) to make public transportation (bus service) available to the site in which the Premises are a part of. The service level of this public transportation will be sufficient to service the employees who will work at the site as well as LESSEE'S clients and customers who need access by public conveyance to and from the site.

**ARTICLE 33 – ALTERNATE ENERGY**

LESSOR and LESSEE shall cooperate (at no cost to LESSOR) to explore options to install solar and/or other alternate energy options and enhancements to the Premises. In the event any alternate energy enhancement creates a tax deduction, PG&E rebate or any other form of monetary credit to LESSOR, LESSOR further agrees to pass to LESSEE said monetary credit to defray LESSEE'S operational cost for the Premises as identified in **EXHIBIT C** and **EXHIBIT D** of this Lease.

**ARTICLE 34 - PROPOSITION 65 WARNING**

If applicable to the Premises which are the subject of this Lease, LESSOR AND LESSEE agree to post the CALIFORNIA PROPOSITION 65 WARNING on the Premises in substantially the same form as follows set forth in **EXHIBIT K - CALIFORNIA PROPOSITION 65 WARNING** attached and incorporated by this reference.

**ARTICLE 35 – LESSOR'S STATEMENT REGARDING DISABILITY ACCESS  
& CERTIFIED ACCESS SPECIALIST INSPECTION (CASp) REPORT**

Pursuant to California Civil Code Section 1938 (a), LESSOR represents that the Premises [ ] has [**X**] has not undergone inspection by a Certified Access Specialist (CASp).

Pursuant to California Civil Code Section 1938 (b), if the Premises has undergone inspection by a CASp, and to the best of LESSOR's knowledge, there have been no modifications or alterations completed or commenced between the date of the inspection and the date of execution of the Lease Agreement which have impacted the subject premises' compliance with construction related accessibility standards, LESSOR shall provide, prior to execution of the Lease Agreement, a copy of any report prepared by the CASp with an agreement from LESSEE that information in the report shall remain confidential, except as necessary for the LESSEE to complete repairs and corrections of violations of construction related accessibility standards that the LESSEE agrees to make.

Pursuant to California Civil Code Section 1938 (c), making any repairs or modifications necessary to correct violations of construction related accessibility standards that are noted in a CASp report is presumed to be the responsibility of the LESSOR, unless otherwise mutually agreed upon by LESSOR and LESSEE. LESSEE shall have the opportunity to review any CASp report prior to execution of the Lease. If the report is not provided to the LESSEE at least 48 hours prior to execution of the Lease Agreement, LESSEE shall have the right to rescind the Lease, based upon the information contained in the report, for 72 hours after execution of the Lease Agreement.

Pursuant to California Civil Code Section 1938 (d), if the Premises have been issued an inspection report by a CASp, as described in paragraph (1) of subdivision (a) of Section 55.53, indicating that it meets applicable standards, as defined in paragraph (4) of subdivision (a) of Section 55.52, LESSOR shall provide a copy of the

current disability access inspection certificate and any inspection report to LESSEE not already provided pursuant to subdivision (b) within seven (7) days of the date of the execution of the Lease Agreement.

Pursuant to California Civil Code Section 1938 (e), if the Premises have not been issued a disability access inspection certificate, as described in subdivision (e) of Section 55.53, LESSOR shall state the following on the Lease Agreement:

A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

**ARTICLE 36 – FIRST RIGHT OF OFFER**

LESSOR hereby grants to LESSEE the right to first negotiate to purchase the Premises. In the event LESSOR intends to offer the Premises for sale, LESSOR shall promptly notify LESSEE in writing of the its intention, including the desired terms and conditions for a said sale. LESSEE shall have forty-five (45) days within which to notify LESSOR in writing whether LESSEE is interested in negotiating with LESSOR for purchase of the Premises. In the event LESSEE elects to negotiate with LESSOR for said purchase, LESSOR shall in good faith enter into negotiations with LESSEE for a period of thirty (30) days. In the event that LESSOR and LESSEE after good faith efforts are not able to come to terms on the purchase of the Premises within said thirty (30) days, LESSOR shall be free to negotiate with third parties for the sale of the Premises.

IN WITNESS WHEREOF, the LESSOR and LESSEE have executed this Lease on the date set forth beneath their respective signatures below.

**LESSOR:**

**LESSOR: Susan Glau Living Trust, dated 2—22-05**

DocuSigned by:  
By: Susan Glau  
B53D5E7BB55949A...**Susan Glau, Trustee**

Date: 3/31/2022 | 10:22 AM PDT

**LESSEE:**

**LESSEE: County of Monterey**

**APPROVED AS TO FORM:  
Office of the County Counsel-Risk Management  
Leslie J. Girard, County Counsel**

By: \_\_\_\_\_  
Debra R. Wilson, PhD

DocuSigned by:  
By: Mary Grace Perry  
A1933B26E717442...  
Mary Grace Perry

Title: Acting Contracts/Purchasing Officer

Title: Deputy County Counsel

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

4/1/2022 | 1:56 PM PDT  
Date: \_\_\_\_\_

**APPROVED AS TO FISCAL PROVISIONS:  
COUNTY AUDITOR-CONTROLLER**

Rupa Shah, Auditor-Controller

DocuSigned by:

*Joey Nolasco*

F000442ED05B437...

By \_\_\_\_\_  
Gary Giboney

**APPROVED AS TO INSURANCE AND  
INDEMNIFICATION PROVISIONS:**

**Office of the County Counsel-Risk Management**  
Leslie J. Girard, County Counsel

DocuSigned by:

*Danielle Mancuso*

ZAFDFB90D2744CC...

By \_\_\_\_\_  
Danielle P. Mancuso

Title: Chief Deputy Auditor Controller

Title: Risk Manager

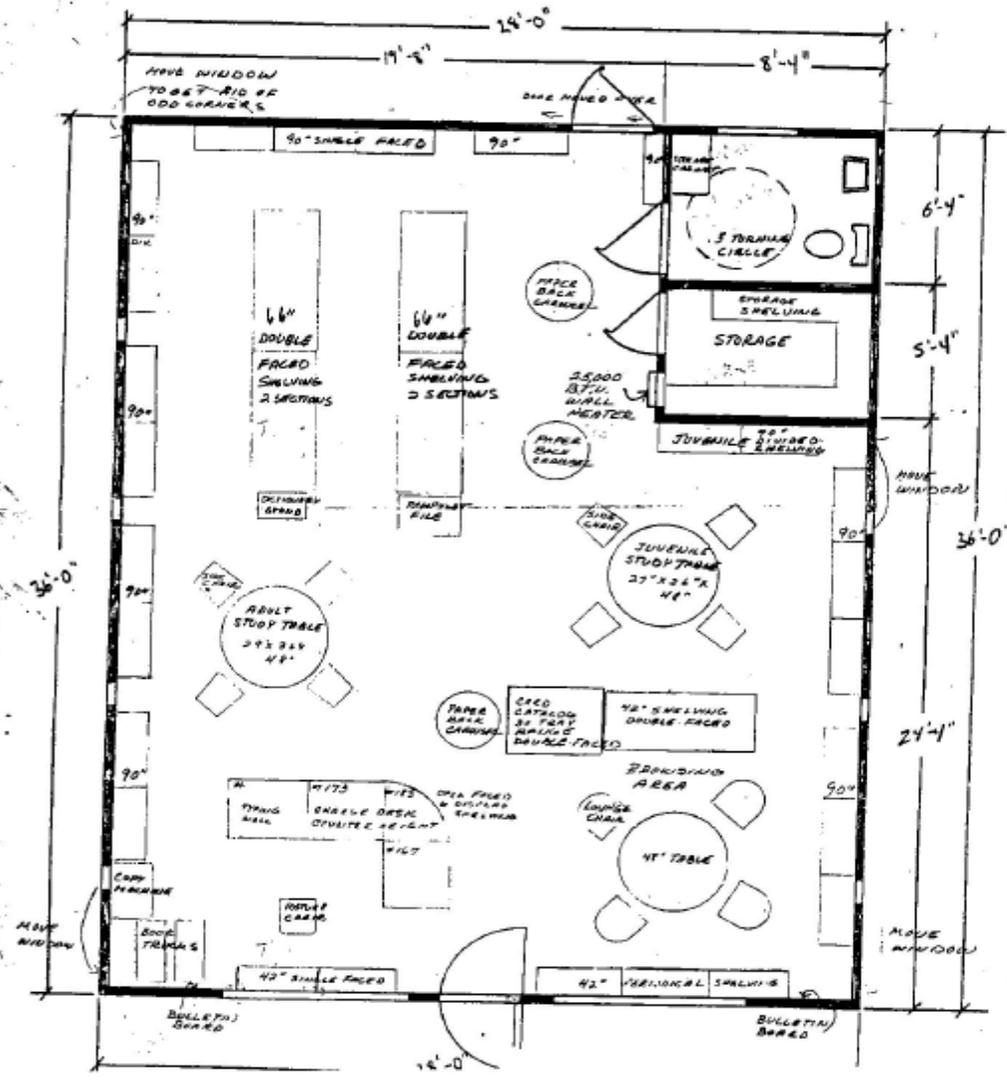
Date: 4/13/2022 | 11:21 AM PDT  
\_\_\_\_\_

Date: 4/13/2022 | 11:41 AM PDT  
\_\_\_\_\_

# EXHIBIT A

## DESCRIPTION OF PREMISES

### SAN ARDO LIBRARY



**EXHIBIT B**

**EVIDENCE OF SEISMIC CONSTRUCTION**

## EXHIBIT C

### SUMMARY OF SERVICES AND UTILITIES

The following is a summary of services and utilities responsibilities of LESSOR and LESSEE for the proposed use of the Premises:

	N/A	LESSOR	LESSEE
Provide adequate paper supplies, dispensers, and waste and recycling containers for the Premises and restrooms within Premises			<b>X</b>
Provide adequate custodial service for the interior of the Premises			<b>X</b>
Provide adequate custodial service for exterior of the Premises			<b>X</b>
Provide adequate pest control for the interior of the Premises (LESSOR responsible for structural pests, such as termites)		<b>X</b>	
Provide adequate pest control for exterior of Premises	<b>X</b>		
Provide adequate landscape maintenance and gardening (including landscape irrigation system and associated water supply and service)			<b>X</b>
Provide adequate parking lot area sweeping			<b>X</b>
Provide adequate refuse, rubbish, garbage, and recyclable (paper, plastic, and aluminum, if available) disposal and pick up service			<b>X</b>
Provide adequate fire sprinkler systems testing per National Fire Protection Association (NFPA) standards	<b>X</b>		
Provide adequate fire alarm systems monitoring per NFPA standards			<b>X</b>
Provide adequate intrusion/security alarm systems monitoring			<b>X</b>
Provide adequate patrolled security guard service (if deemed necessary)	<b>n/a</b>		
Provide adequate heating, ventilation & air conditioning (HVAC) systems filter replacements (charcoal filters to be used if deemed necessary), unit inspections, unit lubrications and record keeping pursuant to the California Code of Regulations, Title 8, Section 5142			<b>X</b>
Provide adequate servicing of uninterrupted power source (UPS)			<b>X</b>
Provide adequate servicing of backup generator	<b>n/a</b>		
Provide adequate gas utility service			<b>X</b>
Provide adequate electric utility service			<b>X</b>
Provide adequate water and sewer utility service			<b>X</b>
Provide adequate telephone and data service (including connection charges).			<b>X</b>

## EXHIBIT D

### SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES

The following is a summary of maintenance and repair responsibilities of LESSOR and LESSEE for the proposed use of the Premises:

	N/A	LESSOR	LESSEE
Foundations and Floor Slabs		<b>X</b>	
Exterior and Bearing Walls (including pressure washing and painting as deemed necessary)		<b>X</b>	
Exterior Doors and Hardware		<b>X</b>	
Exterior Windows and Window Frames (excluding cleaning as deemed necessary)		<b>X</b>	
Roofs (including replacement if deemed necessary)		<b>X</b>	
Gutters, Drains and Downspouts		<b>X</b>	
Parking Lots, Sidewalks, Walkways and Outside Stairways (including pressure washing and steam cleaning as deemed necessary)			<b>X</b>
Ceilings (including damage due to roof leaks)		<b>X</b>	
Fire Sprinkler Systems	<b>X</b>		
Fire Alarm Systems	<b>X</b>		
Intrusion/Security Alarm Systems (if deemed necessary)			<b>X</b>
Heating, Ventilation and Air Conditioning (HVAC) Systems (including replacement if deemed necessary)			<b>X</b>
Heating, Ventilation and Air Conditioning (HVAC) control switches, sensors and thermostats			<b>X</b>
Electrical Systems (including electrical outlets, panels, circuit breakers and wiring)			<b>X</b>
Plumbing Systems (including sewer and drain stoppages, and fixtures)			<b>X</b>
Exterior Lighting (including starters, ballasts, transformers and light switches)			<b>X</b>
Interior Lighting (including starters, ballasts, transformers and light switches)			<b>X</b>
Interior Light Bulbs and Fluorescent Light Tubes (replacement)			<b>X</b>
Interior Walls			
Interior Wall Surfaces (including repainting every 5 years if Premises wall surfaces are accessible)			<b>X</b>
Interior Doors and Hardware			<b>X</b>
Interior Windows and Window Frames			<b>X</b>
Carpet, VCT, and Linoleum Flooring (including replacement if deemed necessary and with the understanding that LESSEE pays for moving office furniture and equipment).	<b>X</b>		
Base and/or Moldings (including replacement if deemed necessary)			<b>X</b>
Communication Systems (data/telephone cabling, connections and equipment)			<b>X</b>

**\*Notwithstanding the forgoing, LESSEE will pay to LESSOR the reasonable cost of any repairs or maintenance required as a direct result of negligent acts or omissions, or which is otherwise the fault, of LESSEE, its agents, contractors or employees.**

## EXHIBIT E

### REMEDIATION CONTRACTOR SPECIFICATIONS

#### **A. Scope of Services**

Remediation Contractor to provide treatment, cleanup, damage restoration and any other necessary remediation of:

- Water and/or sewage damage
- Mold, asbestos, lead and polychlorinated biphenyl (PCB) contamination
- Fire and smoke damage
- Hazardous materials within the license and certification capabilities of the Remediation Contractor
- Human bodily fluids, including but not limited to blood, vomit, urine, feces, and saliva
- Routine sanitation cleanup

#### **B. Work Standards**

All work must be done in accordance with the California Health and Safety Code, California Occupational Safety and Health Act (OSHA), and other applicable laws and regulations. The Remediation Contractor must take all care to ensure that work proceeds under the highest standards of safety and prudence, and in compliance with all applicable laws.

**EXHIBIT F****SERVICE CONTACT LIST (Page 1 of 2)**

<b>Item</b>	<b>Contact</b>	<b>Number</b>
Back Up Generator		
Carpenter		
Ceiling Tile		
Electrical		
Electronic Gates and Garage Doors		
Elevator		
Elevator Phone		
Exterior Door and Hardware		
Flooring		
Fire Sprinkler System		
Fire Extinguisher Servicing		
Fire Alarm		
Heating & Air Conditioner		
Industrial Hygienist		
Interior Door and Hardware		
Janitorial for common areas		
Landscape Maintenance		
Light Bulbs & Fluorescent Tubes		
Locksmith		
Painting		
Pest Control		
Parking Lot Repair		

**SERVICE CONTACT LIST (Page 2 of 2)**

<b>Item</b>	<b>Contact</b>	<b>Number</b>
Parking Lot Sweeping		
Patrolled Security		
Plumbing		
Remedial Contractor		
Roofing System		
Roof Gutters & Downspouts		
Security Alarm Company		
Sewer & Drain Cleaning		
Utility (Gas & Electric)		
Utility (Telephone)		
Utility (Water)		
Waste Disposal & Recycle		
Window Replacement & Repair		
Window Cleaning		

**EXHIBIT G**

**PROPOSITION 65 WARNING**

**CALIFORNIA PROPOSITION 65 WARNING.** This warning is provided in compliance with the requirements of California’s Proposition 65, due to exposure to formaldehyde and other chemicals known to the State to cause cancer and birth defects or other reproductive harm, from exposures to materials used in and around the construction site of \_\_\_\_\_ California.

**“WARNING: MATERIALS INCLUDED IN THE CONSTRUCTION OF THE PREMISES AND PROPERTY WILL EXPOSE YOU TO FORMALDEHYDE AND OTHER CHEMICALS KNOWN TO THE STATE OF CALIFORNIA TO CAUSE CANCER AND BIRTH DEFECTS OR OTHER REPRODUCTIVE HARM. FURTHER INFORMATION MAY BE OBTAINED FROM THE MANAGER/OWNER.”**

This warning is provided to inform tenants of the exposure to formaldehyde and other chemicals known to the State to cause cancer and birth defects or other reproductive harm. The exposures are caused by the materials of which the office buildings on this site are constructed. **Environmental exposures to chemicals known to the State of California to cause cancer and birth defects or other reproductive harm will continue for as long as \_\_\_\_\_ engages in ongoing construction on and around the surrounding property.**

**Formaldehyde.** The United States Environmental Protection Agency, the California Air Resources Board, and other agencies have measured the presence of formaldehyde in the indoor air of homes in California. Levels of formaldehyde that present a significant cancer risk have been measured in most homes and offices. Formaldehyde is present in the air because it is emitted by a variety of building materials and products purchased by the builder from materials suppliers. These materials and products include carpeting, pressed wood products, insulation, plastics, and glues.

**Other Chemicals.** The Premises and/or ongoing construction sites in this development have not been tested. Given the cost of testing, it is not feasible to test every rental property and nearby construction site to ascertain the level of formaldehyde or other carcinogens and reproductive toxicants present in the rental property or ongoing construction sites nearby. Most homes, offices and construction sites that have been tested elsewhere do contain formaldehyde as well as other carcinogens and reproductive toxicants, although their concentrations vary from property to property with no obvious explanations for the differences. One of the problems is that many of the suppliers of building materials and products do not provide information on chemical ingredients to their builders. In the absence of specific information on these leased premises, and in light of the materials used in and around their construction, we believe that a warning is necessary.

Please provide this warning to invitees and guests entering this leased property. You may have further questions about these issues. \_\_\_\_\_, has made no inquiries of our material suppliers concerning these matters. \_\_\_\_\_ is willing to provide, upon request, the names of known material suppliers, which may be contacted for further information.