

COUNTY OF MONTEREY

STANDARD LEASE AGREEMENT



LEASED PREMISES: **851-S Fifth Street, Gonzales, CA 93926**

DEPARTMENT: **Monterey County Free Libraries**

LESSOR: **Gonzales Shopping Center, LLC, c/o Shaw Development**
3 Quail Run Circle, Suite 103
Salinas, CA 93907

**COUNTY OF MONTEREY
STANDARD LEASE AGREEMENT**

PREAMBLE

THIS LEASE (“Lease”) is made by and between **Gonzales Shopping Center, LLC**, (“LESSOR”) and the **COUNTY OF MONTEREY**, a political subdivision of the State of California (“LESSEE”), c/o Real Property Specialist, 1441 Schilling Place, South Bldg., 2nd Fl, Salinas, California 93901, as of the last date opposite the respective signatures below, and effective as of the “Lease Commencement Date” as defined in Article 2.1 “Lease Term” below.

Whereas, the parties understand and agree that the following Lease Exhibits are attached and incorporated by this reference:

- Exhibit A1 The Premises – Current Basic Floor Plan
- Exhibit A2 Parking Plan
- Exhibit B Evidence of Seismic Adequacy
- Exhibit C Premise Improvement Agreement - Intentionally left blank
- Exhibit D SUMMARY OF SERVICES AND UTILITIES
- Exhibit E SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES
- Exhibit F CUSTODIAL SERVICE SPECIFICATIONS
- Exhibit G Monterey County Cabling Standards - Intentionally Left Blank
- Exhibit H REMEDIAL CONTRACTOR SPECIFICATIONS
- Exhibit I SERVICE CONTACT LIST

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 **851-S. Fifth Street, Gonzales, CA 93926** and described as follows: General offices consisting of approximately **5,100** rentable square feet of space, (the "Premises"), as designated in **Exhibit A1 - The Premises – Current Basic Floor Plan**, which is attached and incorporated by this reference. The term “rentable 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 **Non-Exclusive Use Areas:** LESSEE shall also have the non-exclusive right to use, in common with other tenants in the building, any and all of the following areas made available from time to time by LESSOR for the non-exclusive use of tenants of the building: Common entrances, lobbies, elevators, stairways and access ways, loading and unloading areas, visitor parking areas, ramps, drives, platforms, public rest rooms, and common walkways and sidewalks necessary for access to the Premises.

1.3 **Parking Areas:** LESSEE shall have the right to use in common with other lessees or occupants of the building or complex the non-exclusive parking facilities as shown on **Exhibit A2 – Parking Plan** which is attached and incorporated by this reference. LESSEE and LESSEE’S agents, contractors, invitees or guests shall be entitled to exclusive use of the four (4) parking spaces in front of the Premises as shown on **Exhibit A2**. LESSEE’s employees shall park only in non-exclusive parking areas. Curb and other necessary signage (approved by LESSOR) for LESSEE’s exclusive parking area shall be installed and paid for by LESSEE.

1.4 **Compliance with the "Americans with Disabilities Act of 1990" (ADA):** LESSOR shall ensure that the Premises and the non-exclusive areas of the building as described in Article 1.2 are in compliance with the Americans with Disabilities Act of 1990 (“ADA”), as amended, and, if necessary, prior to the Commencement Date, shall modify the Premises to comply with the Act and the regulations promulgated to implement the ADA. LESSOR shall not be required to remove any architectural or communications barriers that are structural in nature in existing facilities if such removal is not

readily achievable. As used herein, "readily achievable" means easily accomplishable and able to be carried out without much difficulty or expense.

1.5 **Compliance with "No Smoking Law" (2003 Assembly Bill 846):** LESSOR 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 same 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 **Evidence of Seismic Adequacy:** The building containing the Premises was constructed after January 1, 1973, as evidenced by official documentation from the City of Gonzales Building Department, which is attached as **Exhibit B – Evidence of Seismic Adequacy** and incorporated by this reference.

ARTICLE 2 - TERM

2.1 **Lease Term:** The term of this Lease (the "Lease Term") shall be for a period of two (2) years and five (5) months, commencing on August 1, 2023 and ending December 31, 2025, with such rights of termination and extension of the Lease Term as are hereinafter set forth.

2.2 **Extended Term:** LESSEE occupancy of the Premises shall not go beyond December 31, 2025 unless agreed to in writing by both Parties. LESSEE shall give LESSOR advance written notice of its intent to renew not less than ninety (90) days prior to expiration of the initial Lease Term.

ARTICLE 3 - RENT

In consideration of the continuing right of use, quiet enjoyment and possession of the Premises, LESSEE shall pay to LESSOR as monthly rent for the Premises the initial sum of **Six Thousand Six Hundred Fort Eight Dollars and no cents (\$6,648.00)**, payable on or before the first day of each month. LESSEE shall commence rental payments on the Lease Commencement Date. If the Lease Commencement Date is other than the first day of a calendar month, then the rent for that month shall be prorated on a daily basis, based on a thirty (30) day month. Rent shall be payable to LESSOR at the address specified in Article 6 or at such other address as LESSOR may from time to time designate in writing. **In addition, LESSEE shall contract and pay directly to its vendors for its responsibilities as outlined in Exhibit D - SUMMARY OF SERVICES AND UTILITIES which is attached and incorporated by this reference and Exhibit E - SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES which is attached and incorporated by this reference.** Monthly rent shall include LESSEE'S proportional share of real estate taxes, assessments, common area insurance (liability and fire) and Monterey Regional Water Pollution Control (MRWPCA) fee for the Premises.

It is herby agreed that the figures noted herein are subject to change, based upon final verification of rentable square footage as outlined in Article 1.1 above.

ARTICLE 4 – ANNUAL RENT ADJUSTMENT

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ARTICLE 5 - TERMINATION BY COUNTY

Notwithstanding any other provisions of this Lease, LESSEE, at its sole option, may terminate this Lease upon sixty (60) days prior written notice, solely on the condition that funds have not been budgeted for leasing of the property described herein. Such right of termination shall not be construed so as to permit LESSEE to terminate this Lease in order to lease other premises for a similar purpose within the **City of Gonzales**. LESSEE represents that its intent is not to exercise its rights under this Article unless financial conditions prevent the Monterey County Board of Supervisors or County Librarian from budgeting funds for this Lease

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:

To LESSOR: Gonzales Shopping Center, LLC
c/o Shaw Development
3 Quail Run Circle, Suite 103
Salinas, CA 93907
Phone: 831- 772-8100 Fax: 831-772-8103
E-mail: Beau@shaw-development.com

To LESSEE: County of Monterey
Public Works, Facilities, & Parks
c/o Real Property Specialist
1441 Schilling Place, South Bldg., 2nd Fl
Salinas, CA 93901
Phone: 831-755-4513 Fax 831-755-4688
Email: salcidog@co.monterey.ca.us

Rent payments shall be made to (need not be sent certified): **Gonzales Shopping Center, LLC**, at the address listed above.

Any notice or correspondence shall be deemed delivered upon personal delivery or upon receipt if after 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 shall be available to LESSEE by phone during regular business hours, and for emergencies after hours and weekends as further defined in Exhibit I of this Lease.

If applicable, LESSOR’S designated property management 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

(Intentionally Left Blank)

ARTICLE 9 - PUBLIC WORKS LAWS

Under Section 1720.2 of the California Labor Code, any construction contract to improve the space to be leased by the County of Monterey for government services may be considered a 'public work' if certain conditions are met.

If applicable, LESSOR and LESSEE shall comply with provisions of law governing public works including, without limitation, Labor Code sections 1773, 1773.2, 1773.3, 1773.8, 1775 (payment of prevailing wages), 1776 (payroll records), and 1777.5 (employment of apprentices), all as periodically amended.

ARTICLE 10 - TIME LIMIT AND PRIOR TENANCY

(Intentionally left blank)

ARTICLE 11 - USE

11.1 **Use:** LESSEE shall use the Premises as a library and for ancillary library office uses. LESSEE may alter said use to any lawful purpose, upon the written consent of LESSOR, which consent shall not be unreasonably withheld.

11.2 **Compliance with Laws:** LESSOR represents and warrants to LESSEE that, to the best of LESSOR'S knowledge, the construction (including all LESSOR-constructed Premise Improvements) the current and proposed uses of the Premises by LESSEE and the operation and use of the non-exclusive areas of the building as described in Article 1.2 as intended are in full compliance with applicable building and seismic codes, environmental, zoning and land use laws, and other

applicable local, state and federal laws, regulations and ordinances. LESSEE agrees to conduct its use of the Premises in accordance with all applicable local, state and federal laws, regulations and ordinances.

11.3 **Hazardous Substances:** LESSEE shall have no liability or responsibility for toxic or hazardous materials or substances in existence on the demised premises prior to LESSEE'S occupancy of the demised premises or which result from LESSOR'S acts or omissions or which occur on any portion of LESSOR'S property not occupied by LESSEE, unless caused by LESSEE, its agents, contractors, employees, invitees or guests. 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 in violation of applicable laws. LESSOR will comply with all applicable laws concerning the handling and removal of any hazardous materials, including asbestos or PCB containing materials unless caused by LESSEE, its agents, contractors, employees, invitees or guests, in which case, LESSEE shall be responsible therefor.

11.4 **Environmental Hazards:** LESSOR hereby warrants and guarantees that the Premises and the non-exclusive areas of the building as described in Article 1.2 will be maintained free of all Environmental Hazards (including 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 remedial contractor to provide remedial services on an as needed basis as specified in **Exhibit H** which is attached and incorporated by this reference. LESSOR specifically agrees that any costs related to abatement of Environmental Hazards shall be the LESSOR'S responsibility unless caused by LESSEE, its agents, contractors, employees, invitees or guests, in which case, LESSEE shall be responsible therefor. LESSEE shall immediately notify LESSOR of any suspected Environmental Hazards.

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 City of Gonzales approval 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 restore the Premises to their original conditions.

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 the Premises are restored to the condition existing prior to installation thereof. The LESSOR agrees not to mortgage or pledge the LESSEE'S trade fixtures, equipment and other property.

ARTICLE 13 - SERVICES AND UTILITIES

Services and utilities shall be furnished and the cost borne as outlined in **Exhibit D**. In the event of failure by LESSOR to furnish, in a satisfactory manner, any of the services and utilities to the Premises and the non-exclusive areas of the building as described in Article 1.2 for which LESSOR is responsible, 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 or other remuneration due LESSOR hereunder. As stated in **Exhibit D**, 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 E**, Summary of Repair and Maintenance Responsibilities, which is attached and

incorporated by this reference. As stated in **Exhibit E**, 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 or **Exhibit E** to the contrary, 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, its agents, contractors, employees, or invitees.

14.3 **Failure of LESSOR to Make Repairs:** If LESSOR fails to maintain the Premises and the non-exclusive areas of the building as described in Article 1.2 or to make the repairs required in this article in a satisfactory manner within a reasonable time after written notification from LESSEE, LESSEE may perform such maintenance or make such repairs at its expense and deduct the reasonable cost thereof from the rent due hereunder.

LESSOR agrees to perform all emergency repairs involving the Premises and the non-exclusive areas of the building as described in Article 1.2 with the utmost urgency after receiving notice from LESSEE of the need for any emergency repair. 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, to perform emergency repair to protect health and safety of persons or public property or to save the building’s integrity, identified in **Exhibit I** which is attached and incorporated by this reference.

14.4 **LESSOR/LESSEE Obligations in Applying Noxious Substances:** LESSOR and/or LESSEE, its officers, employees, contractors and agents shall not apply any substance as part of any building maintenance or repair which would introduce irritating or noxious odors or any other hazardous condition to occupied spaces without prior coordination and approval of the County of Monterey Facilities Manager, who can be reached by telephone at (831) 755-4855. Prior notification and approval shall be made at least 48 hours prior to the desired application time. Also, a Product Safety Data Sheet shall be furnished by the proposed applicator to the LESSEE. Examples of such substances or materials include, but are not limited to, the following:

- a. Termite Control Materials
- b. Pesticides
- c. Paint
- d. Water Treatment Chemicals
- e. Any other substance that is or could be construed as hazardous

ARTICLE 15 - SERVICE COMPANIES

Within ten (10) days after occupancy of the Premises by LESSEE, LESSOR shall give LESSEE a list (see **Exhibit I**) of the names, addresses and telephone numbers of an agencies or persons convenient to LESSEE as a local source of service with regard to LESSOR'S responsibilities under **Exhibit D** and **Exhibit E** of this Lease. If LESSOR fails to provide such list, LESSEE may choose service companies as needed and without penalty from LESSOR.

ARTICLE 16 - ALTERATIONS, MECHANICS' LIENS

16.1 **Alterations:** Except for the Premise Improvements, 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. All alterations or improvements constructed by LESSEE shall be completed in a good workman-like manner and be free from defects. LESSEE shall give LESSOR not less than ten (10) days prior written notice before commencing any construction, alteration or improvement to the Premises.

16.2 **Condition at Termination:** LESSEE shall remove all fixtures, machinery and equipment installed in the Premises by LESSEE upon the termination or expiration of this Lease. LESSEE shall repair all damage to the Premises caused by such removal. 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 the parties.

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. Such entry shall also be done in accordance with Article 30.7 of this Lease.

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 \$2,000,000 for injury or death to one or more persons and property damage limits of not less than \$500,000 per occurrence insuring against all liability of LESSEE and its agents, employees and 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 save 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.

LESSOR agrees that it will keep insured against loss or damage by fire, to at least eighty percent (80%) of the replacement cost of the building of which the demised premises are a part.

LESSOR shall not be liable to LESSEE, or to anyone whatsoever for any damages caused by plumbing, gas, water, steam, sprinkler or other pipe and sewage system, or by the bursting, running or leaking of any tank, washstand, closet, or waste or other pipe, in and about the Premises of the building of which they are a part, or for any damage caused by water being upon or coming in through the roof, skylight, vent, trap door or otherwise; provided that LESSOR shall not be relieved from any of its obligations for maintenance and repair as otherwise set forth in this Lease.

ARTICLE 20 - WAIVERS OF SUBROGATION

LESSOR and LESSEE each hereby waive any right of recovery against the other due to loss of or damage to the property of either LESSOR or LESSEE when such loss of or damage to property arises out of the acts of God or any other property perils whether or not such perils have been insured, self-insured or non-insured, but not including any property perils caused by the negligent acts or omissions of LESSOR or LESSEE, or their respective its agents, employees, invitees or guests.

ARTICLE 21 - 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. Notwithstanding anything in this Lease to the contrary, if the damage or destruction to the Premises is an uninsured loss or if proceeds from LESSOR'S casualty insurance policy are not available for restoration of the damage or destruction (partial or total), LESSOR may elect to terminate this Lease upon written notice to LESSEE.

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.

Parties understand that, in normal circumstances, 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.

If LESSEE remains in possession of the Premises though partially destroyed, the rent for said Premises as herein provided, during restoration, shall be reduced by the same ratio as the rentable square feet LESSEE is thus precluded from occupying, bears to the total rentable square feet in the Premises.

ARTICLE 22 - 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, 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, or
- c. LESSEE files a petition for relief under the Bankruptcy Act or is adjudicated bankrupt, or
- d. LESSEE'S lease interest is sold under execution of judgment.

22.2 ***Remedies:*** If LESSEE fails to cure a prospective default within the time frames outlined above, LESSOR shall have the option to cure the default, terminate this Lease or exercise any or all rights or remedies available to LESSOR at law or in equity. Should LESSOR elect to cure the default itself, all costs associated with such cure, including reasonable attorneys' fees (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.

ARTICLE 23 - 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.

23.2 ***Remedies:*** If LESSOR fails to cure a prospective default within the time periods outlined above, LESSEE shall have the option to cure the default or to terminate this Lease, in addition to any other remedies at law not inconsistent herewith. Should LESSEE elect to cure the default itself, all costs associated with such cure, including reasonable attorneys' fees (if any), shall be reimbursed by LESSOR to LESSEE within thirty (30) days of receipt of LESSEE'S invoice for said costs. However, upon LESSOR'S failure to so reimburse or, at LESSEE'S option, said costs shall be held from rent due hereunder.

If LESSOR'S default hereunder prevents LESSEE'S use of the Premises, there shall be an abatement of rental payments for the period of such non-use.

ARTICLE 24 - 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 25 - 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 month-to-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 26 - WAIVER

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 27 - QUIET POSSESSION

As long as LESSEE keeps and performs the covenants in this Lease, 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 under LESSOR. LESSOR, to the best of LESSOR'S ability, shall also be responsible for ensuring that all other tenants in the building or complex do not interfere with the quiet enjoyment of the LESSEE.

ARTICLE 28 - 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 29 - 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, whether the lease, as may be modified, is in full force and effect, and such other information as may be reasonably requested respecting this Lease. Any such certificate may be conclusively relied upon for the intended transaction for which the statement was requested.

ARTICLE 30 - MISCELLANEOUS PROVISIONS

30.1 **No Amendments:** No oral amendment of this Lease shall be valid unless made in writing and signed by the parties hereto, and no prior oral understanding or agreement not incorporated herein shall be binding on either party hereto.

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 **Warranty of Authority:** If LESSOR is a corporation, the person executing this Lease on behalf of LESSOR hereby covenants and warrants that LESSOR is a duly authorized and existing corporation and that he/she is duly authorized to execute this Lease.

30.6 **Addendum:** 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 **Confidentiality of LESSEE'S Services/Clients:** 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, it will maintain such confidences as might become available to it and not release or divulge such confidential identities, information, or records.

30.8 **Headings:** The article, section and paragraph headings are used in this Lease for convenience only and shall not be used to interpret the intention of the parties.

ARTICLE 31 – COUNTERPARTS

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

ARTICLE 32 – CONSENT TO USE ELECTRONIC SIGNATURES

The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 et. seq. Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF) which may be delivered by mail, E-Mail, or Facsimile.

ARTICLE 33 – AUTHORITY

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

ARTICLE 34 - 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 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.

IN WITNESS WHEREOF, the parties have caused this Agreement to be effective as of the last date written below.

LESSEE: County of Monterey, a political subdivision of the State of California

By: _____
Debra R. Wilson, PhD

Title: Contracts/Purchasing Officer
Date: _____

LESSOR

:
Gonzales Shopping Center, LLC

By: _____
Robert Palmer
68AB0A2ED462474...

Print Name: Robert P. Palmer
Title: Manger
Date: 7/12/2023 | 12:53 PM PDT

APPROVED AS TO FISCAL PROVISIONS:

Rupa Shah, Auditor/Controller

By: _____
Patricia Ruiz
E79EF64E57454F6...

Title: _____
Date: 7/19/2023 | 1:23 PM PDT

DocuSigned by:

& By: _____
Maia Palmer
68AB0A2ED462474...

Print Name: Maia E. Palmer
Title: Manager
Date: 7/12/2023 | 3:12 PM PDT

APPROVED AS TO FORM:

Office of the County Counsel

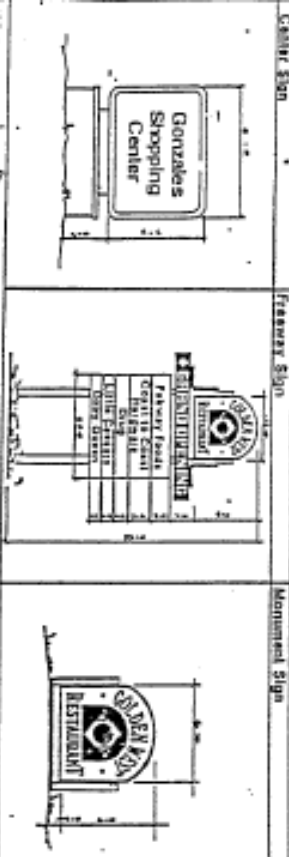
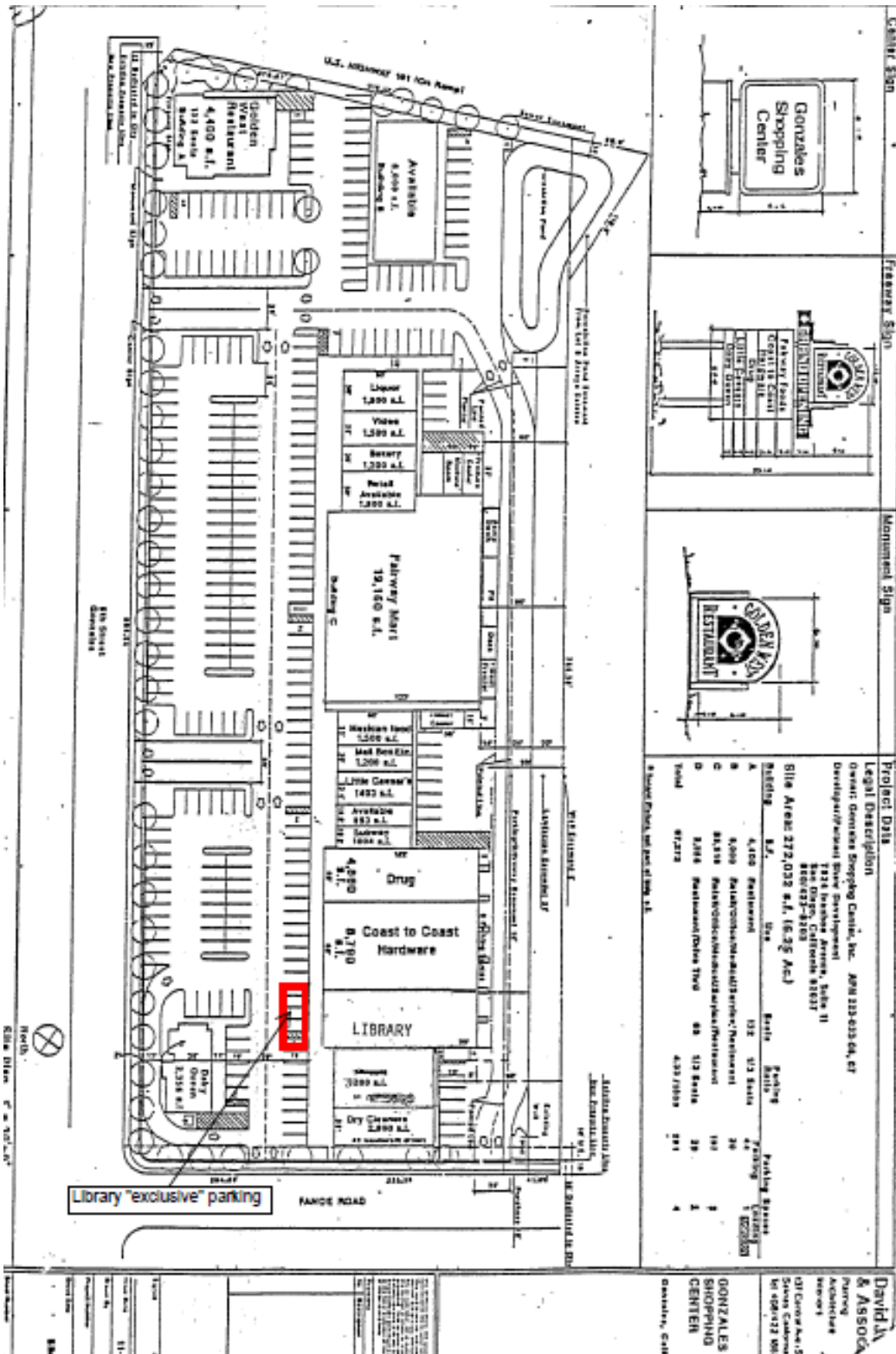
Leslie J. Girard, County Counsel

By: _____
Mary Grace Perry
A1933B26E717442...

Title: Deputy County Counsel
Date: 7/19/2023 | 1:44 PM PDT

EXHIBIT A2

PARKING PLAN



Project Data

Legal Description
 Owner: Gonzales Shopping Center, Inc. APN 222-022-04, 07
 Developer/Owner: Blue Development
 1224 Lincoln Avenue, Suite 11
 8500 102nd Avenue, Culver City
 90230, California 90231

Site Area: 272,022 s.f. (6.29 Ac.)

Building	Area	Use	Units	Garage	Garage	Garage
A	4,100	Restaurant	132	1/2	1/2	1/2
B	4,000	Restaurant/Market/Service/Restaurant	24	24	24	24
C	8,838	Restaurant/Market/Service/Restaurant	140	140	140	140
D	8,284	Restaurant/Diner/Tyoe	88	1/2	1/2	1/2
Total	97,222		432	432	432	432

2. Parcel Priority: 1st and 2nd of the 1st.

David A. & Assoc.
 Planning
 Architects
 Surveyors

101 Crown Ave. S.
 Suite 1000
 San Diego, CA 92108

GONZALES SHOPPING CENTER
 Developer, Calif.

EXHIBIT B

EVIDENCE OF SEISMIC ADEQUACY

City of Gonzales Building Department Documentation

EXHIBIT C

PREMISE IMPROVEMENT AGREEMENT

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EXHIBIT D

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 (not in common area)			X
Provide adequate custodial service for the interior of the Premises per schedule attached as <u>Exhibit F</u> , "Custodial Service Specifications"			X
Provide adequate custodial service for exterior of the Premises and the non-exclusive areas of the building as described in Article 1.2.		X	
Professionally clean carpets, rugs, tile and linoleum flooring as indicated in <u>Exhibit F</u>			X
Professionally clean existing drapes, blinds, and window shades as indicated in <u>Exhibit F</u>			X
Professionally clean interior windows as indicated in <u>Exhibit F</u>			X
Professionally clean exterior windows as indicated in <u>Exhibit F</u>			X
Provide adequate pest control for the interior of the Premises (LESSOR responsible for structural pests, such as termites)			X
Provide adequate pest control for exterior of Premises		X	
Provide adequate landscape maintenance and gardening (including landscape irrigation system and associated water supply and service)		X	
Provide adequate parking lot area sweeping		X	
Provide adequate refuse, rubbish, garbage, and recyclable (paper, plastic, and aluminum, if available) disposal and pick up service			X
Provide adequate fire sprinkler systems testing per National Fire Protection Association (NFPA) standards		X	
Provide adequate fire alarm systems monitoring per NFPA standards		X	
Provide adequate intrusion/security alarm systems monitoring			X
Provide adequate patrolled security guard service (to common area only, from 6 am to 9 pm M-F, and 7 am to 4 pm on Sat.) (Subject to change with mutual written consent)	X		
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		X	
Provide adequate servicing of uninterrupted power source (UPS)	X		
Provide adequate servicing of back up generator	X		
Provide adequate gas utility service			X
Provide adequate electric utility service			X
Provide adequate water utility service			X
Provide adequate telephone and data service (including connection charges)			X

EXHIBIT E

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

***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, employees, guests or invitees.**

EXHIBIT F

CUSTODIAL SERVICE SPECIFICATIONS (Page 1 of 3)

DAILY SERVICE (Monday through Friday)
A. General Cleaning
1. Empty wastebaskets; replace liners, place trash in dumpster

2. Sweep outside Premises entrances
3. Remove graffiti from any interior walls
B. Floor and Carpet Care (including stairways)
1. Sweep and dust mop hard surface floors with treated mop
2. Vacuum carpeted floors and entry mats
3. Damp mop all spills on hard surfaces
4. Remove gum/candy from carpet/floors
C. Window Cleaning
1. Clean entry door and lobby glass, inside and outside
2. Clean interior partitions and counter glass
3. Clean interior/exterior door glass
D. Restroom Cleaning
1. Empty waste containers
2. Sweep and wet mop floors
3. Restock dispensers with the proper product (common area to have extra service performed in mid-morning and mid-afternoon, M-F)
4. Clean and disinfect all restroom fixtures (common area to have extra service performed in mid-morning and mid-afternoon, M-F)
5. Unstop urinals, toilets and sinks (Notify LESSOR of necessary repairs)
6. Clean restroom mirrors and glass
7. Replenish air fresheners in all restrooms
8. Remove graffiti from interior walls
9. Damp wipe all walls and partitions (as needed)
10. Clean around all door knobs and push plates
E. Dusting
1. Tops of all filing cabinets (only if cleared off and with notice posted by office worker)
2. Tops of desks where cleared (only if cleared off and with posted notice by office worker)
3. Table tops and counters where cleared

CUSTODIAL SERVICE SPECIFICATIONS (Page 2 of 3)

WEEKLY SERVICE (Fridays)
A. General Cleaning
1. Remove fingerprints from doors, walls, and light switches
2. Remove marks/clean door kick plates
3. Wash wastebaskets/trash receptacles inside and out
4. Wash all handrails

5. Clean around door knobs/push plates
B. Floor and Carpet Care
1. Damp mop all hard surface floors
2. Buff all hard surface floors using a high speed buffing machine
3. Spot clean all carpeted floors
C. Restroom Cleaning
1. Scrub all sinks with abrasive cleaner
2. Scrub inside toilets and urinals with acid-type bowl cleaner
D. Dusting
1. All windows and door sills
2. Ledges, baseboards, and partitions
3. All chairs
4. Remove cobwebs from ceilings, corners and crevices, etc.
BI-WEEKLY SERVICES (Fridays)
Dry shampoo all carpeted areas.
MONTHLY SERVICE (Last Weekend of the Month)
A. Floor and Carpet Care
1. Scrub and refinish all hard surface floors using an acrylic finish
2. Edge out all carpet areas (areas that are out of reach during normal vacuuming)
B. Restroom Cleaning
1. Wash all walls and partitions
C. Dusting
1. Vacuum all upholstered furniture
2. Clean all blinds, drapes and window shades
D. Additional requirements specific to Premises
1. Shampoo all upholstered furniture

CUSTODIAL SERVICE SPECIFICATIONS (Page 3 of 3)

QUARTERLY SERVICES (January, April, July, October)
A. General Cleaning
1. Wash exterior of all desks, filing cabinets, and tables
B. Floor and Carpet Care
1. Shampoo all carpeted areas using bonnet method
2. Strip and refinish all hard surface floors using an acrylic finish

C. Window Cleaning
1. Wash inside and outside windows
D. Dusting
1. High dust all light fixtures, HVAC vents and surface/ledges above six (6) feet.
BI-ANNUAL SERVICES (April and October)
A. Restroom Cleaning
1. Machine scrub restroom floors (porcelain tile floors)
ANNUAL SERVICES
A. Floor and Carpet Care
1. Steam/Extraction clean all carpeted areas

*** LESSOR and LESSEE agree that it may be necessary to modify the foregoing Custodial Service Specifications to better meet facility needs. Such modification shall be with mutual written consent. LESSOR and LESSEE acknowledge that additional costs may apply.**

EXHIBIT G

COUNTY OF MONTEREY INFORMATION TECHNOLOGY
CABLING STANDARDS

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EXHIBIT H

REMEDIAL CONTRACTOR SPECIFICATIONS

A. Scope of Services

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

- Water and/or sewage damage

- Mold contamination

- Fire and smoke damage

- Hazardous materials within the license and certification capabilities of the Remedial Contractor

- Human bodily fluids, including but not limited to blood, vomitus, 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 Remedial 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 I

SERVICE CONTACT LIST (Page 1 of 2)

During regular business hours (Monday thru Friday, 8am thru 5pm): Gonzales Shopping Center, LLC (LESSOR) @ 831-772-8100

For all other hours and holidays:

Item	Contact	Number
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)

Item	Contact	Number
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		