

Attachment B



REAL PROPERTY LEASE AGREEMENT

THIS LEASE ("Lease") is made by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California, ("LESSOR") and **Jimmy Panetta, 20th District Congressman, a Member of the United States House of Representatives**, a public agency ("LESSEE"), sometimes collectively referred to as "the Parties" and is effective as of the last date set forth beneath the respective signatures below.

RECITALS

WHEREAS, LESSEE is a public agency serving the needs of constituents of the 20th Congressional District of the United States House of Representatives including portions of Monterey, San Benito, Santa Clara, and Santa Cruz Counties.

WHEREAS, the main purpose of this Lease is to provide LESSEE with administrative office space to effectively serve the constituents of the 20th Congressional District of the United States House of Representatives which serves a public purpose.

NOW THEREFORE, in mutual consideration of the covenants, terms, and conditions set forth in this Lease, LESSOR and LESSEE hereby agree as follows:

1. **DESCRIPTION OF PREMISES:** LESSOR hereby leases to LESSEE and LESSEE hereby leases from LESSOR, upon the terms and conditions herein set forth, a portion of that certain real property and its appurtenances, situated at 1200 Aquajito Road, Monterey, California, 93940 (hereinafter, "the Building") and described as follows: General office space consisting of the *exclusive use* of approximately **1,200** square feet of office space, located on the basement of the Building, identified as **Suite 3**, as designated in **Exhibit A – DESCRIPTION OF PREMISES** attached and incorporated by this reference (hereinafter, "the Premises"). Proposed tenant improvements to be installed at the Premises shall be paid for by the LESSEE. Proposed tenant improvements are being developed and require written approval by LESSOR prior to commencements of any tenant improvements. Approved tenant improvements to be paid for by the LESSEE, shall be attached and incorporated into this Agreement as **Exhibit A.1. – TENANT IMPROVEMENTS – LESSEE'S COSTS**.

In addition to the Premises, LESSEE shall also have the *non-exclusive right* to use, in common with other tenants and occupants of the Building, any and all of the following areas which may be appurtenant to the Premises: common entrances, lobbies, stairways and access ways, loading and unloading areas, visitor parking areas, ramps, drives, platforms, public restrooms, common walkways and sidewalks necessary for access to the Premises.

2. **TERM:** The term of this Lease shall commence on January 3, 2023, and continue through and including January 2, 2025, unless otherwise terminated sooner

pursuant to the terms of this Lease. For purposes of this Lease, “effective date” is defined as the last date set forth beneath the respective signatures below. Further, the Parties understand and agree that LESSEE will continue renting the Premises from LESSOR conditioned upon LESSEE’s reelection to Congress. Any holding over by the LESSEE after the expiration of the term will be deemed a month-to-month tenancy upon substantially similar terms and conditions as set forth in this Lease.

3. **RENT**: LESSEE shall pay LESSOR as monthly rent the sum of Two Thousand Eight Hundred Eighty Dollars (\$2,880.00) payable on or before the end of each calendar month pursuant to paragraph 5, of SECTION B (Additional Terms and Conditions) of the U. S. House of Representatives District Office Lease Attachment set forth in **Exhibit B – District Office Lease Attachment, for the 118th Congress**, attached and incorporated by this reference. This is a “**modified gross full service**” rent amount which includes utilities, trash collection and other services noted in **Exhibit C – SUMMARY OF SERVICES AND UTILITIES**. If the rent commencement date is other than the first day of a calendar month, then rent for that month shall be prorated on a daily basis. Rent shall be payable to LESSOR at the address specified in Paragraph 16 (Notices) or at such other address as LESSOR may from time to time designate in writing. For the purposes of paying rent, monthly rent shall be paid for the period beginning on the 3rd day of the month and ending on the 2nd of the following month. LESSOR agrees to accept monthly rent payments by Electronic Funds Transfer. LESSOR reserves the right to renegotiate the monthly rent for LESSEE’s occupancy of the Premises after January 2, 2025, to reflect up to the then current market rent for commercial real estate office space in the Monterey, California area.
4. **DELIVERY OF PREMISES**: LESSOR agrees to deliver to the LESSEE physical possession of the Premises upon the effective date of this Lease, and free and clear of all tenants and occupants, but subject to the non-exclusive rights of other tenants and occupants of the Building. If any conflict between this Paragraph 4. **DELIVERY OF PREMISES** and Paragraph 2. **TERM** exists, the terms of Paragraph 2. **TERM** shall prevail.
5. **TERMINATION**: LESSOR and LESSEE shall have the right to terminate this Lease for any reason, or for no reason, upon no less than thirty (30) days prior written notice to the other party.

Upon termination of this Lease, LESSEE shall return the Premises in the same condition as when delivered, reasonable wear and tear, and damage by casualty or condemnation, and alterations approved by LESSOR, excepted.

In the event the LESSEE defaults in the payment of rent when due, the LESSOR shall forward notice in writing of such default to the LESSEE, and failure of the LESSEE to cure such default within thirty (30) days after the receipt of such

notice shall, at the option of the LESSOR, constitute a default and allow for the termination of the Lease with three (3) days written notice to LESSEE.

If the Premises are destroyed by fire or other casualty, either in whole or in part, either party may terminate this Lease by giving three (3) days written notice.

If any part of the Premises is taken or condemned for a public or quasi-public use by an entity other than LESSOR, then this Lease shall terminate as of the date title shall vest in the condemning entity, if no earlier notice is given, as provided in this Lease. LESSOR shall have no responsibility for any relocation benefits as the result of such condemnation. LESSEE expressly disclaims all rights and interests in the Lease or its value in the event of condemnation; all such rights, interests and entitlement to compensation shall accrue to LESSOR.

6. **USE**: The Premises shall be used by the LESSEE for general office purposes.

LESSEE'S use of the Premises, as provided in this Lease shall be in accordance with the following:

- a) LESSEE shall not use the Premises for any private commercial gain such as, but not limited to, rental activities or commercial sales.
- b) LESSEE shall not do, bring or keep anything in or about the Premises that will cause a cancellation of any insurance covering the Premises.
- c) LESSEE shall comply with any and all laws and regulations concerning the Premises and/or LESSEE'S use of the Premises.
- d) LESSEE shall not use the Premises in any manner that will constitute waste, nuisance or unreasonable annoyance to owners or occupants of adjacent properties or other occupants of the Building.
- e) LESSEE shall not use or permit the use of Hazardous Substances on the Premises. As used herein, "Hazardous Substances" means hazardous or toxic substances such as asbestos, leads, toxic mold spores, PCBs or volatile organic chemicals.
- f) LESSEE shall not install any major appliances, such as vending machines, refrigerators, stoves or other machinery larger than a microwave and/or personal computer.
- g) LESSEE shall not modify the Premises, or undertake any construction on the Premises, without the written consent of LESSOR, which consent may be refused, but will not be unreasonably withheld, in the sole discretion of LESSOR.
- h) LESSOR shall have the right to establish and enforce reasonable rules and regulations applicable to the management, maintenance, use and operation of the

Building. LESSEE shall comply with said rules and regulations applicable to the management, maintenance, use and operation of the Building as may be established by LESSOR and as may be amended by LESSOR from time to time.

- i) LESSEE to contact Public Works Facilities at 831-755-4744 to be processed for access key card(s) to the Building with photo identification, and exclusive and non-exclusive parking permits prior to occupancy. All access point privileges and any exclusive and non-exclusive parking spaces shall be subject to LESSOR'S approval. **LESSOR to provide LESSEE with ten (10) keys to the Premises. Access security equipment other than keys to the Premises to be the responsibility of the LESSEE. In the event rekeying is necessary, it shall be paid for by LESSEE.**
7. **LESSOR'S ENTRY ON PREMISES:** LESSOR and its authorized representatives shall have the right to enter the Premises at all reasonable times with reasonable advance notice (except in cases of emergency), for any reasonable purpose including but not limited to the following:
 - a) To determine whether the Premises are in good condition and whether LESSEE is complying with its obligations under this Lease.
 - b) To do any necessary maintenance and to make any restoration to the Premises that LESSOR has the right or obligation to perform.
8. **SERVICES AND UTILITIES:** LESSOR will provide LESSEE with a fair share portion of the facility services, including electricity, sewer, heating, water, janitorial services and trash disposal, as shown on the matrix attached as **Exhibit C – SUMMARY OF SERVICES AND UTILITIES** attached hereto and incorporated by this reference. The cost of these services are included in the **“modified gross full service”** rental amount.
9. **TELEPHONE, VIDEO SURVEILLANCE AND SIGNAGE:** LESSEE shall provide for and pay for all telephone services and installations, including fax services and computer-related data line services and installations for the Premises. **LESSEE shall provide and pay for video surveillance installation, equipment and services for the Premises above and beyond what is currently in and around the Building. LESSEE shall provide and pay for LESSEE specific signage for the Premises and Building. Said signage shall be approved by LESSOR prior to installation.**
10. **MAINTENANCE:** LESSEE shall be responsible for all costs to repair or correct any damage or damages to the Building or Premises caused by its employees, contractors or invitees. LESSEE shall immediately notify LESSOR of any damage or damages to the Building or Premises caused by its employees, contractors or invites. Repair and maintenance of the Premises for reasonable wear and tear shall be provided by the LESSOR.

11. **LESSOR LIABILITY:**

LESSOR shall not be liable to LESSEE, 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 or the Building, 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.

12. **LESSEE INSURANCE:**

The United States Government acts as a self-insurer pursuant to the terms of the Federal Tort Claims Act as may be amended from time to time. See Federal Tort Claims Act, 28 U.S.C. §§ 1346(b), 2401(b), 2671-2680 as may be amended from time to time which is incorporated by this reference.

13. **LIENS:** LESSEE agrees to keep the Premises free from liens of every character, and in the event any liens for labor or materials should arise during the term thereof on account of any act or omission by LESSEE, LESSEE agrees forthwith to discharge and pay the same.

14. **ABANDONMENT:** If LESSEE abandons the Premises, or ceases the provision of services described in Paragraph 6 (USE), for a period of thirty (30) days or more, LESSOR may terminate the Lease with three (3) days written notice to LESSEE.

15. **WAIVER:** The waiver, of LESSOR or LESSEE, of any covenant or condition herein, shall not vitiate the same or any other covenant or condition contained herein, and terms and conditions contained herein shall apply to and bind the heirs, successors and assigns of the respective parties hereto.

16. **NOTICES:** Any notice which either party desires or is required to give to the other party shall be in writing and either served personally or sent by registered or certified mail, at the address set forth below:

LESSOR:	LESSEE:
COUNTY OF MONTEREY	Jimmy Panetta 20 th District Congressman
Attention: Real Property Specialist 1441 Schilling Place, South, 2 nd Floor Salinas, California 93901 Phone: 831-755-4800 Fax: 831-755-4958 Email: salcidog@co.monterey.ca.us	<i>Current:</i> Attention: Susie Brusa, District Director Office of Congressman Jimmy Panetta (CA-20) 1200 Aquajito Road, Suite 3 Monterey, California 93940 Phone: 831-424-2229

	Email: susie.brusa@mail.house.gov <i>Premises:</i> Attention: Susie Brusa, District Director 1200 Aquajito Road, Suite 3 Monterey, California 93940 Phone: 831-424-2229 Email: susie.brusa@mail.house.gov
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Any notice or correspondence shall be deemed delivered upon personal delivery or five (5) days after notice is 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 mailing address or correspondence information.

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 may be withheld in LESSOR'S complete discretion.
18. **SUCCESSORS AND ASSIGNS:** Subject to the restriction on assignment hereinabove written, this Lease, and all of the terms, covenants and conditions hereof, shall be binding upon and shall inure to the benefits of their heirs, legal representatives, successors and assigns of the respective parties hereto.
19. **WAIVERS OF SUBROGATION:** LESSOR and LESSEE each hereby waive any right of recovery against the other due to loss 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 commercial property perils whether or not such perils have been insured, self-insured or non-insured.
20. **NO AMENDMENTS:** No oral amendment of this Lease shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on either party hereto.
21. **DESIGNATION OF AUTHORITY:** The Deputy Director of Public Works and Facilities is hereby authorized to deliver approvals or consents as are required by this Lease, on behalf of the LESSOR upon the terms specified above. Any consents or approvals required under this Lease shall not be unreasonably withheld or made, except where it is specifically provided that a sole discretion standard applies. LESSOR agrees to give reasonable consideration to requests by LESSEE for extensions of any time deadlines imposed under this Lease, provided that it is determined that the overall feasibility of the objectives of this Lease is not in jeopardy.

22. **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.
23. **WARRANTY OF 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.
24. **TIME IS OF THE ESSENCE**: Time is of the essence of each term and provision of this Lease.
25. **EVIDENCE OF SEISMIC ADEQUACY**: The building containing the Premises underwent a complete remodel after January 1, 1973, as evidenced by official documentation from the County of Monterey as shown in **Exhibit D – EVIDENCE OF SEISMIC ADEQUACY** attached hereto and incorporated by this reference.
26. **UNITED STATES HOUSE OF REPRESENTATIVES DISTRICT OFFICE LEASE ATTACHMENT FOR 118TH CONGRESS**: This Lease shall be subject to the provisions outlined in **Exhibit B – DISTRICT OFFICE LEASE ATTACHMENT** attached hereto and incorporated by this reference.
27. **EXHIBITS**: In the event of any conflict between this Lease and **Exhibits A, A.1, A.2, C and D** attached hereto, the provisions of this Lease shall control. In the event of any conflict between this Lease and **Exhibit B** attached hereto, the provisions of **Exhibit B** shall control.
28. **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, LESSOR and LESSEE have executed this Lease which is effective as of the last date set forth beneath the respective signatures below.

LESSOR: County of Monterey

APPROVED AS TO FORM:

Office of the County Counsel

Leslie J. Girard, County Counsel

By: _____

Debra R. Wilson

By: _____

Mary Grace Perry

Title: Contracts/Purchasing Officer

Title: Deputy County Counsel

Date: _____

Date: _____

APPROVED AS TO FISCAL PROVISIONS:

APPROVED RISK MANAGEMENT:

Auditor-Controller

By: _____

By: _____

Danielle P. Mancuso

Title: Deputy Auditor-Controller

Title: Risk Manager

Date: _____

Date: _____

LESSEE: Jimmy Panetta

APPROVED AS TO FORM & LEGALITY:

20th District Congressman

By: _____

Jimmy Panetta

By: _____

Cecilia Daly

Title: 20th District Congressman

Title: Associate Administrative Counsel

Date: _____

Date: _____

Exhibit A

DESCRIPTION OF PREMISES

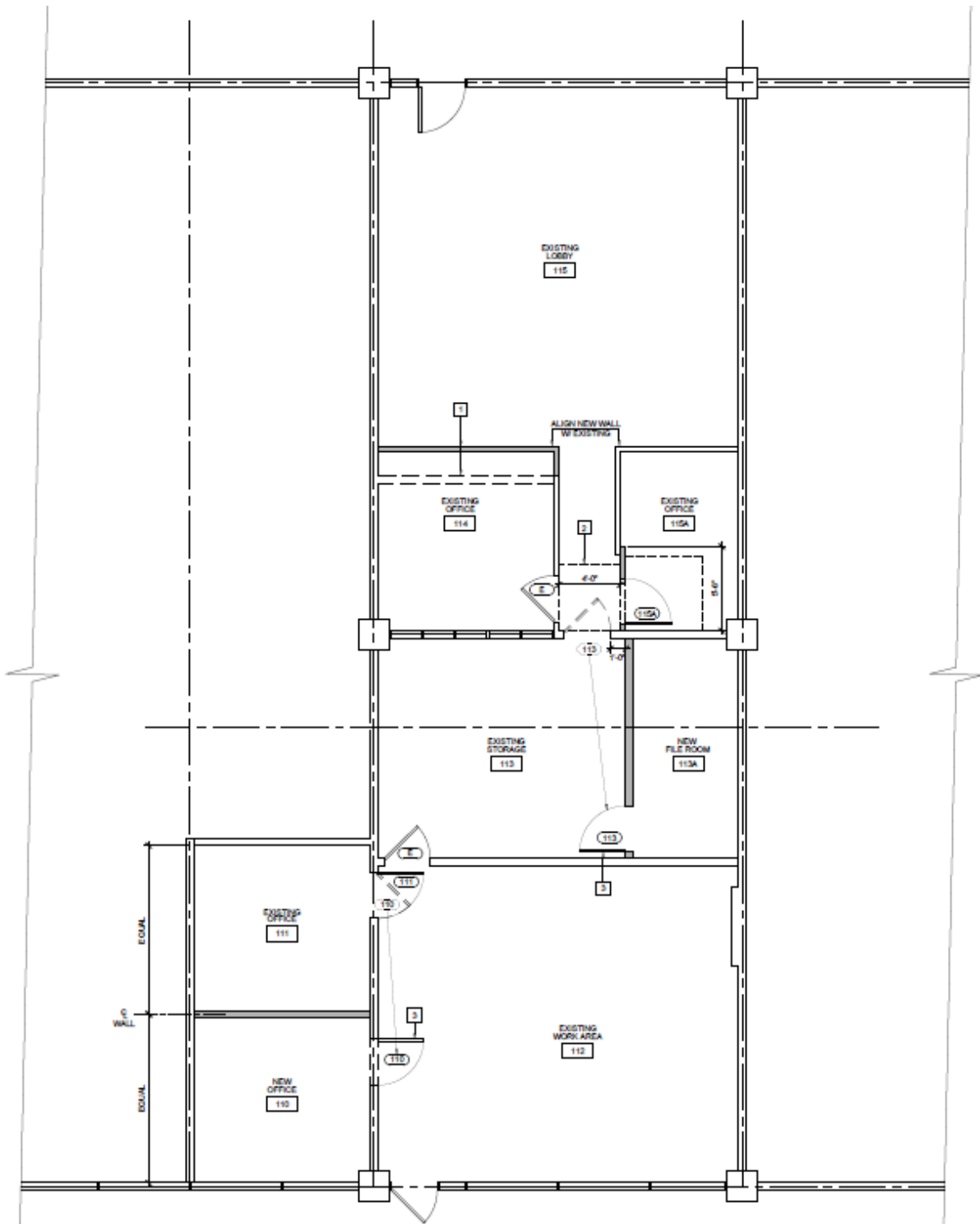


Exhibit A.1
TENANT IMPROVEMENTS – LESSEE’S COSTS

- Office layout and design and project management
- Directional Signs
- New furniture purchase
- Disassemble, move, and reassemble existing furniture as required
- Data and electrical for workstations
- Additional security measures such as controlled access card reader system and panic buttons

Exhibit A.2
TENANT IMPROVEMENTS – LESSOR’S COST

- Surplus office furniture donation

Exhibit B

DISTRICT OFFICE LEASE ATTACHMENT

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 tenants Premises		X	
Provide adequate custodial service for interior of the Premises (dust, waste removal, recycling removal, vacuum, mop and general cleaning)		X	
Provide adequate custodial service for exterior of the Premises and common areas		X	
Professionally clean interior Premises' carpets, rugs, tile and linoleum flooring as deemed necessary		X	
Professionally clean existing drapes, blinds, and window shades as deemed necessary		X	
Professionally clean interior windows as deemed necessary		X	
Professionally clean exterior windows as deemed necessary		X	
Provide adequate pest control for the interior of the Premises		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) disposal and pick up service of interior Premises		X	
Provide adequate fire sprinkler systems testing		X	
Provide adequate fire alarm systems monitoring		X	
Provide adequate intrusion/security alarm systems monitoring of Building. Intrusion/security alarm systems monitoring of the Premises is the responsibility of the LESSEE.		X	
Provide adequate patrolled security guard service to the Building only		X	
Provide adequate heating, ventilation & air conditioning (HVAC) systems filter replacements, unit inspections and unit lubrications		X	
Provide adequate servicing of uninterrupted power source (UPS)		X	
Provide adequate servicing of power back up generator (excludes any power back up generator provided by LESSEE)		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 and installations)			X
OTHER:			

Exhibit D

EVIDENCE OF SEISMIC ADEQUACY

MONTEREY COUNTY RESOURCE MANAGEMENT AGENCY

Carl P. Holm, AICP, Director

LAND USE & COMMUNITY DEVELOPMENT | PUBLIC WORKS & FACILITIES | PARKS
1441 Schilling Place, South 2nd Floor (831)755-4800
Salinas, California 93901-4527 www.co.monterey.ca.us/rma



MEMORANDUM

Date: August 28, 2018
To: All Tenants and Interested Parties
From: Neville Pereira, PE, CBO *NP*
Interim RMA Deputy Director for Public Works, Parks and Facilities
Subject: UPDATE: Seismic Safety of structures at 1200 Aguajito Road, Monterey, CA

On August 23, 2017, the Resource Management Agency (RMA) issued a memorandum in response to information released by the State courts on May 17, 2017 regarding "Seismic Risk Rating of California Superior Court Buildings Summary of Findings" (attached). That memorandum determined that, based on current building data, the facility is safe to occupy. Following that report, the County engaged the professional services of RIM Architects and FZA Structural Engineers to perform a site specific Seismic Evaluation Report for the Monterey County Courthouse, Annex & Parking Garage at 1200 Aguajito Road, Monterey, CA ("RIM Report"). The Final Report was submitted to RMA on June 30, 2018.

This memo is written based on the more detailed, site-specific information provided in the RIM Report that included on-site inspection of the Monterey Courthouse facilities. The RIM Report is an objective Seismic Risk Rating for these buildings based on the American Society of Civil Engineers publication (ASCE) 41-13 Standard for Seismic Evaluation and Retrofit of Existing Buildings, Tier 1 and Tier 2 Evaluations. This independent report was requested by the County to coincide with the State's planned investigation into similar court facilities that would be conducted independently under purview of the Judicial Council of California.

Based on the technical information provided in the RIM Report, the Monterey Courthouse buildings meet state standards for occupancy per code. These buildings were constructed, inspected and attained legal occupancy under the building code in effect at that time (Annex/1965, Courthouse/1966, Parking Structure/1973). The premise of the building code is that buildings do not have to be upgraded to current codes unless specifically identified as seismic risks by the current Building Code or current Existing Building Code. Some of the non-compliance ratings in the RIM Report are based on viewing the existing building structures through the lens of current codes and standards as well as basing building performance on as-built drawings. The non-compliance ratings identified in the RIM Report study don't necessarily equate to poor building performance. Through on-site inspections, no structural defects were

identified in the RIM Report. In addition, since construction, these facilities have withstood multiple earthquake events with the most significant event being the Loma Prieta earthquake in 1989 at a 6.9 magnitude. As such, RMA believes there is no indication of an immediate threat, nor does the current building code require any seismic retrofits to the building unless new renovations are proposed that could impact structural conditions. To date, no such renovation plans are currently proposed that would instigate such a retrofit. In regard to implementing seismic retrofits to bring the facility to current code standards, the RMA will continue to coordinate with Judicial Council of California to identify funding for such purposes.

Cc: Monterey County Courthouse
Board of Supervisors
Lew Bauman, County Administrative Officer
Nick Chiulos, Assistant County Administrative Officer
Carl Holm, RMA Director