

## LEASE AGREEMENT

This lease agreement is made between **COMMUNITY SERVICES DEVELOPMENT CORPORATION (LESSOR)** and the **COUNTY OF SAN BENITO**, a political subdivision of the State of California (**LESSEE**).

1. **PREMISES.** In consideration of the rent hereinafter reserved and the covenants hereinafter contained, LESSOR does hereby lease to LESSEE and LESSEE does hereby lease from LESSOR the following described property, collectively referred to herein as the Premises: approximately 6,637.26 square feet of office space in the building located at 1111 San Felipe Road, Suite 107, Hollister, California together with the right to use the parking area.
2. **TERM COMMENCEMENT.** The term of this Lease (the "Term") shall commence on October 1, 2018 and end on June 20, 2023, unless sooner terminated as specified herein
3. **MONTHLY RENT.** In consideration for LESSOR leasing the premises to LESSEE, LESSEE agrees to pay to LESSOR: SEVEN THOUSAND SIX HUNDRED NINETY-NINE AND 22/100 DOLLARS (\$7,699.22) rent per month from October 1, 2018, through June 30, 2023.

LESSEE shall make rental payments for the premises monthly in advance on the 1<sup>st</sup> of each month.

Rental warrants shall be made payable to: Community Services Development Corp.  
and mailed or delivered to: 1101 San Felipe Road  
Hollister, CA 95023

Rent will be adjusted annually based on the San Francisco-Oakland-San Jose Consumer Price Index (CPI) as published by the Bureau of Labor. The CPI adjustment shall not be less than 2% or more than 5% per year.

4. **OCCUPANCY.** The premises shall be occupied only by LESSEE.
5. **INDEMNIFICATION.** LESSEE and LESSOR each agree to indemnify, defend and save harmless the other party and the other party's officers, agents and employees, from and against any and all claims and losses whatsoever arising out of or in any way related to the indemnifying party's performance under this lease, including, but not limited to, claims for property damage, personal injury, death, and any legal expenses (such as attorney fees, court costs, investigation costs, and experts' fees) incurred by the indemnitee in connection with such claims. A party's "performance" includes the party's action or inaction and the action or inaction of that party's officers, employees, agents, and sub-contractors.
6. **INSURANCE.** LESSEE shall at LESSEE's expense, procure and maintain at all times during the term of this lease a policy of comprehensive public liability insurance insuring

LESSOR and LESSEE against any liability arising out of the use or occupancy of the premises and appurtenant areas. Liability insurance coverage shall be not less than a combined single limit of \$1,000,000.00 per occurrence for injury to one or more persons and property damage limits of not less than \$500,000.

LESSEE shall deliver to LESSOR a certificate of insurance evidencing the existence and amounts of such insurance with loss payable clauses satisfactory to LESSOR, provided that

7. **SECURITY DEPOSIT.** Security deposit is waived.
  
8. **CONDITION OF PREMISES.** LESSEE has inspected the premises, furnishings and equipment, and has found them to be satisfactory. LESSOR warrants that all plumbing, heating and electrical systems are operative and are deemed satisfactory.
  
9. **PROHIBITION AGAINST ASSIGNMENT AND SUBLETTING.** LESSEE may assign LESSEE'S interest under this lease, or sublet any portion of the premises with the prior written consent of LESSOR. LESSOR shall not unreasonably withhold its consent to the subletting of the premises or any portion thereof.

No consent by LESSOR to any assignment or subletting by LESSEE shall relieve LESSEE from the obligations contained herein.

10. **UTILITIES AND SERVICES.**

- A. **Gas and Electricity.** LESSEE shall pay all gas and electricity utility charges for heating, cooling, and lighting purposes and operation of all office equipment, including computers, used on the Premises.
  
- B. **Garbage and Waste Removal.** LESSEE shall pay all garbage and waste removal services.
  
- C. **Sewer and Water.** LESSEE shall pay all sewer and water service to the Premises.
  
- D. **Janitorial Service.** LESSEE shall provide all necessary janitorial service for the interior of the premises.

11. **MAINTENANCE.**

- A. **Interior and Exterior.** LESSOR shall maintain in good repair and tenantable condition, the interior and exterior of the Premises, including, but not limited to: roof, ceiling, interior and exterior walls and doors, glazing, flooring, elevators, plumbing, water pipes, hot water heater, alarm systems, fire extinguishers, exterior lights and heating, ventilating and air conditioning units, etc.
  
- B. **Annual Testing.** LESSOR shall perform an annual maintenance and testing of all emergency lighting and fire extinguishers.



- C. **Lighting Replacement.** LESSEE shall furnish and replace all interior electric light bulbs and/or tubes, when needed, during the term of the Lease.
  - D. **Timing of Maintenance Work.** Subject to LESSEE'S agreement, repair or maintenance work which could disrupt LESSEE'S operations and use of the Premises shall not be performed during LESSEE'S office hours.
  - E. **Exterior Maintenance.** LESSOR shall provide all landscaping maintenance, regular parking lot sweeping, maintenance and repair, and striping as needed on the parking area.
  - F. **Graffiti Removal.** LESSOR shall promptly remove all graffiti from the exterior walls of the Premises and from all of the exteriors of the office complex within which the Premises is situated. If LESSOR fails to remove any such graffiti from any exterior wall within the complex within 48 hours of written notice being given thereof by LESSEE, LESSEE may undertake such removal itself and deduct the actual costs thereof from rent. For purposes of the self-help remedy herein granted LESSOR hereby grants to LESSEE all rights necessary to exercise such remedy.
  - G. **Abuse to Premises.** LESSEE shall provide repairs, at Lessee's cost, for any abuse to Premises, above normal wear and tear, by Lessee clients and employees.
  - H. **Pest Control.** LESSOR shall be responsible for all pest control service related to structural pests, landscaping pests and organisms, including but not limited to termites, dry rot, and powder post beetles. LESSOR shall, at its sole cost and expense, provide regular non-structural pest control service to the Premises as necessary.
  - I. **Mechanical System Service.** At its sole cost and expense, LESSOR shall employ a licensed heating and air-conditioning contractor to regularly service and perform annual inspections of the mechanical system of the Premises, including without limitation the heating, ventilating and air-conditioning system. Preferably, the annual inspections will occur during February or March, in anticipation of the air-conditioning season. All inspections and maintenance of the HVAC system must be documented in writing and available for review within 48 hours of request as stated in Title 8, California Code of Regulations, Section 5142(b). Records must be kept for a minimum of 5 years.
12. **SECURITY SYSTEM SERVICE.** LESSEE shall, at LESSEE'S discretion, provide and pay for, during the Term of this Lease or renewal thereof, maintenance and monitoring of any security system installed in the Premises.
13. **REPAIR CONTACT.** For those maintenance and repair duties undertaken by the LESSOR under the provisions of this Lease agreement LESSEE may notify LESSOR or LESSOR'S designated contacts requesting service when maintenance or repair is required for the Premises as hereinafter provided.
- A. **Repair Contacts.** LESSOR shall designate in writing sources to be called when repairs to the Premises are required. Information regarding these sources shall include names, addresses, telephone numbers and fax numbers.

- B. **Emergency Repair Contacts.** LESSOR shall provide a list in writing of additional sources to be called when emergency repair to the Premises is required. Said sources shall be called in the event LESSEE is unable to contact LESSOR or LESSOR'S agent within a reasonable time under the circumstances. This list shall include, as to each source, name, address, telephone number, and fax number.
- C. In case LESSOR shall (within a reasonable time under the circumstances of notice by fax for an emergency, or within 15 days of notice by fax of any other repair) fail, refuse or neglect to make those repairs for which LESSOR is obligated, then LESSEE may, in addition to any other remedy LESSEE may have, make, or cause to be made, such repairs and thereafter deduct the actual cost thereof.
- 14. USE OF PREMISES.** The premises shall be used and occupied by the LESSEE for office space and other legal uses as so deemed by the LESSEE. LESSEE shall not use the premises for any unlawful purpose, violate any law or ordinance, or commit waste or nuisance on the premises. LESSEE is responsible for all costs associated with any improper conduct or violations of any law or ordinance.
- 15. DAMAGE TO PREMISES.**
- A. If the Premises are totally destroyed by fire or other casualty, this Lease shall terminate. If 10% or less of the floor space of the Premises is rendered unusable for the purposes intended, because of fire or other casualty, LESSOR shall restore the Premises as quickly as reasonably possible.
- B. In the event that destruction of the Premises renders more than 10% of the floor space unusable, LESSOR shall give notice to LESSEE as to the time required to make the repairs. If the LESSOR has not given such notice within 15 days after the destruction, or if the time for repair is considered unreasonable by LESSEE, or if LESSOR does not diligently pursue the repairs, LESSEE may make the repairs itself, deducting the costs from the rent or may terminate this Lease.
- C. In the event of any such destruction where the LESSEE remains in possession of said Premises, the rent shall be reduced by the percentage of unusable space.
- 16. RISK OF HAZARDS.** LESSEE shall not do anything on the Premises, nor bring or keep anything thereon which will in any way increase the risk of fire or the rate of insurance, or which shall conflict with the regulations of any fire district having jurisdiction.
- 17. ALTERATIONS BY LESSEE.** LESSEE shall not make any alterations to the premises without LESSOR's prior written consent.
- 18. LESSOR'S RIGHT TO LEASE.** LESSOR warrants LESSOR is well seized of and has good right to lease the Premises, will defend the title thereto, and will indemnify LESSEE against any damage and expense which LESSEE may suffer by reason of any lien, encumbrance, restriction or defect in the title to or description herein of the Premises. If at any time LESSOR's title or right to receive rent hereunder is disputed, LESSEE may withhold rent thereafter until LESSEE is furnished with proof satisfactory to LESSEE as to the proper person entitled to receive the rent.





lease if LESSOR fails to deliver possession of the premises within thirty (30) days of commencement of the specified term.

24. **ATTORNEY'S FEES.** In any legal action brought by either party to enforce the terms of this lease, the prevailing party is entitled to all costs incurred in connection with such an action, including reasonable attorney's fees.
25. **WAIVER.** Waiver by either party of a breach of any covenant of this lease will not be construed to be a continuing waiver of any subsequent breach. LESSOR's receipt of rent with knowledge of LESSEE's violation of a covenant does not waive its right to enforce any covenant of this lease. No waiver by either party of a provision of this lease will be considered to have been made unless expressed in writing and signed by all parties.
26. **TIME OF THE ESSENCE.** Time is of the essence of each provision of this lease.
27. **SEVERABILITY.** Should any provision herein be found or deemed to be invalid, this agreement shall be construed as not containing such provision, and all other provisions which are otherwise lawful shall remain in full force and effect, and to this end the provisions of this agreement are declared to be severable.
28. **ENTIRE AGREEMENT.** This agreement is the entire agreement of the parties. There are no understandings or agreements pertaining to this contract except as are expressly stated in writing in this agreement or in any document attached hereto or incorporated herein by reference.
29. **AMENDMENT.** This Lease constitutes the entire understanding of the parties thereto and shall not be altered or amended except by a supplementary agreement in writing and signed by both parties.
30. **RIGHT AND REMEDY.** No delay or omission in the exercise of any right or remedy of either party on any default of the other party shall impair such a right or remedy or be construed as a waiver of such default. Any waiver by either party of any default of the other party shall be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Lease.
31. **CONSTRUCTION AND INTERPRETATION.** It is agreed and acknowledged by the parties hereto that the provisions of this agreement have been arrived at through negotiations, and that each of the parties has had a full and fair opportunity to revise the provisions of this agreement and the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in constructing or interpreting this agreement. Neither party is to be deemed the party which prepared this agreement within the meaning of Civil Code § 1654.

IN WITNESS WHEREOF, the parties have signed this lease on this \_\_\_\_\_ day of \_\_\_\_\_, 2018.


**LESSEE:**

**County of San Benito**

\_\_\_\_\_  
Anthony Botelho, Chair  
San Benito County Board of Supervisors

**LESSOR:**

**Community Services Development Corp.**

  
\_\_\_\_\_

Title: EXECUTIVE DIRECTOR

Address: 1101 San Felipe Road  
Hollister, CA 95023

E-Mail: 8FLORES@CSDCSBC.ORG

Telephone: 831-636-5524

Fax No.: \_\_\_\_\_

**APPROVED AS TO LEGAL FORM:**

Barbara Thompson, County Counsel

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

Date: 7-20-18