

LEASE AGREEMENT

The **COUNTY OF SAN BENITO**, as landlord, ("COUNTY"), and **WET & DRY LLC.**, as tenant ("TENANT"), enter into this lease on the date stated next to the signatures below.

TERMS

1. Duration of Lease.

The lease shall commence on July 1, 2019 and end on June 30, 2024. Upon the expiration of the initial term of this lease, this lease shall be automatically renewed for successive one year periods unless written notice of intent to non-renew is given by either party to the other party one hundred eighty (180) days before the expiration of the initial lease period or a renewed lease period.

2. Description of Premises:

COUNTY agrees to rent to TENANT the premises commonly known as:

The laundry facilities at the San Benito County HOME Resource Center located at 1161 San Felipe Road, Hollister, CA.

3. Rent.

In consideration for COUNTY leasing the premises to TENANT, TENANT agrees to provide to COUNTY the rent as specified on Attachment A. Attachment A is made a part of this lease.

4. Lease Administrator.

The Deputy Director of Community Services and Workforce Development (CSWD) for San Benito County is designated by COUNTY as its lease administrator for this lease. All matters concerning this lease which are within the responsibility of COUNTY shall be under the direction of, or shall be submitted to, the lease administrator or any COUNTY employee as the lease administrator may appoint. COUNTY may, in its sole direction, change its designation of the lease administrator and shall promptly give written notice to TENANT of any such change.

5. Additional Terms.

The rights and duties of the parties to this lease are governed by the terms of the additional attachments which are adopted below and by this adoption are made a part of this lease.

- [X] The rights and duties of the parties to this contract are additionally governed by the specific, additional terms mutually agreed to and listed in Attachment A. Attachment A is made a part of this contract.
- [X] The rights and duties of the parties to this contract are additionally governed by the specific, additional terms mutually agreed to and listed in Attachment B. Attachment B is made a part of this contract.

Contract Administrator for COUNTY:

Name: Enrique Arreola

Title: _____

Deputy Director – CSWD

Address: _____

1131 San Felipe Rd.
Hollister, California 95023

Telephone No.: 831-634-4918

Fax No.: _____

Contract Administrator for
CONTRACTOR:

Name: John Kunz

Title: Participant

Address: 221 3rd St.

Hollister, CA 95023

Telephone No.: 831-801-4573

Fax No.: None

SIGNATURES

APPROVED BY COUNTY:

Name: _____

Chair, San Benito County Board of Supervisors

Date: _____

APPROVED BY CONTRACTOR:

Name: John Kunz

Title: Participant

Date: _____

APPROVED AS TO LEGAL FORM:

San Benito County Counsel

By: [Signature]

Date: 6-10-2019

ATTACHMENT A

CONSIDERATION FOR LEASE
(e. g Rent)

TENANT shall provide the following consideration to COUNTY on the following terms.

A-1. TENANT agrees to render the following additional consideration as rent:

Twenty-five percent (25%) of the gross income from laundry equipment operated by Tenant on the premises if the monthly gross collection is less than \$ 449.00 per month.

Thirty-five percent (35%) of the gross income from laundry equipment operated by Tenant on the premises if the monthly gross collection is more than \$450.00 per month.

ATTACHMENT B

GENERAL TERMS GOVERNING THE OPERATION OF THIS LEASE

- B-1. Occupancy.** The premises shall be occupied only by TENANT.
- B-2. Joint and Several Liability.** This agreement is between COUNTY and each named tenant, individually and severally. The named tenant(s) are jointly and severally responsible for performance of their obligations under this lease, including the payment of rent.
- B-3. Indemnification of County.** TENANT and COUNTY 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's 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.
- B-4. Security Deposit.** TENANT will deposit with COUNTY the sum of \$-0- security deposit.
- B-5. Condition of Premises.** TENANT has inspected the laundry facilities at the San Benito County HOME Resource Center located at 1161 San Felipe Road, Hollister, CA., and found the premises to be satisfactory for the purpose of the lease.
- B-6. Assignment and Subletting.** TENANT may assign TENANT'S interest under this lease, subject to written approval by COUNTY, which approval shall not be reasonably withheld, TENANT shall not sublet any portion of the premises.
- B-7. Tenant's Obligation.** TENANT agrees to perform the following obligations:
- a) To use and operate properly all electrical, gas, and plumbing fixtures and pipes, and to keep them as clean and sanitary as their condition permits from the point of hook-up. However, concealed sewage pipes and dryer vent pipes before the point of hook-up shall be the County's responsibility.
 - b) To refrain from willfully or wantonly destroying, defacing, damaging, impairing, or removing any part of the premises or the facilities, equipment, or appurtenances, or permitting any person on the premises to commit such acts.
- B-8. TENANT Conduct.** TENANT may not disturb, annoy, endanger, or interfere with occupants of neighboring buildings. TENANT may not use the premises for any unlawful

purpose, violate any law ordinance, or commit waste or nuisance on the premises. TENANT is responsible for all costs associated with any improper conduct or violations of any law or ordinance.

B-9. Use of Premises. The premises are rented to TENANT for the following purpose(s) only: To install, operate and maintain two coin operated washers and two dryers.

B-10. COUNTY'S Right of Entry. COUNTY and its authorized representatives shall have the right to enter the premises at all reasonable times for any of the following purposes:

- a) To determine whether the TENANT is complying with its lease; in good condition and obligations under this.
- b) To do any necessary maintenance and to make any restoration to the premises that landlord has the right to perform.
- c) To serve, post, or keep posted any notices required or allowed under the provision of this lease.

B-11. Alterations. TENANT shall not make any alterations to the premises without COUNTY'S prior written consent.

B-12. Public Liability and Property Damage Insurance. TENANT at its own cost shall maintain public liability and property damage insurance with a single combined limit of \$1,000,000, and property damage limits of not less than \$200,000. Insuring against all liability of TENANT and its authorized representatives arising out of and in connection with TENANT'S use of occupancy of the premises.

B-13. General Insurance Requirements. Without limiting TENANT'S duty to indemnify, TENANT shall comply with the insurance requirements hereinafter set forth in the following paragraph. Insurance shall meet the following requirements:

- a) Each policy shall be with a company authorized by law to transact insurance business in the State of California.
- b) Each policy shall provide that County shall be given notice in writing at least thirty (30) days in advance of change, cancellation, or non-renewal thereof.
- c) The policies shall each provide an endorsement naming the County of San Benito and its officers, agents and employees as additional insureds.
- d) The required coverage's shall be maintained in effect throughout the term of this agreement.

B-14. Certificate of Insurance. Prior to the execution of this agreement by the COUNTY, TENANT shall file certificates of insurance with the COUNTY, showing that TENANT has in effect the insurance required by this lease. TENANT shall file a new or amended

certificate promptly after any change is made in any insurance policy which would alter the information on the certificate then on file.

- B-15. Breach of Covenant.** The parties consider each and every term, covenant, and provision of this lease to be material and reasonable.
- B-16. Personal Property Remaining on Premises.** After TENANT vacates the premises, either by expiration of the term or on termination of the tenancy, COUNTY must give the notices required by law concerning disposition of any personal property of TENANT that remains on the premises. TENANT is responsible for all reasonable costs of storing such personal property. The property will be released to TENANT or its rightful owner only after TENANT or the rightful owner pays to COUNTY the reasonable costs of storage within the time required by law.
- B-17. Possession of Premises.** If COUNTY is unable to deliver possession of the premises to TENANT at the commencement of the term specified in this lease, COUNTY will not be liable for any damage caused thereby, nor will this lease be void or voidable. COUNTY will take reasonable steps to obtain possession of the premises from previous Tenants or occupants. TENANT will not be liable for any rent, however, until the date that possession is actually delivered. TENANT may terminate this lease if COUNTY fails to deliver possession of the premises within thirty (30) days of commencement of the specified term.
- B-18. 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.
- B-19. 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. COUNTY'S receipt of rent with knowledge of TENANT'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.
- B-20. Possessory Interest Tax.** This agreement may create a possessory interest subject to property taxation. If such an interest is created, the party in whom the possessory interest is vested may be subject to the payment of the property taxes levied on such interest.
- B-21. Time of the Essence.** Time is of the essence of each provision of this lease.
- B-22. Negotiated Agreement.** This agreement has been arrived at through negotiation between the parties. Neither part is to be deemed the party which prepared this agreement within the meaning of Civil Code §1654.
- B-23. 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.

B-24. 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.

B-26. Notices. Notices to the parties in connection with the agreement shall be given personally or by regular mail addressed as follows:

COUNTY OF SAN BENITO:

Community Services and Workforce Development Department
Enrique Arreola, Deputy Director
1131 San Felipe Road
Hollister, CA 95023

TENANT:

Wet and Dry LLC.
C/O John Kunz
800 San Benito Street Suite C
Hollister, CA 95023

Notices will be deemed received on the date they are personally delivered to the office of the persons indicated above, with a written notation that the notice is to be given to the person indicated above, or five days after the date they are deposited in the U.S. mail, addressed as indicated above, with first-class postage fully prepaid.