

**COMMERCIAL LEASE AGREEMENT
BY AND BETWEEN
DC & RC PROPERTIES, LLC
AND
COUNTY OF HUMBOLDT**

This Commercial Lease Agreement (“Lease”), entered into this ____ day of _____, 2022, by and between DC & RC Properties, LLC, a California limited liability company, hereinafter referred to as “Landlord,” and the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as “Tenant,” is made upon the following considerations:

WHEREAS, Tenant, by and through the Humboldt County Sheriff’s Office, desires to lease office space located at 1240A Broadway, Eureka, California for law enforcement training purposes; and

WHEREAS, Landlord is willing to lease the office space located at 1240A Broadway, Eureka, California to Tenant.

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby mutually agree as follows:

1. PREMISES:

Landlord leases to Tenant, and Tenant leases from Landlord, the premises located at 1240A Broadway, Eureka, California, which consists of approximately nine hundred (900) square feet of office space that includes approximately five hundred (500) square feet of tumbling mat and tables and chairs for twenty (20) people.

2. TERM:

This Lease shall begin on September 1, 2022 and shall remain in full force and effect until August 31, 2027, unless extended by a valid amendment hereto or sooner terminated as set forth herein.

3. RENTAL TERMS AND SECURITY DEPOSIT:

A. Rent. The rent for the first twelve (12) months of this Lease shall be as follows, One Thousand Seven Hundred Dollars (\$1700.00) per month, payable in advance to Landlord, upon execution of this Lease, and on or before the first of each month thereafter, at the address of Landlord stated in this Lease or at another location Landlord may designate. After the first twelve (12) months following the execution of this Lease, the rent charged hereunder shall increase at a rate of three percent (3%) from the previous year.

B. Security Deposit. Upon execution of this Lease, Tenant shall pay Landlord a security deposit of Three Thousand Four Hundred dollars (\$3400.00). Upon the default by Tenant under this Lease, Landlord may apply the security deposit to satisfy Tenant’s obligations under this Lease, provided that this application shall not cure the default. Immediately following the receipt of notice of this application from Landlord, Tenant shall pay the Landlord an amount equal to that applied by Landlord. Landlord agrees that at the end of the term Landlord will refund any portion not applied.

C. Late Charge. If rent is not paid within five (5) days after the due date, Tenant agrees to pay a late charge of ten percent (10%) of the rent at the time, plus interest at ten percent (10%) per annum, or the maximum amount allowed by any applicable local, state and federal laws,

regulations and standards, on the delinquent amount. Tenant further agrees to pay Fifty Dollars (\$50.00) for each dishonored check.

4. USE OF PREMISES:

A. General Use Requirements. The premises are to be used for law enforcement training purposes. Tenant shall not do or permit any act to be done that will increase the existing rate or cause cancellation of insurance on the premises. Tenant shall comply with all statutes, ordinances, regulations and other requirements of all governmental entities that pertain to the occupancy or use of the premises, and with all rules and regulations that are adopted by Landlord for the safety, care, and cleanliness of the premises and the preservation of good order on the premises. These rules and regulations are expressly made a part of this Lease.

B. Inspection of the Premises. The Premises have undergone an Americans with Disabilities Act (ADA) Access Compliance Assessment. The Premises have not been issued a disability access inspection certificate. Pursuant to Civil Code section 1938(e):

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.

5. ALTERATIONS:

Any alteration to the premises without the prior written consent of Landlord shall be a breach of this Lease and, at the option of Landlord, shall cause a termination of this Lease. Any alterations made with Landlord's consent, shall remain on and be surrendered with the premises upon expiration or termination of this Lease, except that Landlord can elect within sixty (60) days before expiration of this Lease, or within ten (10) days after termination of this Lease, to require Tenant to remove any alterations that Tenant has made to the premises, at Tenant's cost.

6. POSSESSION:

Any delay in delivery of possession to the Tenant shall postpone the commencement of rent accordingly, but shall not otherwise affect this Lease.

7. INSURANCE:

Tenant shall, at its own cost and expense, secure and maintain during the entire term of this Lease, and any extensions thereof, a policy or policies of comprehensive general liability insurance with the premiums thereon fully paid on or before due date, issued by and binding upon an insurance company approved by Landlord, with policy limits of no less than One Million Dollars (\$1,000,000.00) per incident, Two Million Dollars (\$2,000,000.00) per occurrence, combined single limit coverage of bodily injury, property damage or combination thereof. Landlord shall be listed as an additional insured on Tenant's policy or policies of comprehensive general liability insurance, and Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance

with this provision.

8. DEFAULT:

A. Tenant Default. Each of the following shall be an event of default under the terms and conditions of this Lease:

1. Tenant fails to make any payment required by the provisions of this Lease, when due.
2. Tenant fails within thirty (30) days after written notice to correct any breach or default of the other covenants, terms, or conditions of this Lease.
3. Tenant vacates, abandons, or surrenders the premises prior to the end of this Lease.
4. All or substantially all of Tenant's assets are placed in the hands of a receiver or trustee, and that receivership or trusteeship continues for a period of thirty (30) days, or if Tenant makes an assignment for the benefit of creditors or is adjudicated a bankrupt, or if Tenant institutes any proceedings under any state or federal bankruptcy act by which tenant seeks to be adjudicated a bankrupt or seeks to be discharged of debts, or if any voluntary proceeding is filed against Tenant under any bankruptcy laws, and Tenant consents or acquiesces by pleading or default.

B. Remedies. Upon an occurrence of default under the terms and conditions of this Lease by Tenant, Landlord is entitled, at Landlord's option, to the following:

1. Reenter and take exclusion possession of the premises.
2. Immediately collect the present value of the unpaid rent reserved for the entire term of this Lease, or to collect each installment of rent as it becomes due.
3. Continue this Lease in force or terminate it at any time.
4. Relet the premises for any period on Tenant's account and at Tenant's expense, including real estate commissions actually paid, and to apply the proceeds received during the balance of this Lease to Tenant's continuing obligations hereunder.
5. Take custody of all personal property on the premises and to dispose of the personal property and to apply the proceeds from any sale of that property to Tenant's obligations under this Lease.
6. Recover from Tenant the damages described in the applicable provisions of Civil Code Section 1951.2, which are expressly incorporated herein by reference and made a part hereof as if set forth in full.
7. Restore the premises to the same condition as received by Tenant, or to alter the premises to make them suitable for reletting, all at Tenant's expense.
8. Enforce by suit or otherwise all obligations of Tenant under this Lease and to recover from Tenant all remedies now or later allowed by law.

C. Exercise of Rights. Any act that Landlord is entitled to do in exercise of Landlord's rights upon an occurrence of default under the terms and conditions of this Lease may be done at a time and manner deemed reasonable by Landlord, in Landlord's sole discretion, and Tenant

irrevocably authorizes Landlord to act in all things done on Tenant's account.

9. REPAIRS AND MAINTENANCE:

Tenant acknowledges that the premises are in a condition acceptable to Tenant on the date this Lease is entered into. Tenant agrees to maintain the premises in good and safe condition, including all interior surfaces of walls, windows, plate glass, doors, and ceilings, and all fixtures or equipment. All costs of maintenance and repairs during the term of this Lease shall be borne exclusively by the Tenant, unless otherwise mutually agreed upon in a signed writing. Landlord shall have no maintenance or repair obligations under this Lease. Tenant promises to surrender the premises at termination of this Lease in at least as good of a condition as received, except for normal wear and tear and except for any changes or alterations authorized in writing by Landlord. Tenant agrees to make no repairs at the expense of Landlord.

10. ESTOPPEL CERTIFICATE:

At any time within ten (10) days after request by Landlord, Tenant shall execute, acknowledge, and deliver to Landlord, without charge, a written statement certifying that this Lease is unmodified and in full force, or if there have been modifications, that it is in full force as modified. The statement shall also contain the date of commencement of this Lease, the dates to which the rent and any other charges have been paid in advance, and any other information Landlord reasonably requests. It is acknowledged by Tenant that any statement is intended to be delivered by Landlord to and relied upon by prospective purchasers, mortgagees, deed of trust beneficiaries and assignees.

11. SEVERABILITY:

If any provision of this Lease is, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of this Lease.

12. UTILITIES:

During the term of this Lease, Landlord shall be responsible for furnishing, at Landlord's expense, propane and/or gas, refuse collection, electricity, water and sewer supplied to, and used in the premises by Tenant.

13. ASSIGNMENT OR SUBLETTING:

Any assignment or subletting of any portion of the premises, whether by operation of law or otherwise, without prior written consent of Landlord is void and shall be a breach of this Lease, and at the option of Landlord, shall terminate this Lease. Landlord's written consent to assignment shall not be unreasonably withheld.

14. ENTRY:

Landlord reserves the right to enter the premises at reasonable times to carry out any building management or business purpose in or about the building, without any abatement of rent, so long as Tenant's possession is not unreasonably disturbed.

15. SIGNS:

Tenant shall not place or permit to be placed in, upon, about or outside the premises any sign, notice,

drapes, shutters, blinds or display of any kind, without the prior consent of Landlord.

16. HOLDING OVER:

This Lease shall terminate without further notice at the expiration of the Term. Any holding over shall not constitute a renewal or extension.

17. DESTRUCTION AND CONDEMNATION:

If all or any portion of the premises are condemned or are transferred in lieu of condemnation, Landlord or Tenant may, upon written notice given within sixty (60) days after the taking or transfer, terminate this Lease. Tenant shall not be entitled to share in any portion of the award, and Tenant expressly waives any right or claim to any part of the award. Tenant shall, however, have the right to claim and recover from the condemning authority only, but not from Landlord, any amounts necessary to reimburse Tenant for the cost of removing stock and fixtures.

18. INDEMNITY:

Tenant agrees to indemnify, hold harmless, and defend Landlord from any and all claims and liability of every kind, including court costs and attorney's fees, arising in any way from any occurrence on the premises, or related to the use or occupancy of the premises.

19. LANDLORD'S RIGHT TO PERFORM FOR TENANT:

If Tenant fails to perform any obligation under this Lease, Landlord shall be entitled to make reasonable expenditures to cause proper performance on Tenant's behalf and at Tenant's expense, and Tenant promises to reimburse Landlord for any expenditures within ten (10) days after written notice from Landlord requesting reimbursement, and failure of Tenant to make the reimbursement shall be deemed to be a default the same as a failure to pay an installment of rent when due. All obligations of Tenant to pay money are payable without abatement, deduction, or offset of any kind.

20. NOTICES:

Except as otherwise expressly provided by law, all notices or other communications required or permitted by this Lease or by law to be served on or given to either party to this Lease by the other party shall be in writing and shall be deemed served when personally delivered to the party to whom they are directed, or in lieu of the personal service, upon deposit in the United States Mail, certified or registered mail, return receipt requested, postage prepaid, addressed to the parties at:

Tenant: Humboldt County Department of Public Works – Facility Management
Attention: Thomas Mattson, Director
1106 Second Street
Eureka, California 95501

Landlord: DC & RC Properties, LLC
Attention: Dan Comer
P.O. Box 5868
Eureka, California 95502

21. ATTORNEY FEES:

In any action or proceeding by either party to enforce this Lease or any provision of this Lease, the prevailing party shall be entitled to recover reasonable attorney's fees and all other costs incurred.

As used herein, the term "prevailing party" means the party who dismisses an action in exchange for payment of substantially all sums allegedly due, performance of provisions allegedly breached, or other considerations substantially equal to the relief sought by said party, as well as the party in whose favor final judgment is rendered.

22. LEGAL EFFECT:

All obligations of Tenant are expressly made conditions of this Lease, any breach of which shall, at the option of Landlord, terminate this Lease.

23. INDEPENDENT CONSTRUCTION:

The titles of the sections and subsections set forth herein are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions of this Lease.

24. SUCCESSORS:

All provisions of this Lease shall be fully binding upon, and inure to the benefit of, the parties and to each of their heirs, executors, administrators, successors and permitted assigns.

25. WAIVER:

The waiver by either party of any breach of this Lease shall not be deemed a waiver of any such breach in the future, or of the breach of any other requirement of this Lease.

26. JANITORIAL SERVICES:

Tenant shall be responsible for providing, at its own expense, janitorial service within the premises.

27. AMENDMENT:

This Lease may be amended at any time during the term hereof upon the mutual consent of both parties. No alteration of this Lease shall be valid unless made in writing and signed by the parties.

28. TIME OF THE ESSENCE:

Time is of the essence in the performance of Tenant's obligations under the terms and conditions of this Lease.

29. SUBORDINATION:

This Lease, at Landlord's option, shall be subordinate to the lien of any first deed of trust or first mortgage subsequently placed upon the real property of which the premises are a part, and to any advances made on the security of the premises, and to all renewals, modifications, consolidations, replacements, and extensions; provided, however, that as to the lien of any deed of trust or mortgage, Tenant's right to quiet possession of the premises shall not be disturbed if Tenant is not in default and so long as tenant pays the rent and observes and performs all of the provisions of this Lease, unless this Lease is otherwise terminated pursuant to its terms. If any mortgagee, trustee, or ground landlord elects to have this Lease prior to the lien of a mortgage, deed of trust, or ground lease, and gives written notice to Tenant, this Lease shall be deemed prior to that mortgage, deed of trust, or ground lease, whether this Lease is dated prior or subsequent to the date of that mortgage, deed of trust, or ground lease or the date of recording.

30. NUCLEAR-FREE HUMBOLDT COUNTY ORDINANCE COMPLIANCE:

By executing this Lease, Landlord certifies that it is not a Nuclear Weapons Contractor, in that Landlord is not knowingly or intentionally engaged in the research, development, production or testing of nuclear warheads, nuclear weapons systems or nuclear weapons components as defined by the Nuclear-Free Humboldt County Ordinance. Landlord agrees to notify Tenant immediately if it becomes a Nuclear Weapons Contractor, as defined above. Tenant may immediately terminate this Lease if it determines that the foregoing certification is false or if Landlord subsequently becomes a Nuclear Weapons Contractor.

31. RELATIONSHIP OF THE PARTIES:

It is understood that this Lease is by and between two (2) independent entities and is not intended to, and shall not be construed to, create the relationship of agent, servant, employee, partnership, joint venture or any other similar association. Each party shall be responsible for the acts and omissions of its agents, officers, officials, employees and assignees.

32. GOVERNING LAW:

This Lease shall be governed by, and construed in accordance with, the laws of the State of California. Any dispute arising hereunder, or relating hereto, shall be litigated in the State of California and venue shall lie in the County of Humboldt unless transferred by court order pursuant to California Code of Civil Procedure Sections 394 or 395.

33. INTERPRETATION:

This Lease, as well as its individual provisions, shall be deemed to have been prepared equally by both parties hereto, and shall not be construed or interpreted more favorably for one (1) party on the basis that the other party prepared it.

34. PROVISIONS REQUIRED BY LAW:

This Lease is subject to any additional local, state and federal restrictions, limitations or conditions that may affect the terms of this Lease. This Lease shall be read and enforced as though all legally required provisions are included herein, and if for any reason any such provision is not included, or incorrectly stated, the parties agree to amend the pertinent section to make such insertion or correction.

35. REFERENCE TO LAWS, REGULATIONS AND STANDARDS:

In the event any law, regulation or standard referred to herein is amended during the term of this Lease, the parties agree to comply with the amended provision as of the effective date of such amendment.

36. SURVIVAL OF PROVISIONS:

Portions of this Lease are intended to survive any expiration or termination of this Lease. Accordingly, all provisions hereof which contemplated performance after any such event shall so survive, as shall all indemnity and restoration obligations, and the right to exercise remedies for default.

37. ENTIRE AGREEMENT:

This Lease contains all of the terms and conditions agreed upon by the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this Lease shall be deemed to exist or to bind either of the parties hereto. In addition, this Lease shall supersede in their entirety any and all prior agreements, promises, representations, understandings and negotiations between the parties, whether oral or written, concerning the same subject matter. Any and all acts which may have already been consummated pursuant to the terms and conditions of this Lease are hereby ratified.

38. COUNTERPART EXECUTION:

This Lease, and any amendments hereto, may be executed in one (1) or more counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one (1) and the same agreement. This Lease, and any amendments hereto, may be signed by manual or electronic signatures in accordance with any and all applicable local, state and federal laws, regulations and standards, and such signatures shall constitute original signatures for all purposes. A signed copy of this Lease, and any amendments hereto, transmitted by email or by other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Lease, and any amendments hereto, for all purposes.

39. AUTHORITY TO EXECUTE:


Each person executing this Lease represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Lease. Each party represents and warrants to the other that the execution and delivery of this Lease and the performance of such party's obligation hereunder have been duly authorized.

IN WITNESS WHEREOF, the parties have entered into this Lease as of the date first written above.

TWO SIGNATURES ARE REQUIRED FOR LIMITED LIABILITY COMPANIES PURSUANT TO THE CALIFORNIA CORPORATIONS CODE:

- (1) CHAIRPERSON OF THE BOARD, PRESIDENT, OR VICE PRESIDENT; AND
- (2) SECRETARY, CHIEF FINANCIAL OFFICER OR TREASURER; OR
- (3) ANY OTHER PROPERLY AUTHORIZED OFFICIAL OR EMPLOYEE.

DC & RC PROPERTIES, LLC:

By: 
Dan Comer, Manager

Date: 8/5/2022

By: 

Date: 8/5/22

COUNTY OF HUMBOLDT:

By: _____
Virginia Bass, Chair
Humboldt County Board of Supervisors

Date: _____

INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:

By: Phillips, Amanda Digitally signed by Phillips, Amanda
Date: 2022.08.05 11:17:55 -07'00'
Risk Management

Date: 08/05/2022