



COUNTY OF HUMBOLDT

AGENDA ITEM NO.
C15

For the meeting of: February 27, 2018

Date: January 23, 2018

To: Board of Supervisors

From: Connie Beck, Director
Department of Health and Human Services

Handwritten signature: Connie Beck 2/22/18

Subject: Lease at 930 Sixth Street, Eureka with California Newspaper Partnership

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve the Lease at 930 Sixth Street, Eureka with California Newspapers Partnership to extend the term for one year;
2. Authorize the Chair of the Board to execute the original Lease, in duplicate; and
3. Direct the Clerk of the Board to return one (1) original fully executed Lease to the Public Works – Real Property staff for transmittal to Lessor, retaining the other with meeting records.

SOURCE OF FUNDING:

Social Services Fund

DISCUSSION:

On December 16, 2003, the Department of Health and Human Services (DHHS) - Social Services entered into a lease with California Newspapers Partnership, Inc., for space at 930 Sixth Street, Eureka. The original term of the lease was through November 30, 2006 and provided the option to extend the lease upon

Prepared by Haley Schandelmier AAll

CAO Approval TLFR [Signature]

REVIEW: Auditor [Signature] County Counsel _____ Human Resources _____ Other _____

TYPE OF ITEM:
 Consent
 Departmental
 Public Hearing
 Other _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT
Upon motion of Supervisor Wilson Seconded by Supervisor Bass
Ayes Bass, Fennell, Sundberg, Bohn, Wilson
Nays _____
Abstain _____
Absent _____

PREVIOUS ACTION/REFERRAL:

Board Order No. C-8, C-12, D-24

Meeting of: 10/1/13, 9/1/2015, 9/20/16

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: 2/27/18
By: [Signature]
Kathy Hayes, Clerk of the Board

the same terms and conditions for two (2) one (1) year terms; each of these options was exercised.

On November 18, 2008, the Board approved the First Amendment to Lease to extend the term for three years through November 30, 2011 and provided the option to extend the lease upon the same terms and conditions for two (2) one (1) year terms; each of these options was exercised. On October 1, 2013 the Board approved the Second Amendment to Lease to extend the lease through November 30, 2015 with the option to extend the lease upon the same terms and conditions for two (2), one (1) year terms; each of these options was exercised. The lease expired on November 30, 2017. A new lease was developed to reduce the leased premises to approximately five thousand, six hundred and seven square feet (5,607 sf), adjust county's share of utility costs and monthly rental payment. The leased premises is reduced from Seven Thousand, Two Hundred and Sixty (7,260) square feet. The County is responsible to pay as its share, twelve percent (12%) of monthly utility charges for gas, electricity, water and sewer supplied to the premises. The utility share and rent were adjusted to reflect the reduced leased area.

The DHHS - Employment Training Division and DHHS - Outreach Services have utilized this location for staff and client services during the previous lease terms. Employment training services provided to the community are currently being relocated to 537 West Washington Street and 929 Koster Street for integrated services already provided at the two neighboring locations. Staff from the DHHS – Medical Records Division will be moved into the reduced office area as described in this Lease for 930 Sixth Street, and county public services will no longer be offered from this location.

California Newspapers Partnership business formation does not require a second signature for real estate agreements; only the Chief Executive Officer signature has been applied to the proposed Lease, in duplicate. DHHS recommends that the Board approves the Lease at 930 Sixth Street, Eureka with California Newspapers Partnership, a General Partnership, to extend the lease term for an additional year, with the option to extend the lease upon the same terms and conditions for an additional one (1) year term; authorizes the Chair of the Board to execute the original Lease, in duplicate; and directs the Clerk of the Board to return one (1) original, fully executed Lease to the Public Works-Real Property staff for transmittal to Lessor, retaining the other with meeting records.

FINANCIAL IMPACT:

Starting the first (1st) day of the month following approval of this Lease, rent will be Nine Thousand Two Hundred Seventy-one Dollars (\$9,271.00) per month or \$1.65 per square foot. This is reduced from the previous monthly rent amount of Eleven Thousand, Six Hundred Fifty-four Dollars and Twenty-seven Cents (\$11,654.27). Costs are included in the Fiscal Year 2017-2018 budget in Fund 1160, Budget Unit 511 and will be budgeted in subsequent fiscal years.

Mental Health will assume the lease and utility cost when Medical Records occupies the space. Lease expenditures will be paid from DHHS-Mental Health Administration budget unit 117-424. Funding sources include Federal Financial Participation or Medicaid services, Realignment and Mental Health Act. There will be no impact on the County General Fund.

Approving the Lease supports the Board's Strategic Framework by continuing to support business and workforce development opportunities and by creating opportunities for improved safety and health.

OTHER AGENCY INVOLVEMENT:

Public Works-Real Property staff

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to approve this Lease; however, this alternative is not recommended because the DHHS- Medical Records Division are being relocated to 930 Sixth Street due to outgrowing their current location.

ATTACHMENTS:

Lease for 930 Sixth Street, Eureka with California Newspapers Partnership, in duplicate.

LEASE

This Lease is made and entered into this 27 day of February, 2018, by and between the COUNTY OF HUMBOLDT, a political subdivision of the State of California, hereinafter referred to as COUNTY, and California Newspapers Partnership, a Delaware General Partnership, hereinafter referred to as LESSOR;

WHEREAS, COUNTY desires to lease premises for COUNTY offices and LESSOR desires to lease the premises described herein to COUNTY;

NOW, THEREFORE, it is mutually agreed as follows:

1. PREMISES

LESSOR leases to COUNTY and COUNTY leases from LESSOR the following described premises located in Eureka, County of Humboldt, State of California:

Approximately Five Thousand, Six Hundred and Seven (5,607) square feet of the building located at APN 001-202-001, commonly referred to as 930 Sixth Street, Eureka, California, as shown on Exhibit A, Sheets 1 and 2, which are attached hereto and made a part hereof.

2. USE OF PREMISES

The premises shall be used by COUNTY for county offices as determined by COUNTY. At the commencement of this Lease COUNTY intends to use the premises as office space for the Department of Health and Human Services.

3. QUIET ENJOYMENT

Subject to the provisions of this Lease and conditioned upon performance of all the provisions performed by COUNTY hereunder, LESSOR shall secure to COUNTY during the term the quiet and peaceful possession of the premises and all rights and privileges appertaining thereto.

4. TERM OF LEASE

A. The term of this Lease shall commence the first day of the month following the date indicated above and terminate the last day of the month of the date indicated above one (1) year thereafter.

B. COUNTY has the option to extend this Lease, upon the same terms and conditions for one (1) one (1) year option term. The option may be exercised by COUNTY giving LESSOR written notice of its intent to extend the Lease no less than one hundred twenty (120) days prior to the end of the initial term.

C. Any holding over with LESSOR'S consent beyond the term of this Lease shall be a month to month tenancy, with all the terms and conditions of this Lease.

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5. RENT

COUNTY shall pay to LESSOR as rent for the leased premises a monthly rental as follows:

Nine Thousand Two Hundred Seventy-one Dollars (\$9,271.00)

Rent shall be paid in advance on the first day of each month, except in the event that COUNTY'S occupancy shall commence on a day other than the first day of the month, the rent for the first partial month shall be prorated at one-thirtieth (1/30) of the rental rate for each calendar day the premises are ready for occupancy during such month.

6. BUILDING STANDARDS AND COMPLIANCE WITH LAWS

LESSOR covenants and warrants that the premises have been constructed and any remodeling done in accordance with all local, state and federal laws and regulations, including but not limited to, the Americans with Disabilities Act. LESSOR further agrees to comply with any federal, state or local licensing standards, any applicable accrediting standards, and any other applicable standards or criteria established locally or by the state or federal governments.

COUNTY shall have the right to terminate this Lease upon seven (7) days written notice if any of the above mentioned applicable laws, standards, or criteria are not complied with.

LESSOR shall supply and install fire extinguishers in compliance with current building and fire codes.

7. SMOKING

Pursuant to Humboldt County Code §971-1 et seq., COUNTY owned or leased premises are smoke free. LESSOR shall comply with said provision.

8. UTILITIES

LESSOR agrees to pay for refuse collection. COUNTY agrees to pay for its own document shredding service, if so desired.

COUNTY agrees to pay as its share, twelve percent (12%) of monthly utility charges for gas, electricity, water and sewer supplied to the premises. LESSOR agrees to submit to COUNTY, each bill with amount owed within thirty (30) days of LESSOR'S receipt. COUNTY agrees to pay its share of the utilities to LESSOR within thirty (30) days after receipt from LESSOR of each utility bill. COUNTY shall pay for its own telephone and data services.

9. JANITORIAL

LESSOR shall be responsible for janitorial services to the leased premises a minimum of

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two (2) non-successive days per week, Sunday through Thursday. Janitorial services shall include the following:

A. For all the premises excluding the restrooms, vacuum carpet and high vacuum for cobwebs, sweep and mop all tile/ vinyl floors, empty waste and change trash receptacle liners as needed. Dust and clean furniture (excluding personal desks), counters, ledges and other surfaces. Spot clean light switches, door frames and doors as needed.

For the restrooms, dust, mop floors, clean all sinks and mirrors, restock dispensers, clean toilets. COUNTY shall supply hand soap, paper towels, toilet paper and toilet seat liners (hereafter termed "disposable products") at its own cost, excepting that in the event that LESSOR leases vacant portions of the second floor of the building, whereby additional building tenants will use restrooms for which COUNTY supplies disposable products, LESSOR shall then provide disposable products at its own cost. LESSOR shall provide COUNTY thirty (30) days prior written notice if additional building tenants will be using the restrooms.

- B. Windows shall be cleaned three times a year, inside and out.
- C. Clean elevator as needed.
- D. Strip and wax tile floors twice a year, work to be done in approximately six months intervals.
- E. Sweep and mop back stairwell, clean handrail, spot clean door frames and doors.

10. MAINTENANCE AND REPAIRS

During the term of this Lease or any extension thereof, LESSOR shall maintain the premises in good repair and tenantable condition so as to minimize breakdowns and loss of COUNTY'S use of the premises caused by deferred or inadequate maintenance. LESSOR shall be responsible for all maintenance and repairs to the premises including, but not limited to, the interior and exterior of the building, landscaping, parking lot, HVAC Unit, fire extinguishers, and window glass, except for the following:

- A. Any repairs caused by negligence of COUNTY personnel.
- B. Any repairs to phone system, computers, or security system or installation thereof.

The HVAC system shall be maintained and operated by LESSOR to provide at least the quantity of outdoor air required by the State Building Standards Code, Title 24, California Administrative Code, in effect at the time the building permit was issued.

The HVAC system shall be inspected each year by a qualified inspector. LESSOR shall notify COUNTY when the inspection shall occur. LESSOR shall provide COUNTY with a copy

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of the inspection report within two (2) days of receipt by LESSOR. LESSOR shall correct any problems found during the inspection within ten (10) days of the date of the inspection.

LESSOR shall change the HVAC filters quarterly.

LESSOR shall clean the HVAC vents quarterly.

LESSOR shall service fire extinguishers at least annually and as requested by COUNTY if more frequent service is needed.

LESSOR shall have ten (10) days after notice from COUNTY to commence to perform its obligations under this paragraph (10), except that LESSOR shall perform its obligations immediately if the nature of the problem presents a material hazard or emergency as determined by COUNTY. If LESSOR does not perform its obligations within the time limitations in this paragraph, COUNTY, after notice to LESSOR, can perform the obligations and has the right to be reimbursed for the sum COUNTY actually and reasonably expends (including charges for COUNTY employees and equipment) in the performance of LESSOR'S obligations. If LESSOR does not reimburse COUNTY within ten (10) days after demand from COUNTY, COUNTY shall have the right to withhold from future rent due the sum COUNTY has expended until COUNTY is reimbursed in full. Any notice or demand concerning a material hazard or emergency may be made orally, by telephone or otherwise, provided that written confirmation is given within two (2) days after the oral notice or demand is made. Such confirmation shall be made as provided in paragraph 27, "NOTICE".

11. SECURITY SYSTEM ALARM RESPONSE FEES

LESSOR shall be responsible for the payment of security system response fees and charges resulting from LESSOR, LESSOR'S employees, agents or invitees, setting off the alarm.

If COUNTY at any time, by reason of LESSOR'S, LESSOR'S employees, agents or invitees conduct, pays the security alarm cost fees, the sum paid by COUNTY shall be due from LESSOR to COUNTY within five (5) days of notice of such sum, and if paid at a later date shall bear interest at the maximum rate COUNTY is permitted by law to charge from the date the sum is paid by COUNTY until COUNTY is reimbursed by LESSOR. If LESSOR fails to reimburse COUNTY as required by this paragraph, COUNTY shall have the right to withhold from future rent due the sum COUNTY has expended until COUNTY is reimbursed in full for the sum and interest on it. The remedies set forth in this paragraph are in addition to and do not in any manner limit other remedies set forth in particular paragraphs of this Lease.

12. IMPROVEMENTS AND ALTERATIONS

A. COUNTY may make non-structural alterations or improvements to the premises to accommodate COUNTY'S use of the premises. However, COUNTY shall not make any alterations or improvements to the leased premises without the prior written consent of LESSOR.

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Such consent shall not be unreasonably withheld.

COUNTY, at its own cost, may install in the premises the equipment needed for telecommunication system and computer terminals including, but not limited to, the following:

- i. Telephone cable;
- ii. Key system units;
- iii. Intercom system;
- iv. Telephones;
- v. Answering machines; and
- vi. Security system.

Upon termination of the Lease, COUNTY shall have the right to remove from the premises any such equipment installed by COUNTY.

B. LESSOR shall, at its own cost, install new single action lock door handles in the COUNTY'S leased premises. COUNTY shall, at its own cost, install a master key system within the leased premises. These improvements shall be made in a coordinated effort by both parties, to be completed no later than February 28, 2018.

13. INSTALLATION AND REMOVAL OF TRADE FIXTURES

COUNTY may cause or permit to be installed and/or affixed to the premises such fixtures, signs and equipment as COUNTY deems desirable and all such fixtures, signs and equipment shall remain the property of COUNTY and may be removed at any time provided that COUNTY, at its expense, shall repair any damage caused by reason of such removal. All such fixtures, signs and equipment that are exterior to the building shall be approved by LESSOR.

14. COUNTY'S RIGHT TO ERECT SIGNS

COUNTY shall have the exclusive right to erect and maintain upon the leased premises all signs that it deems appropriate. LESSOR agrees that no signs or advertising matter of any nature other than COUNTY'S shall be permitted upon any of the leased premises. LESSOR shall cooperate with COUNTY in obtaining any variances from restrictions placed on the use of signs by local authorities. LESSOR and COUNTY shall mutually agree as to the location, size, and style of any signs.

15. REAL PROPERTY TAXES

LESSOR shall pay all real property taxes and general and special assessments levied and assessed against the premises.

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16. HOLD HARMLESS AND INDEMNIFICATION

COUNTY agrees to indemnify and hold harmless, and at its own risk, cost and expense, defend LESSOR from and against any and all liability expenses, including defense costs, legal fees, and claims for damages arising from COUNTY'S negligence, intentional acts, or breaches of this Lease. Indemnification with respect to defense costs shall be made at the time LESSOR incurs such costs.

LESSOR agrees to indemnify and hold harmless and, at its own risk, cost, and expense, defend COUNTY, its Board of Supervisors, officers, agents, and employees from and against any and all liability expenses, including defense costs, legal fees, and claims for damages arising from LESSOR'S negligence, intentional acts, or breaches of this Lease. Indemnification with respect to defense costs shall be made at the time COUNTY incurs such costs.

17. COUNTY'S INSURANCE

Without limiting COUNTY'S indemnification provided herein, COUNTY shall take out and maintain, throughout the period of this Lease, the following policies of insurance placed with insurers with a current A.M. Bests rating of no less than A:VII or its equivalent against injury/death to persons or damage to property which may arise from or in connection with the activities hereunder of COUNTY, its agents, employees, or sublessees:

A. Comprehensive/Liability Insurance

Comprehensive or Commercial General Liability Insurance at least as broad as Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001), in an amount of \$1,000,000 per occurrence. If a general aggregate limit is used, either the general aggregate limit shall apply separately to this project or the general aggregate shall be twice the required occurrence limit. Said policy shall contain, or be endorsed with, the following provisions:

(1) LESSOR, its officers, employees and agents, are covered as additional insured for liability arising out of the operations performed by or on behalf of COUNTY. The coverage shall contain no special limitations on the scope of protection afforded to LESSOR, its officers, agents, and employees.

(2) The policy shall not be canceled or materially reduced in coverage without thirty (30) days prior written notice (10 days for non-payment of the premium) to LESSOR by certified mail.

(3) The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the insurer's liability.

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(4) For claims related to this project, COUNTY'S insurance is primary coverage to LESSOR, and any insurance or self-insurance programs maintained by LESSOR are excess to COUNTY'S insurance and will not be called upon to contribute with it.

(5) Any failure to comply with reporting or other provisions of the parties, including breach of warranties, shall not affect coverage provided to LESSOR, its officers, employees, and agents.

B. Property Insurance

COUNTY agrees to provide an all-risk property insurance for the contents of the property through COUNTY'S property insurance.

C. By its signature hereunder, COUNTY certifies that COUNTY is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and COUNTY will comply with such provisions in connection with any work performed on the premises. Any persons providing services with or on behalf of COUNTY shall be covered by workers' compensation (or qualified self-insurance).

18. LESSOR'S INSURANCE

This Lease shall not be executed by COUNTY and LESSOR is not entitled to any rights, unless certificates of insurances, or other sufficient proof that the following provisions have been complied with, and such certificate(s) are filed with the Clerk of the Humboldt County Board of Supervisors.

Without limiting LESSOR'S indemnification provided herein, LESSOR shall take out and maintain, throughout the period of this Lease, the following policies of insurance placed with insurers with a current A.M. Best's rating of no less than A:VII or its equivalent against injury/death to persons or damage to property which may arise from or in connection with the activities hereunder of LESSOR, its agents, employees or sublessors:

A. Comprehensive or Commercial General Liability Insurance at least as broad as Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001), in an amount of \$1,000,000 per occurrence. If work involves explosive, or collapse risks, XCU must be included. If a general aggregate limit is used, either the general aggregate limit shall apply separately to this project or the general aggregate shall be twice the required occurrence limit. Said policy shall contain, or be endorsed with, the following provisions:

(1) COUNTY, its officers, employees and agents, are covered as additional insured for liability arising out of the operations performed by or on behalf of LESSOR. The coverage shall contain no special limitations on the scope of protection afforded to COUNTY, its officers, agents, and employees.

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(2) The policy shall not be canceled or materially reduced in coverage without thirty (30) days prior written notice (10 days for non-payment of the premium) to COUNTY by certified mail.

(3) The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the insurer's liability.

(4) For claims related to this project, LESSOR'S insurance is primary coverage to the COUNTY, and any insurance or self-insurance programs maintained by COUNTY are excess to LESSOR'S insurance and will not be called upon to contribute with it.

(5) Any failure to comply with reporting or other provisions of the parties, including breach of warranties, shall not affect coverage provided to COUNTY, its officers, employees, and agents.

B. Workers' Compensation insurance meeting statutory limits of the California Labor Code which policy shall contain or be endorsed to contain a waiver of subrogation against COUNTY, its officers, agents, and employees and provide for thirty (30) days prior written notice in the event of cancellation. If LESSOR has no employees, LESSOR may sign and file the following certification in lieu of insurance:

"I am aware of the provisions of the California Labor Code Section 3700 which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with provisions of that code before commencing with and during the performance of the work of this contract."

C. LESSOR is responsible for providing "All-Risk" Property Insurance for this location.

D. COUNTY reserves the right to obtain complete copies of the original insurance policies, if the County Risk Manager desires to do so.

E. If LESSOR does not keep the above mentioned insurance in full force and effect during the life of this Lease, COUNTY, at LESSOR'S expense, may elect to purchase the necessary insurance, and LESSOR agrees to pay the cost of said insurance or, in the alternative, COUNTY may elect to treat the failure to maintain requisite insurance as a breach of contract and terminate the Lease as provided herein.

F. Should LESSOR subcontract any portion of the work to be performed under this Lease, said subcontractor shall be required by LESSOR to:

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(1) Enter into a written contract with LESSOR acknowledging that no employee/employer relationship exists between LESSOR and subcontractor and that no Workers' Compensation, unemployment benefits or other personnel benefits are required by or available to subcontractor through LESSOR or COUNTY.

(2) Hold harmless and to indemnify, defend and save harmless LESSOR and COUNTY, its officers, agents and employees, from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, materialmen, laborers and any other person, firm or corporation furnishing or supplying work, services, materials, or supplies who may be injured or damaged by subcontractor in connection with the performance of this Lease.

19. PARKING

Leased premises includes twenty (20) off-street parking spaces which are included in the rent in Clause 5 of this Lease. LESSOR shall be responsible for all maintenance and repair of the parking lot.

20. DESTRUCTION OF PREMISES

In the event the premises are destroyed in whole or in part by fire or other casualty to the extent that they are substantially unusable, COUNTY reserves the right to forthwith terminate this Lease upon written notice within seven (7) days following the date of loss.

If such casualty occurs and a portion of said premises is still usable by COUNTY, the rent shall be prorated on a square footage basis of usable space until the premises are restored to their original condition. Payment of prorated rent shall not constitute a waiver of COUNTY'S right to terminate this Lease as provided in this paragraph (20).

In the event that the premises are destroyed in whole or in part by fire or other casualty, and the cost of restoring the same exceeds the then remaining rental for the unused portion of the term of this Lease, LESSOR shall have the option to rebuild or to terminate this Lease. Such option shall be exercised by LESSOR by notice in writing to COUNTY within seven (7) days following the date of loss. LESSOR'S option to rebuild shall not constitute a waiver of COUNTY'S right to terminate this Lease, as provided in this paragraph (20).

21. USE UNLAWFUL OR PREMISES CONDEMNED

If it becomes unlawful for COUNTY to conduct its intended operations on the premises, or if a portion of the premises or approaches thereto is condemned by public authority so that it becomes impossible to use the premises, or if any highway or street change is made diverting or re-routing traffic away from the premises so that the premises become impossible to use, COUNTY shall have the right at any time thereafter to terminate this Lease by giving LESSOR seven (7) days notice in writing of such termination.

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22. PREMISES UNUSABLE

If as a result of causes, such as flood, strikes, riots, insurrection, or other similar or different causes beyond the control of LESSOR, the premises shall become unusable from a practical standpoint for a period of ten (10) consecutive days or longer, then COUNTY may: (1) terminate the Lease upon seven (7) days written notice to LESSOR, (2) by notice in writing to LESSOR prorate the rent for the period of time the premises are unusable from a practical standpoint or (3) by notice in writing to LESSOR at any time prior to the date when this Lease would otherwise terminate, further extend this Lease without the requirement of the payment of rent for the period of time which the premises were unusable from a practical standpoint. The remedies set forth in this paragraph are in addition to and do not in any manner limit other remedies set forth in particular paragraphs of this Lease.

23. NUCLEAR FREE CLAUSE

LESSOR certifies by its signature below that LESSOR is not a nuclear weapons contractor, in that LESSOR 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. LESSOR agrees to notify COUNTY immediately if it becomes a nuclear weapons contractor, as defined above. COUNTY may immediately terminate this Lease if it determines that the foregoing certification is false or if LESSOR becomes a nuclear weapons contractor.

24. LESSOR DEFAULT

LESSOR shall be in default of this Lease if it fails or refuses to perform any material provision of this Lease that it is obligated to perform if the failure to perform is not cured within ten (10) days after written notice of the default has been given by COUNTY to LESSOR. If the default cannot reasonably be cured within ten (10) days, LESSOR shall not be in default of this Lease if LESSOR commences to cure the default within the ten (10) day period and diligently and in good faith continues to cure the default.

25. COUNTY'S REMEDIES ON LESSOR'S DEFAULT

COUNTY, at any time after LESSOR is in default, can terminate this Lease or can cure the default at LESSOR'S cost. If COUNTY at any time, by reason of LESSOR'S default, pays any sum or does any act that requires the payment of any sum, the sum paid by COUNTY shall be due from LESSOR to COUNTY within five (5) days of notice of such sum, and if paid at a later date shall bear interest at the maximum rate COUNTY is permitted by law to charge from the date the sum is paid by COUNTY until COUNTY is reimbursed by LESSOR. If LESSOR fails to reimburse COUNTY as required by this paragraph, COUNTY shall have the right to withhold from future rent due the sum COUNTY has expended until COUNTY is reimbursed in full for the sum and interest on it. The remedies set forth in this paragraph are in addition to and do not in any manner limit other remedies set forth in particular paragraphs of this Lease.

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26. TERMINATION

COUNTY reserves the right to terminate this Lease, upon seven (7) days written notice, for any cause or reason provided by the Lease itself, or by law, or upon the happening of one or more of the following:

- A. The making by LESSOR of any general assignment for the benefit of creditors.
- B. The failure of LESSOR to pay promptly when due all charges, fees, or other payments in accordance with this Lease.
- C. The failure of LESSOR to remedy any default, breach, or violation of county, municipal, federal and/or state laws or regulations by LESSOR or its employees.
- D. The violation of any of the provisions of this Lease.
- E. The building becomes damaged due to fire, flood, earthquake, or any other natural disaster.
- F. Intentionally supplying COUNTY with false or misleading information or misrepresenting any material fact on its application or documents or in its statement to or before COUNTY, or intentional failure to make full disclosure on its financial statement or other documents.

27. NOTICE

Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the respective addresses set forth below. Notice shall be deemed communicated two (2) County working days from time of mailing if mailed as provided herein.

LESSOR: California Newspapers Partnership, Inc.
Times Standard Newspaper
930 Sixth Street
Eureka, CA 95501

COUNTY: County of Humboldt
Real Property Division
1106 Second Street
Eureka, CA 95501

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28. ASSIGNMENT

This Lease shall not be assigned by either party without the written consent of the other party. Such consent shall not be unreasonably withheld.

29. LEASE MODIFICATION

This Lease may be modified only by subsequent written agreement signed by COUNTY and LESSOR.

30. LESSOR NOT OFFICER, EMPLOYEE, OR AGENT OF COUNTY

While engaged in carrying out and complying with the terms and conditions of this Lease, LESSOR is an independent contractor and not an officer, employee, or agent of COUNTY.

31. ATTORNEYS' FEES

If either party shall commence any legal action or proceeding, including an action for declaratory relief, against the other by reason of the alleged failure of the other to perform or keep any provision of this Lease to be performed or kept, the party prevailing in said action or proceeding shall be entitled to recover court costs and reasonable attorneys' fees (including reasonable value of services rendered by County Counsel) to be fixed by the court, and such recovery shall include court costs and attorneys' fees (including reasonable value of services rendered by County Counsel) on appeal, if any. As used herein, "the party prevailing" means the party who dismisses an action or proceeding 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.

32. WAIVER OF BREACH

The waiver by COUNTY of any breach of any provisions of this Lease shall not constitute a continuing waiver of any subsequent breach of the same or a different provision of this Lease.

33. BREACH, REMEDY FOR

In the event of breach of this Lease by LESSOR or COUNTY, COUNTY and/or LESSOR shall have all rights and remedies provided by law.

34. SURRENDER OF PREMISES

At the termination of this Lease, COUNTY shall surrender the premises to LESSOR in good condition and repair, except for normal wear and tear. COUNTY shall be under no

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obligation to repair or restore the whole or any portion of the premises which may be damaged by reason of fire, earthquake, the elements or other casualty.

35. BINDING EFFECT

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, successors, and assigns.

36. JURISDICTION AND APPLICABLE LAWS

This Lease shall be construed under the laws of the State of California. Any dispute arising hereunder or relating to this Lease shall be litigated in the State of California and venue shall lie in the County of Humboldt.

37. INTERPRETATION

As this Lease was jointly prepared by both parties, the language in all parts of this Lease shall be construed, in all cases, according to its fair meaning, and not for or against either party hereto.

38. PREMISES INSPECTION BY CERTIFIED ACCESS SPECIALIST

The premises have not undergone inspection by a Certified Access Specialist.

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.

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LEASE

IN WITNESS WHEREOF, this Lease has been executed by the parties hereto upon the date first written above.

COUNTY OF HUMBOLDT:

LESSOR: CALIFORNIA NEWSPAPER PARTNERSHIP

BY:


CHAIRMAN *Ryan Sundberg*
BOARD OF SUPERVISORS

BY:



TITLE:

CEO - CNP

ATTEST:

(SEAL)

BY:



CLERK OF THE BOARD
Ryan Sharp, Deputy

EXHIBIT A, SHEET 1

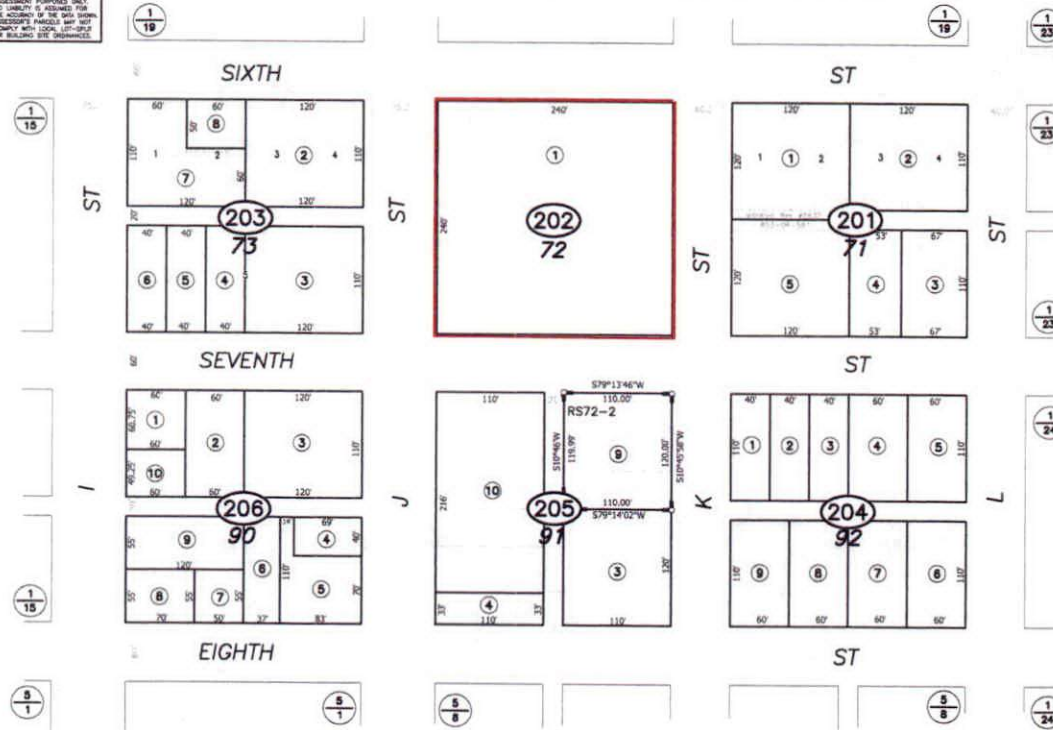
ASSESSOR'S PARCEL MAP

Assessor's Map Bk. 1, Pg. 20
County of Humboldt, CA.

CITY OF EUREKA

1-20

NOTE - Assessor's Block Numbers Shown in Ellipses.
Assessor's Parcel Numbers Shown in Small Circles



RS, BK 72 of Survey, Pg 2

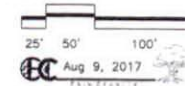
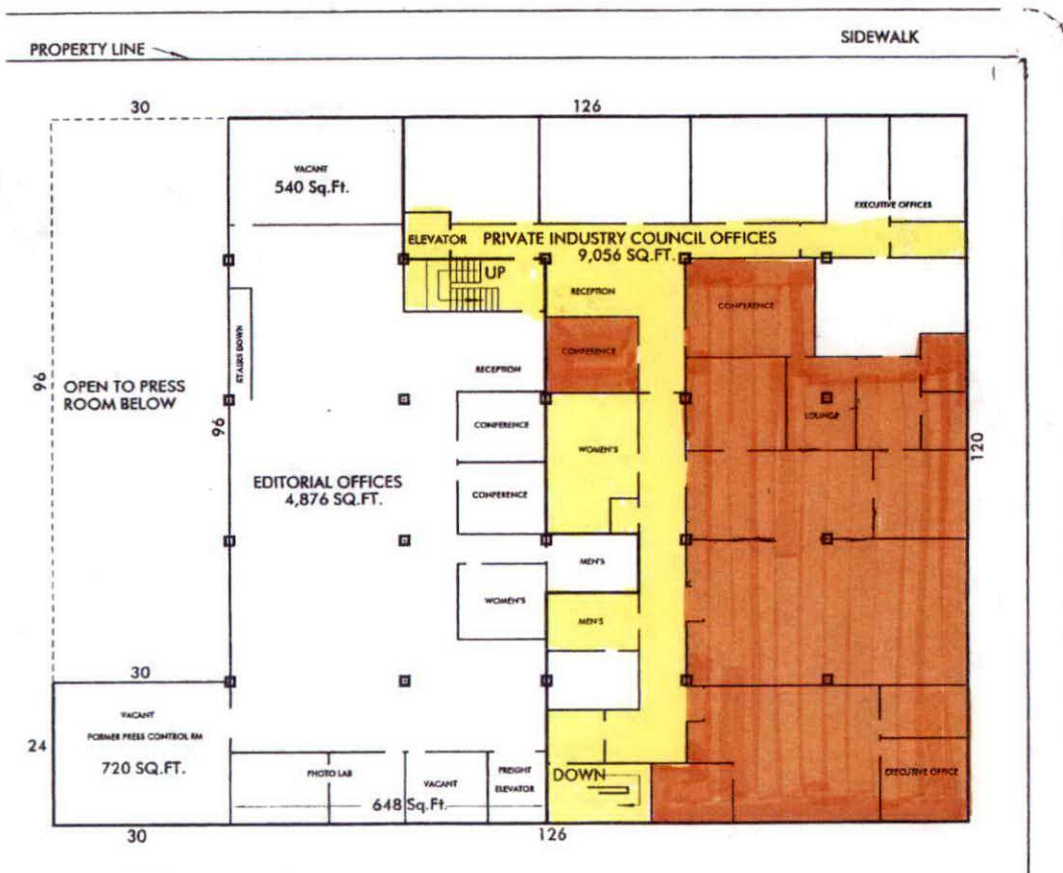


EXHIBIT A, SHEET 2

COUNTY'S LEASED PREMISES ON SECOND FLOOR OF 930 SIXTH STREET

SIXTH STREET



Common area

Exclusive COUNTY USE

DESCRIPTION	SQ. FT.
OFFICE SPACE (PRIVATE IND. COUNC.)	7,962
COMMON AREAS - P.I.C.	1,094
WINDOWLESS OFFICES (EDITORIAL)	4,230
COMMON AREAS - EDITORIAL	646
UNFINISHED/VACANT PRODUCTION	1,908
TOTAL GROSS AREA, SECOND FLOOR	15,840

NORTH ^

SECOND FLOOR