

**COUNTY OF HUMBOLDT**

For the meeting of: February 6, 2018

Date: January 8, 2018
To: Board of Supervisors
From: William F. Honsal, Sheriff
Subject: Amendment #1 to Lease at 1608 Pickett Road, McKinleyville for the Period
March 1, 2018 through February 28, 2021

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve the Amendment #1 to the lease with McKinleyville Community Services District (MCSD), lessor, for the facility located at 1608 Pickett Road, McKinleyville, for the period March 1, 2018 to February 28, 2021 for the purpose of continuation of the McKinleyville law enforcement facility; and
2. Authorize the Board of Supervisors Chair to sign the Amendment #1 to lease, in duplicate (Attachment 1); and
3. Direct the Clerk of the Board to return two copies of the executed Amendment #1 to lease to the Real Property Agent for transmittal to lessor; and

(continued)

Prepared by Norma S. Lorenzo, Deputy Director Sheriff/AdminCAO Approval [Signature]REVIEW: Auditor KPD County Counsel _____ Human Resources _____ Other [Signature]

TYPE OF ITEM:

☒ Consent
☐ Departmental
☐ Public Hearing
☐ Other _____

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

Abstain _____

Absent _____

And carried by those members present, the Board hereby
approves the recommended action
contained in this report.Dated: 2/6/18By: [Signature]
Kathy Hayes, Clerk of the Board

PREVIOUS ACTION/REFERRAL:

Board Order No. C-13Meeting of: February 10, 2015

4. Direct the Real Property Agent to return one fully executed Amendment #1 to lease to the Clerk of the Board to complete minutes records.

SOURCE OF FUNDING:

Sheriff's Operations Budget 1100221 for Fiscal Year 2017-18

DISCUSSION:

The County has leased the building at 1608 Pickett Road from MCSD for a law enforcement facility since 1999. The current lease became effective March 1, 2015 and expires on February 28, 2018. The county proposes Amendment #1 (Attachment 1) to the original 2015 lease (Attachment #2) to extend the lease for an additional three (3) year term through February 28, 2021.

Effective in commercial lease agreements executed on or after January 1, 2017, the State of California Civil Code Section 1938 requires commercial premises to have undergone an inspection by a Certified Access Specialist (CASp) to ensure compliance with all Americans with Disability Act (ADA) accessibility guidelines. A complete CASp inspection has not been done on the subject property, however, the county's independent licensed architect will conduct a complete inspection.

MCSD and the Sheriff agreed that it would benefit the community to provide crews to perform maintenance and upkeep to MCSD properties. The Sheriff's Office will continue to provide two Sheriff's Work Alternative Program (SWAP) crews each week throughout the term of the lease. The rental rate paid by lessee is calculated to reflect maintenance work provided by SWAP.

FINANCIAL IMPACT:

Funds to cover the cost of leasing the law enforcement facility at 1608 Pickett Road have been included in the Sheriff's Office approved budget for FY2017-18 in budget unit 1100221-2121 Rent & Lease – Structures, Sheriff's Operations Budget

Lease payments for the term of the lease are calculated to reflect the maintenance work provided by SWAP and will be one hundred eighty-one dollars (\$181.00) for a total of \$2,172 annually beginning March 1, 2018 and extending for the term of the lease. Section 4.1 of the lease amendment allows lessor to evaluate the lease payment annually, with any rate increase based on the Consumer Price Index (CPI) published by the United States Department of Labor, Bureau of Labor Statistics.

Approval of the real property lease Amendment #1 for the McKinleyville station complies with the Board of Supervisors' Strategic Framework Plan by allowing the Sheriff to better enforce laws and regulations to protect the residents of the north county area, by providing community-appropriate levels of service.

OTHER AGENCY INVOLVEMENT:

Department of Public Works Real Property

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could deny approval of the lease with MCSD for the period of March 1, 2018 through February 28, 2021, however, this is not recommended as it would require the Sheriff's Office to expend additional resources procuring a suitable location for the McKinleyville law enforcement station.

ATTACHMENTS:

- | | |
|--------------|---|
| Attachment 1 | Amendment #1 to Lease with McKinleyville Community Services District for 1608 Pickett Road, McKinleyville |
| Attachment 2 | Lease with McKinleyville Community Services District for 1608 Pickett Road, McKinleyville |

ATTACHMENT 1

Amendment #1 to Lease with McKinleyville Community Services District
for 1608 Pickett Road, McKinleyville

AMENDMENT TO LEASE

This First Amendment to the Lease entered into on February 25, 2015, by and between the COUNTY OF HUMBOLDT, a political subdivision of the State of California, hereinafter called LESSEE, and MCKINLEYVILLE COMMUNITY SERVICES DISTRICT (MCSD), a special district of the County of Humboldt, State of California, hereinafter called LESSOR, is entered into this 7th day of February, 2018.

WHEREAS, the parties entered into a Lease for the use of the premises at 1608 Pickett Road, McKinleyville for the purpose a law enforcement facility; and

WHEREAS, LESSEE and LESSOR desire to extend the term of the Lease until February 28, 2021; and

WHEREAS, LESSEE and LESSOR desire to adjust the rent for the extended term to reflect adjustments based on the Consumer Price Index; and

WHEREAS, California Civil Code section 1938 requires commercial property owners to state on every lease executed on or after January 1, 2017, whether or not the subject premises have undergone inspection by a Certified Access Specialist (CASp), and the parties wish to comply with this requirement;

NOW, THEREFORE, it is mutually agreed as follows:

1. Section 3.1, Term, of this Lease shall be amended to read as follows:

This Lease shall be extended for a term of three (3) years commencing on March 1, 2018 "Commencement Date," and ending at midnight on February 28, 2021, ("Termination Date").

2. Section 4.1, Rent, of this Lease shall be amended to read as follows:

LESSEE shall pay rent to LESSOR in the minimum sum of One Hundred Eighty-One Dollars and Zero Cents (\$181.00) per month throughout the term of this Lease. This amount is due and payable on the Tenth (10th) day of each month of occupancy. This monthly rent amount will be re-evaluated by LESSOR and may be increased at LESSOR'S sole discretion annually, but in no event decreased, on February 1 of each year during the term of this Lease based on the percentage increase (if any) in the Consumer Price Index (CPI) for all items (1982-84 =100), U.S. City Average, West Cities B-C, as published by the United States Department of Labor, Bureau of Labor Statistics (called "the Index" in this Lease) for the prior calendar year. In calculating this percentage increase, the most current Index available on the date of commencement of the prior term and the most current Index available immediately preceding the date of annual adjustment during the extended term shall be used. In the event the Index is either unavailable, is no longer published, or is calculated on a significantly different basis following the date of this Lease, the most comprehensive official Index published which most closely approximates the rate of inflation shall be substituted in place of the Index. November shall be the base month for this adjustment. On adjustment of the rent in accordance with this section, LESSEE shall execute a letter stating the adjustment. In no event shall the rent be less than Hundred Eighty-One Dollars and Zero Cents (\$181.00) per month. Regardless of the CPI percentage change, the increase shall

AMENDMENT TO LEASE

be no more than three percent (3%) annually.

3. Section 12.13, Premises Inspection By Certified Access Specialist, shall be added to the Lease, to read as follows:

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.

4. In all other respects, the Lease between the parties entered into on February 25, 2015, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Lease dated February 25, 2015, on the date indicated above.

LESSEE: COUNTY OF HUMBOLDT

**LESSOR: MCKINLEYVILLE
COMMUNITY SERVICES DISTRICT**

BY:


CHAIR, Ryan Sundberg
BOARD OF SUPERVISORS

BY:


David R. Louch

ATTEST:

TITLE:

Board President

(SEAL)

BY:


GREGORY P. ORSINI

TITLE:

GENERAL MANAGER

BY:


CLERK OF THE BOARD

Ryan Sharp, Deputy Clerk of the Board

ORIGINAL

LEASE

Effective this 1st day of March 2015, the MCKINLEYVILLE COMMUNITY SERVICES DISTRICT (MCSD), herein called "Lessor," hereby leases to COUNTY OF HUMBOLDT, herein called "Lessee," the Premises located at 1608 Pickett Road, as described herein, on the following terms and conditions:

ARTICLE 1. LEASED PREMISES

Description of Premises. A description of the leased premises (herein "Premises"), located in the County of Humboldt, State of California, is described as Parcel B on Exhibit A, attached hereto, and includes that Parcel, and all improvements thereon.

ARTICLE 2. PARKING AREA USE

Non-Exclusive Parking Rights. Lessee shall have the non-exclusive right to use, consistent with the defined use of the Premises, the parking area(s), (herein called "Parking Area") described as Parcel A on Exhibit A, attached hereto.

ARTICLE 3. TERM OF LEASE

- 3.1 Term. This Lease shall be for a term of three (3) years commencing on March 1, 2015 ("Commencement Date"), and ending at midnight on February 28, 2018, ("Termination Date").
- 3.2 Renewal. At the conclusion of the term of this Lease or earlier if requested by either Lessor or Lessee, Lessor and Lessee agree to discuss and negotiate terms and conditions of a lease extension or renewal, without any express or implied obligations on the part of either to reach agreement on any such lease extension or renewal.

- 3.3 Hold Over. Should Lessee hold over and continue in possession of said Premises after expiration of the term of this Lease, Lessee's continued occupancy of said Premises shall be considered a month-to-month tenancy subject to all terms and conditions of this Lease except that Lessor may terminate Lessee's hold over tenancy upon 30 days written notice.

ARTICLE 4. RENT

- 4.1 Rent. Lessee shall pay rent to Lessor in the minimum sum of One Hundred Seventy-Three Dollars and Two Cents (\$173.02) per month throughout the term of this Lease. This amount is due and payable on the Tenth (10th) day of each month of occupancy. This monthly rent amount will be re-evaluated by Lessor and may be increased at Lessor's sole discretion annually, but in no event decreased, on February 1 of each year during the term of this Lease based on the percentage increase (if any) in the Consumer Price Index in an amount not to exceed 3% per year for all items (1982-84 =100), U.S. City Average, West Cities B-C, as published by the United States Department of Labor, Bureau of Labor Statistics (called "the index" in this Lease) for the prior calendar year. In calculating this percentage increase, the most current Index available on the date of commencement of the prior term and the most current Index available immediately preceding the date of annual adjustment during the extended term shall be used. In the event the Index is either unavailable, is no longer published, or is calculated on a significantly different basis following the date of this Lease, the most comprehensive official Index published which most closely approximates the rate of inflation shall be substituted in place of the Index. November shall be the base month for this adjustment. On adjustment of the rent in accordance with this section, LESSEE shall execute a letter stating the adjustment. In no event shall the rent be less than One Hundred Seventy Three Dollars and Two Cents (\$173.02) per month. Regardless of the CPI percentage change, the increase shall be no more than three percent (3%) annually.

- 4.2 Lessee shall provide a minimum of two (2) to a maximum of six (6) Sheriff's Work Alternative Program (SWAP) SWAP crew members to Lessor each week as participant levels allow. Each crew member shall work a minimum of six (6) hours for each day assigned. SWAP participants shall be assigned to Lessor and report to the Lessor's Supervisor on the day they are assigned. Lessor's staff shall maintain written records of each SWAP participant's work record and send copies of the records on a weekly basis to the Humboldt County Sheriff's Office, Custody Services Division, SWAP Supervisor, at 825 Fifth Street, Eureka CA 95501.

ARTICLE 5. USE OF PREMISES

- 5.1 Use. Said Premises shall, during the term of this Lease and any extensions thereof, be used as a law enforcement facility and for uses normally incident to such purposes, and for no other purpose. Said uses shall comply with all applicable zoning requirements and permit procedures.
- 5.2 Covenant of Continuing Use. Lessee shall not leave the Premises unoccupied or vacant, and must continuously occupy the Premises during the entire term of this Lease. Lessee shall actively conduct on the Premises the public services described herein. This provision shall not obligate the Lessee to provide 24-hour law enforcement service, but only to provide more or less day-to-day services continuously during the term of the Lease and any renewal or extension thereof, with specific hours of operation to be determined by the Lessee.
- 5.3 Waste or Nuisance. Lessee shall not commit or permit the commission by others of any waste on said Premises; Lessee shall not maintain, commit, or permit the maintenance or commission of any nuisance as defined in Section 3479 of the California Civil Code on said Premises; and Lessee shall not use or permit the use of said Premises for any unlawful purpose.

- 5.4 Compliance With Law. Lessee shall comply with all statutes, ordinances, regulations, and requirements of all governmental entities, federal, state, county or municipal, relating to Lessee's use and occupancy of said Premises whether such statutes, ordinances, regulations, and requirements be now in force or hereinafter enacted. Lessee's obligations shall include, without limitation, all alterations and modifications of the Premises required to enable Lessee to continue its use thereof for the purposes provided in the Lease. Costs and expenses necessary for such compliance shall be the responsibility of Lessee except for necessary costs or expenses incurred in major alteration or modification of the primary structure of the Premises' building, including the foundation, walls and roof, which shall be the responsibility of Lessor, and Lessor shall be fully responsible for making alterations and modifications to the Premises which may be required as a result of changes in the law.

ARTICLE 6. UTILITIES

Payment of Utility Charges. Lessee shall pay, and hold Lessor and the property of Lessor free and harmless from all charges for the furnishing of gas, water, electricity, telephone service, other public utilities to said Premises, and for the removal of garbage and rubbish from said Premises during the term of this Lease or any extension thereof.

ARTICLE 7. ALTERATIONS AND REPAIRS

- 7.1 Condition of Premises at Commencement; Notice to Lessor. Lessee's taking possession of the Premises shall be conclusive evidence as against the Lessee that the Premises was in good order and satisfactory condition when the Lessee took possession. At all times during the term of this Lease or any extension thereof, Lessee agrees to give Lessor prompt notice of any defective condition in or about the Premises.

- 7.2 Maintenance by Lessor. Lessor shall, at its own cost and expense, maintain in good condition and repair the major structural elements of the Premises which are defined to constitute the foundation, walls, and roof; provided, however, that Lessee shall pay the cost and expense of any structural repairs required because of the negligence or other fault of Lessee or its employees, agents or sublessee, if any. Lessor shall be responsible for providing limited janitorial services for the Premise not to exceed two (2) hours per week, with Lessee responsible for stripping and waxing the vinyl floors twice annually, and cleaning of carpets once annually.
- 7.3 Maintenance by Lessee. Except as otherwise expressly provided in Section 7.2 of this Lease, Lessee shall at its own cost and expense keep and maintain all portions of said Premises as well as improvements of said Premises and all facilities appurtenant to said Premises in good order and repair and in as safe and clean a condition as they were when received by Lessee from Lessor, normal wear and tear excepted.
- 7.4 Maintenance of Parking Area. Lessee and Lessor will share equally in the use of the Parking Area. Lessee and Lessor will therefore share equally in the cost of maintenance of the Parking Area. Each shall bear fifty percent (50%) of the costs to maintain the Parking Area in as good condition and repair as it was in at the commencement of the lease, except that Lessee and Lessor will be separately responsible for cost and expense of any repairs required because of the negligence, wear and tear or other fault, other than normal and proper use, of themselves or their employees, agents or sublessee(s), if any.
- 7.5 Alterations and Liens. Lessee shall not make or permit any other person to make any alterations to said Premises or to any improvement thereon or facility appurtenant thereto without the written consent of Lessor first had and obtained. Lessee shall keep the Premises free and clear from any and all liens, claims, and demands for work performed, materials furnished, or operations conducted on said Premises at the instance or request of Lessee. Furthermore,

any and all alterations, additions, improvements and fixtures, except furniture and trade fixtures, made or placed in or on said Premises by Lessee or any other person shall on expiration or sooner termination of this Lease become the property of the Lessor and remain in said Premises; provided, however, that Lessor shall have the option on expiration or sooner termination of this Lease of requiring Lessee, at Lessee's sole cost and expense, to remove any or all such alterations, additions, improvements or fixtures from said Premises.

7.6 Inspection by Lessor. Lessee shall permit Lessor or Lessor's agents, representatives, or employees to enter said Premises at all reasonable times which do not interfere with the Lessee's operation of a law enforcement facility, for the purpose of inspecting said Premises, to determine whether Lessee is complying with the terms of this Lease and for the purpose of doing other lawful acts that may be necessary to protect Lessor's interest in said Premises under this Lease or to perform Lessor's duties under this Lease.

7.7 Surrender of Premises. On expiration or sooner termination of this Lease, or any extensions or renewals of this Lease, Lessee shall promptly surrender and deliver said Premises to Lessor in as good condition as they were at the commencement of this Lease, reasonable wear and tear and repairs herein required to be made by Lessor excepted.

ARTICLE 8. INDEMNITY AND INSURANCE

8.1 Lessee Responsibility. Lessee agrees to defend, indemnify and hold Lessor and the property of Lessor, including said Premises, free and harmless from any and all claims, liability, loss, damage, or expenses resulting from Lessee's occupation and use of said Premises; specifically including, without limitation, any claim, liability, loss, or damage arising by reason of:

8.1.1 The Death or injury of any person or persons, including Lessee or any person who is an employee or agent of Lessee, or by reason of damage

to or destruction of any property, including property owned by Lessee or any person who is an employee or agent of Lessee, and caused or allegedly caused by either the condition of said Premises for which Lessee is responsible, or some act or omission of Lessee or of some agent, contractor, employee, servant, sublessee, or concessionaire of Lessee on said Premises;

8.1.2 Any work performed on said Premises or materials furnished to said Premises at the instance or request of Lessee or any agent or employee of Lessee; and

8.1.3 Lessee's failure to perform any of its obligations under this Lease.

8.2 Lessor Responsibility. Lessor agrees to defend, indemnify and hold Lessee and the property of Lessee, free and harmless from any and all claims, liability, loss, damage or expenses resulting from any condition of the Premises for which Lessor is responsible or due to any act or omission of Lessor, its agents, contractors, employees.

8.3 Liability Insurance. Lessor and Lessee shall each cause the other party to be added to the existing policies of liability insurance maintained by each party in the ordinary course of its governmental functions. Each party shall be added to the other's insurance coverage as additional insureds, and certificates evidencing the fact of such coverage shall be provided by each party to the other party prior to the Lease Commencement Date.

8.4 Lessee's Fire Insurance. In order that the business of Lessee may continue with as little interruption as possible, Lessee shall, during the full term of this Lease and any renewals or extensions thereof, maintain at Lessee's own cost and expense an insurance policy issued by a reputable company authorized to conduct insurance business in California insuring a minimum of 80% of replacement cost of all fixtures and equipment that are, at any time during the

term of this Lease or any renewal or extension thereof, in or on said Premises against damage or destruction by fire, theft, or the elements.

- 8.5 Premises' Fire Insurance. Lessor shall carry fire and extended coverage insurance, insuring the building and improvements upon the Premises. The insurance coverage will be in the amount of the full replacement value of the Premises. On said insurance coverage, Lessor and Lessee are to be jointly designated as loss payees, as their interests may appear, and the proceeds shall be utilized in accordance with the provisions of Article 10 of this Lease, as applicable.
- 8.6 Certificate of Insurance. Upon commencement of the Lease, Lessee agrees to deliver to Lessor a certificate of insurance, evidencing all insurance required to be maintained by Lessee under this Lease.
- 8.7 Waiver of Subrogation. The parties agree to release each other, and their respective authorized representatives, from any claims for damage to any person, the Premises or any improvements on the Premises, or Lessee's trade fixtures, equipment, merchandise, or personal property located on the Premises, caused by or resulting from risks insured against under any insurance policies carried by the parties pursuant to this Lease that are in force at the time of any such damage to the extent of the available insurance proceeds. Each party shall cause each insurance policy carried pursuant to this Lease by that party to be written to provide that the insurance company waives all right of recovery by way of subrogation against either party in connection with any damage covered by the policy.

ARTICLE 9. SIGNS AND TRADE FIXTURES

- 9.1 Installation and Removal of Trade Fixtures. Lessee shall have the right at any time and from time to time during the term of this Lease and any renewal or extension of such term, at Lessee's sole cost and expense, to install and affix

in, to, or on said Premises such items, herein called "trade fixtures" for use by Lessee as Lessee may, in its sole discretion, deem advisable. Any and all such trade fixtures that can not be removed without structural damage to said Premises or any building or improvements on said Premises shall, subject to Section 7.5 of this Lease, remain the property of Lessor and may not be removed by Lessee at any time or times prior to the expiration or sooner termination of this Lease.

9.2 Un-removed Trade Fixtures. Any trade fixtures described in this Article that are not removed from said Premises by Lessee within thirty (30) days after the expiration or sooner termination, regardless of cause, of this Lease shall be deemed abandoned by Lessee and shall automatically become the property of Lessor as owner of the real property to which they are affixed.

9.3 Signs. Lessee may not install, or permit any other person to install, any sign, awning, canopy, marquee, or other advertising on any exterior wall, door, or window of the Premises without Lessor's prior written consent. On the expiration or sooner termination of this Lease, or any extension thereof, Lessor may remove and destroy any items which were permitted to be installed according to the terms of this section unless removed as set forth in section 9.1.

ARTICLE 10. DESTRUCTION AND CONDEMNATION

10.1 Partial Destruction. If, during the term of this Lease or any renewals or extensions thereof, the Premises are totally or partially destroyed from any cause, rendering the Premises totally or partially inaccessible or unusable, Lessor shall, as conditioned herein, restore the Premises to substantially the same condition as they were in immediately before destruction if the restoration can be made under the existing laws and can be completed within one (1) year after the date of the destruction, except that Lessor shall have no obligation to restore any improvements upon the Premises unless such restoration can be accomplished with the use of insurance proceeds or other funding, not involving

use of Lessor's funds or other assets. Such destruction shall not terminate this Lease; however, Lessee shall not be responsible for Lease payments during the time the Premises is inaccessible or unusable if such impairment was not caused by the Lessee. If the restoration cannot be made in the time stated in this section, then within fifteen (15) days after the parties determine that the restoration cannot be made in the time stated in this paragraph, either party can terminate this Lease immediately by giving written notice to the other party. If either party fails to terminate this Lease and if restoration is permitted under the existing laws, including any laws limiting use of Lessor's funds to restore the Premises, Lessor shall restore the Premises within a reasonable time and this Lease shall continue in full force and effect as provided herein. If the existing laws do not permit the restoration, either party can terminate this Lease immediately by giving notice to the other party.

10.2 Insurance Proceeds. Any insurance proceeds received by Lessor because of the total or partial destruction of said Premises or the building on said Premises shall be utilized by Lessor or Lessee, as the case may be, to restore the Premises.

10.3 Lessor's Restoration. Should Lessor be required under Section 10.1 of this Lease to repair and restore said Premises to their former condition following partial or full destruction of said Premises:

10.3.1 Lessee shall not be entitled to any damages for any loss or inconvenience sustained by Lessee by reason of the making of such repairs and restoration; and

10.3.2 Lessor shall have full right to enter said Premises and take possession of so much of said Premises, including the whole of said Premises, as may be reasonably necessary to enable Lessor promptly and efficiently to carry out the work of repair and restoration.

10.4 Condemnation. Should, during the term of this Lease or any renewal or extension thereof, title and possession of all of said Premises be taken under the power of eminent domain by any public or quasi-public agency or entity, this Lease shall terminate as of the date actual physical possession of said Premises is taken by the agency or entity exercising the power of eminent domain and both Lessor and Lessee shall thereafter be released from all obligations. If a lesser portion of the Premises is taken, the Lease will terminate as to the part taken, except that if the remaining portion is not reasonably suitable for Lessee's continuing use, then Lessee shall have the option to terminate the Lease in its entirety.

10.5 Condemnation Award. Should, during the term of this Lease or any renewal or extension thereof, title and possession of all or any portion of said Premises be taken under the power or eminent domain by any public or quasi-public agency or entity, the compensation or damages for the taking shall belong to and be the sole property of the Lessor, except that Lessee shall be entitled to that portion of the compensation which represents the value of Lessee's improvements or alterations made to the Premises by Lessee in accordance with this Lease, which improvements or alterations Lessee has the right to remove from the Premises, but elects not to remove.

ARTICLE 11. DEFAULT, ASSIGNMENT AND TERMINATION

11.1 Subleasing or Assigning as Breach. Lessee shall not encumber, assign, or otherwise transfer this Lease, any right or interest in this Lease, or any right or interest in said Premises or any of the improvements that may now or hereafter be constructed or installed on said Premises without the express written consent of Lessor. Neither shall Lessee sublet said Premises or any part thereof without the prior written consent of Lessor. A consent by Lessor to one assignment, one subletting, or occupation of said Premises by another person shall not constitute consent to any such action involving others. Any encumbrance, assignment, subletting, or transfer without the prior written

consent of Lessor, whether it be voluntary or involuntary, by operation of law or otherwise, is void and shall, at the option of Lessor, terminate this Lease. The consent of Lessor to any assignment of Lessee's interest in this Lease or the subletting by Lessee of said Premises or parts of said Premises shall not be unreasonably withheld.

11.2 Default by Lessee. Lessee's failure to pay rent when due, if the failure continues for five (5) days after written notice of the failure from Lessor to Lessee, shall constitute a default. Should Lessee default in the performance of any of the covenants, conditions, or agreements contained in this Lease other than the obligation to pay rent, then Lessee shall have breached the Lease and shall be in default unless such default is cured within ten (10) days of written notice from Lessor to Lessee. In the event of any default, not cured by Lessee within the time limits herein set forth, Lessor may, reenter and regain possession of said Premises in the manner provided by the laws of unlawful detainer of the State of California then in effect. In addition, Lessor may, in the event of default by Lessee, elect to exercise any of the remedies described in California Civil Code sections 1951.2 and 1951.4.

11.3 Cumulative Remedies. The remedies given to Lessor in this Article shall not be exclusive but shall be cumulative and in addition to all remedies now or hereafter allowed by law or elsewhere provided in this Lease.

11.4 Waiver of Breach. The waiver by Lessor of any breach by Lessee of any of the provisions of this Lease shall not constitute a continuing waiver or a waiver of any subsequent breach by Lessee either of the same or another provision of this Lease.

ARTICLE 12. MISCELLANEOUS

12.1 Force majeure – Unavoidable Delays. Should the performance of any act required by this Lease to be performed by either Lessor or Lessee be prevented or delayed by reason of an act of God, strike, lockout, labor troubles, inability to

secure materials, restrictive governmental laws or regulations, or any other cause except financial inability not the fault of the party required to perform the act, the time for performance of the act will be extended for a period equivalent to the period of delay and performance of the act during the period of delay will be excused; however, should Lessee not have the financial ability to fund the maintenance and/or operation of a law enforcement facility on the Premises, the Lease can be canceled in its entirety with not less than Ninety (90) days written notice from the Lessee.

- 12.2 Termination Without Cause. Either party may, without cause, terminate the Lease effective the first day of July of any year upon four (4) months written notice to the other party.
- 12.3 Attorney's Fees. Should any litigation be commenced between the parties to this Lease concerning said Premises, this Lease or the rights and duties of either in relation thereto, the party, Lessor or Lessee, prevailing in such litigation shall be entitled, in addition to such other relief as may be granted in the litigation, to a reasonable sum for attorney's fees in such litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.
- 12.4 Notice. Except as otherwise expressly provided by law, any and all notices or other communications required by this Lease or by law to be served on or given to either party hereto by the other party hereto shall be in writing and shall be deemed duly served and given when personally delivered to the party to whom they are directed, or in lieu of such personal service, when deposited in the United States mail, first class postage prepaid, addressed as follows:

To Lessee:

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

To Lessor:

McKinleyville Community Services District
P.O. Box 2037
McKinleyville, CA 95519

Either party, Lessee, or Lessor, may change its address for the purpose of this section by giving written notice of such change to the other party in the manner provided in this section.

- 12.5 Binding On Successors. This Lease shall be binding on and shall inure to the benefit of the successors and assigns of the parties hereto, Lessor and Lessee, but nothing in this section contained shall be construed as a consent by Lessor to any assignment of this Lease or any interest therein by Lessee except as provided in Article 11 of this Lease.
- 12.6 Partial Invalidity. Should any provision of this Lease be held by a court of competent jurisdiction to be either invalid, void, or unenforceable, the remaining provisions of this Lease shall remain in full force and effect unimpaired by the holding.
- 12.7 Sole and Only Agreement. This instrument constitutes the sole and only agreement between Lessor and Lessee respecting said Premises, the leasing of said Premises to Lessee, or the lease term herein specified, and correctly sets forth the obligations of Lessor and Lessee to each other as of its date. Any agreements or representations respecting said Premises or their leasing by Lessor to Lessee not expressly set forth in this instrument are null and void.
- 12.8 Nuclear Free Contractor. 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 Lessee immediately if it becomes a nuclear weapons contractor, as defined above. Lessee may immediately terminate this (Lease if it determines that the foregoing certification is false or if Lessor becomes a nuclear weapons contractor.

12.9 Smoking. Pursuant to Humboldt County Ordinance #1993, Lessee owned, leased or occupied premises are smoke free. Lessor shall comply with the ordinance.

12.10 Library License Agreement. This Lease does not affect or supersede the license agreement for the library previously entered into between the County of Humboldt and the McKinleyville Community Services District.

12.11 Time of Essence. Time is expressly declared to be of the essence of this Lease.

12.12 Modification. This Lease may not be altered, changed, or amended except by an instrument in writing signed by Lessee and Lessor.

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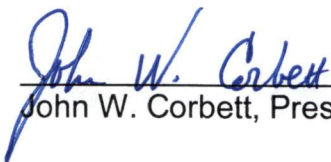
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Executed on February 25, 2015, at McKinleyville, Humboldt County, California.

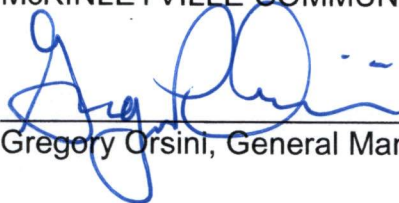
LESSOR:

McKINLEYVILLE COMMUNITY SERVICES DISTRICT



John W. Corbett, President MCSD Board of Directors

McKINLEYVILLE COMMUNITY SERVICES DISTRICT



Gregory Orsini, General Manager

LESSEE:

COUNTY OF HUMBOLDT



Chairperson, Board of Supervisors
County of Humboldt, State of California

(SEAL)

Attest:

Clerk of the Board

By

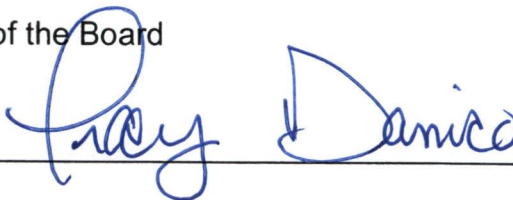


Exhibit A

LEGAL DESCRIPTION

ALL THAT REAL PROPERTY SITUATED IN THE COUNTY OF HUMBOLDT, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

BEING A PORTION OF THE LANDS DEEDED TO THE COUNTY OF HUMBOLDT AS SHOWN ON THE RECORD OF SURVEY DATED AUGUST, 1992 AS RECORDED MARCH 30, 1993 IN BOOK 54 OF SURVEYS AT PAGE 2, HUMBOLDT COUNTY RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 'A':

COMMENCING AT THE NORTHEAST CORNER OF SAID LANDS; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID LANDS SOUTH $0^{\circ}09'30''$ WEST 152.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID EAST LINE SOUTH $0^{\circ}09'30''$ WEST 88.00 FEET; THENCE LEAVING SAID EAST LINE NORTH $89^{\circ}50'30''$ WEST 68.00 FEET; THENCE NORTHERLY ALONG A LINE LYING WESTERLY OF, PARALLEL WITH AND 68.00 FEET DISTANT MEASURED AT RIGHT ANGLES FROM SAID EASTERLY LINE NORTH $00^{\circ}09'30''$ EAST 88.00 FEET; THENCE SOUTH $89^{\circ}50'30''$ EAST 68.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 5,984 SQUARE FEET OF LAND, MORE OR LESS

PARCEL 'B'

COMMENCING AT THE AFOREMENTIONED POINT OF BEGINNING OF SAID PARCEL 'A'; THENCE WESTERLY ALONG THE NORTH LINE OF SAID PARCEL 'A' NORTH $89^{\circ}50'30''$ WEST 68.00 FEET TO THE POINT OF BEGINNING, SAID POINT BEING THE NORTHWEST CORNER OF SAID PARCEL 'A'; THENCE SOUTHERLY ALONG THE WEST LINE OF THE SAID PARCEL 'A' SOUTH $00^{\circ}09'30''$ WEST 88.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL 'A'; THENCE LEAVING SAID WEST LINE NORTH $89^{\circ}50'30''$ WEST 150.82 FEET TO A POINT LYING ON THE WEST LINE OF SAID LANDS DEEDED TO THE COUNTY OF HUMBOLDT; THENCE NORTHERLY ALONG SAID WEST LINE THE FOLLOWING THREE (3) COURSES:

- 1) NORTH 11.65 FEET;
- 2) THENCE NORTH $89^{\circ}50'30''$ WEST 0.96 FEET;
- 3) THENCE NORTH $00^{\circ}33'20''$ WEST 76.35 FEET;

THENCE LEAVING SAID WEST LINE SOUTH $89^{\circ}50'30''$ EAST 152.77 FEET TO THE POINT OF BEGINNING

CONTAINING 13,386 SQUARE FEET OF LAND, MORE OR LESS.

LEGAL DESCRIPTION PREPARED BY:

Philip A. Gutierrez Jr.
PHILIP A. GUTIERREZ JR.
L.S. 7245



Exhibit A

