

LEASE AGREEMENT

(Department of Behavioral Health Services)

THIS AGREEMENT made and entered into this 19th day of February, 2020, by and between SISSON DEVELOPMENT, LLC, a California limited liability company, (hereinafter referred to as Lessor), and the COUNTY OF SISKIYOU, a political subdivision of the State of California, for its Health and Human Services Agency (hereinafter referred to as Lessee).

1. Premises to be leased: For and in consideration of the covenants herein contained, Lessor hereby leases to Lessee and Lessee hereby hires from Lessor that real property located at 2060 Campus Drive, Yreka, California, consisting of approximately 27,000 square feet, together with appurtenant parking areas located on the premises consisting of 105 parking spaces.

2. Term of lease: The term of this lease shall be for five (5) years commencing March 1, 2020, and continuing through February 28, 2025.

3. Rent: The annual rental for the said leased premises shall be Three-Hundred and Fifty-Six Thousand Four Hundred Dollars (\$356,400).

The rent shall be payable in advance of the use of the premises for each month. The first of such monthly rental payments shall be due and payable at the time of execution of the within lease and thereafter as set forth.

On the first annual anniversary of the execution date of the lease; and each annual anniversary thereafter, the annual rent shall be increased by the then current County Adjustment Factor. The County "Adjustment Factor" shall be a percentage calculated as follows:

Beginning March 1, 2021, and every one (1) year period thereafter, the annual rent increase shall be determined by calculating the average annual California Consumer Price Index for all areas and all consumers as reported by the State of California, Department of Industrial Relations ("CPI"), for the preceding five (5) years, with the resulting adjusted CPI applied for that year; provided, however, that the Adjustment Factor shall not be less than one percent (1%) nor more than three percent (3%).

4. Use: It is mutually understood and agreed between the parties hereto that Lessee intends to use the leased premises as office space for the County of Siskiyou.

5. Reservation of Rights by Lessor: Lessor reserves the reasonable right of ingress and egress to, from and on the leased premises.

6. Care of Premises: It is mutually understood and agreed that Lessee is required to keep the leased premises in a neat and orderly condition and shall not accumulate waste, scrap material or debris of any kind on the said premises. Lessee shall not do, bring, or keep anything in or about the premises that will cause a cancellation of any insurance covering the premises or the building in which the premises are located or unreasonably increase the danger of fire on the leased premises.

7. Hazardous Materials: Lessor represents and warrants that, with respect to the premises and the land upon which the premises are located, Lessor has not received written notice from any governmental agency with respect to any hazardous materials or substances. In the event Lessor does receive a notice, Lessor agrees to take such action as is necessary to bring the premises into compliance with notice subject to the rights of Lessor to contest the validity of

applicability of such notice; provided, however, in the event the notice was caused by or attributable to activities of Lessee, Lessee shall take actions as necessary to bring the premises into compliance. In the event Lessor does not cure, in a timely fashion, the violation described in such notice, Lessee shall have the right to terminate this lease upon ninety days (90) written notice to Lessor. Lessee shall not manufacture, use, store or place any hazardous materials on the premises, except in strict compliance with all laws, ordinances and regulations, and Lessee shall indemnify Lessor from any costs incurred by reason of violation of this provision.

8. Compliance with Federal, State and County Laws: Lessor shall ensure that the leased premises herein comply with all laws, rules and regulations promulgated by Federal, State, or County government, or agencies thereof, now in force or hereafter promulgated during the term of this lease, including, but not limited to, compliance with ADA program accessibility standards; provided however, Lessor shall not be responsible for any violations caused by or attributable to Lessee. The building and Premises have undergone an inspection by a Certified Access Specialist (CAsp).

9. Insurance: Lessee is self-insured and shall cover its general liability and property damage risks pursuant to its self-insurance program. Lessor shall maintain fire and extended coverage insurance on the leased premises but such insurance shall not provide coverage of Lessee's personal property. Evidence of the Lessor's insurance coverage required herein shall be submitted to Lessee upon execution of this lease.

10. Inspection: At all times during the term of the lease or any extension thereof, Lessor shall have the right to enter into and upon the leased premises during reasonable business hours

for the purpose of examining and inspecting the same and determining whether the Lessee shall have complied with the obligations hereunder. Lessor shall also have reasonable access to make repairs and alterations.

11. Destruction of Premises: In the event the leased premises, or any part thereof, are at any time damaged or destroyed by fire, casualty or other cause, then said facilities shall be restored or rebuilt, or not restored or rebuilt, in accordance with the following terms and conditions, to wit:

(a) If the leased premises are damaged or destroyed to the extent of more than 50 percent of the replacement cost thereof, either the Lessor or Lessee shall have the right to terminate this lease by giving notice to the other within thirty (30) days after the date of the occurrence and thereupon the term of this lease shall expire on the thirtieth day after such notice is given and the Lessee shall vacate the premises and surrender the same to Lessor.

(b) If the leased premises are damaged or destroyed to the extent of less than 50 percent of the replacement cost thereof, or if the parties otherwise determine to restore or rebuild the premises and if the insurance proceeds payable as a result of said damage or loss are sufficient for the purpose, the Lessor shall, at its own cost and expense and with due diligence, restore the leased premises to as good a condition as the premises were in immediately prior to such destruction or damage. If the insurance proceeds exceed the cost of such restoration or rebuilding, the excess shall be retained by the Lessor.

(c) If the parties determine to restore the leased premises pursuant to subparagraph (b) above and the insurance proceeds are not sufficient to cover the cost of restoration or rebuilding, then the following alternatives shall be available to the parties:

(i) Lessor may within thirty (30) days from the date of such damage or destruction notify Lessee in writing of its election to terminate their lease, in which event all insurance proceeds shall be retained by the Lessor; or

(ii) Lessor may notify the Lessee in writing of its election to restore or rebuild the premises, and the Lessor, at its own cost and expense to the extent that the insurance proceeds are not sufficient for the purpose, shall restore and rebuild the leased premises to the same condition as the premises were in prior to such damage or destruction.

(d) In the event the leased premises are damaged from fire or any other cause and this lease is not cancelled pursuant to the terms herein, the rental shall be suspended during the period of rebuilding and restoration if the leased premises are untenable, and such rental shall be suspended prorata if the leased premises are "partially tenable" ("partially tenable" to be reasonably determined by lessee.)

12. Personal Property of Lessee: All fixtures and equipment installed in said premises by Lessee or owned by Lessee shall continue to be the property of Lessee and may be removed by Lessee at the expiration of this lease; provided, however, Lessee shall at Lessee's own expense repair any injury to the premises resulting from said removal. All property of Lessee that may be on the premises during the term of this lease shall be at the sole risk of Lessee.

13. Waiver: The waiver by Lessor of any covenant or condition herein contained shall vitiate the same or any other covenant or condition contained herein, and the terms and conditions herein shall apply to and bind the heirs and assigns of the respective parties hereto.

14. Notices: Notice required by the term of this lease shall be considered sufficiently served when given in writing by one party to the other by mailing the same by United States Certified Mail, postage prepaid, addressed as follows:

NOTICE TO LESSOR: Sisson Development, LLC
 1829 Wyehka Way
 Mount Shasta, CA 96067

NOTICE TO LESSEE: County of Siskiyou
 Attn: Sarah Collard
 818 S. Main St.
 Yreka, CA 96097

 And

 County Administrator
 P. O. Box 750
 Yreka, CA 96097

15. Utilities: Lessee agrees to promptly pay all charges for telephone services and any other utility services which may occur or become payable during the period of the lease or any extension thereof, including electrical, water, sewage, snow removal, and trash collection service.

16. Repair and Maintenance: Lessee, during the term hereof, shall, at its own cost and expense, keep and maintain the interior of the leased premises in good and sanitary order, condition and repair, reasonable wear and tear excepted, including painting, wallpaper, carpet replacement, janitorial services, and weeding of landscaped areas of the exterior of the building. Lessee shall also provide light bulbs, plumbing system drain clearing caused by Lessee or Lessee's clients, periodic testing of fire alarm system, routine maintenance of elevator system, and any needed re-keying of doors.

Lessor during the term hereof shall, at its own cost and expense, keep, maintain, repair, and replace the parking area and driveway including striping, signage, and sealing, the sprinkler system, landscaping, roof and exterior of said building, heating and air conditioning systems, HVAC duct system/mechanical units, repair elevator, electrical system including wiring/circuit breakers/transformers, fire alarm system, plumbing, equipment breakage, and lighting systems in good and sanitary order, condition, and repair, including normal wear and tear to doors and hardware. Lessor's maintenance obligation under this paragraph does not include snow removal from the parking area. Lessor shall also install door locks and key pads, install surveillance cameras of a non-intrusive variety with continuous feed to a centralized security office.

Provided, however, any and all repairs to the leased premises caused by or attributable to the negligent activities of Lessee or its agents, employees or invitees, shall be the sole responsibility of the Lessee.

17. Alterations: Lessee shall not make any alterations to the premises without Lessor's consent first obtained. Any alterations to the premises shall be done at Lessee's expense. Lessee

shall keep the premises free and clear of all mechanics' liens resulting from any alterations done by Lessee.

Any alterations made shall remain on and be surrendered with the premises on expiration or termination of the lease except that Lessor may require Lessee, at Lessee's sole cost and expense, to remove any alteration that Lessee has made to the premises within 30 days after termination or expiration of the lease or any extension thereof.

18. Surrender of Premises: Lessee agrees to surrender the premises at the end of the lease term to the Lessor in the same condition as when Lessee took possession, allowing for reasonable use and wear and damages by Acts of God, including fire and storm. Lessee further agrees to leave the premises at the expiration of the lease in as good a condition or better than the condition of the premises at the time of the commencement of this lease.

Lessor can elect to retain or dispose of in any manner any alterations or Lessee's personal property that Lessee does not remove from the premises on expiration or termination of the term as allowed or required by this lease by giving at least thirty (30) days' notice to Lessee. Lessee waives all claims against Lessor for any damage to Lessee resulting from Lessor's retention or disposition of any such alterations or Lessee's personal property. The term "personal property," as used herein, shall not include official records or documents maintained by Lessee as required by state law. Notwithstanding any circumstances related to surrender of the premises, Lessor shall cooperate with Lessee to ensure that Lessee can safely and securely transfer such official records and documents to a new location.

19. Termination: This lease shall terminate upon expiration of the lease term or prior to the expiration of the lease term, Lessee may terminate this lease upon One-Hundred and Eighty (180) days written notice to Lessor.

20. Construction of Lease: Except as may otherwise be expressly provided, time is of the essence of this lease and all of the terms and provisions hereof are to be construed as covenants and conditions, and upon the breach by Lessee of any of same, Lessor may exercise any remedies available under applicable law.

21. Amendment of Lease: This lease supersedes all prior negotiations and embodies all of the understandings and stipulations between the parties hereto and supersedes all prior preliminary agreements. It is mutually understood that no statement, promise or inducement made by either of the parties, their employees or agents, which is not specifically set forth herein shall not be binding upon the parties. This lease may not be amended or modified without the express written consent of both parties.

22. Binding on Successors: Subject to the covenants respecting assignment, underletting or subletting, the conditions, covenants and agreements herein contained shall inure to the benefit of and be binding upon the successors and assigns of the respective parties hereto. Lessee may not assign this lease, or any interest therein, or sublet the leased premises, in whole or in part, without the prior written consent of the Lessor, which shall not be unreasonably withheld.

23. Holding Over: In the event that Lessee continues to occupy the leased premises from and after the expiration of the original term or any extended term of this lease, such occupancy

by Lessee shall be deemed a month-to-month tenancy on the same terms and conditions as set forth herein.

24. Attorney fees and Costs: In the event of any dispute or litigation relating to this Lease, or the breach or performance of it, the prevailing party shall be entitled to recover reasonable attorney's fees and costs incurred in connection therewith.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease on the dates set forth below, each signatory represents that he/she has the authority to execute this Lease and to bind the Party on whose behalf his/her execution is made.

LESSEE: COUNTY OF SISKIYOU

Date: _____

MICHAEL N. KOBSEFF, CHAIR
Board of Supervisors
County of Siskiyou
State of California

ATTEST:

LAURA BYNUM

Clerk, Board of Supervisors

By: _____

Deputy

LESSOR: SISSON DEVELOPMENT, LLC

Date: 3/17/2020



Harold J. Knight, Manager

TAXPAYER I.D. On File

ACCOUNTING:

	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	
2122-401030-726000	61,217.64	167,455.25	172,478.91	177,653.27	182,982.85	124,404.16	
2134-401100-726000	13,305.60	37,904.21	39,041.34	40,212.57	41,418.95	28,159.41	
2135-401130-726000	6,320.16	17,386.26	17,907.85	18,445.08	18,998.43	12,916.42	
2120-501010-726000	36,162.72	131,386.86	135,328.47	139,388.32	143,569.95	97,608.59	
1001-103020-726000	1,793.88	5,831.42	6,006.36	6,186.55	6,372.15	4,332.22	
Total							
NTE	118,800.00	359,964.00	370,762.92	381,885.80	393,342.32	267,420.80	1,892,175.84