

**LEASE AGREEMENT
BETWEEN
COUNTY OF SISKIYOU
AND
JEFFERSON RESOURCE PROPERTIES, LLC**

This Lease Agreement (“Agreement”) is made and entered into by and between:

JEFFERSON RESOURCE PROPERTIES

a California LLC_ (“Landlord”), and the County of Siskiyou, a political subdivision of the State of California (“Tenant”), for the benefit of the Siskiyou County Health and Human Services Agency, Social Services Division (“Department”). This Agreement becomes effective on the date signed by all parties to it.

THE PARTIES AGREE:

1. PREMISES. Landlord leases to Tenant, and Tenant leases from Landlord, the Premises, located at 746 South Main Street consisting of 3020 square feet and 750 South Main Street consisting of 3280 square feet in, Yreka, CA, together with appurtenant gated parking area located on the premises consisting of 45 parking spaces. If a conflict occurs as to the description of the Premises, the Tenant’s understanding applies.
2. TERM; OPTION TO EXTEND TERM. The lease commences on the date this Agreement becomes effective and terminates at 11:59 p.m. on September 30, 2029, unless otherwise terminated by the parties as provided for in this Agreement. Tenant has an option to extend the term of this Agreement twice, each time for a period of one-year. To exercise its option, Tenant must provide written notice prior to this Agreement’s expiration.
3. RENT. Tenant will pay Rent to Landlord for use of the Premises. Tenant will make Rent payments to Landlord in accordance with Exhibit A and Exhibit A-1.

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 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 October 1, 2025, 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 o 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. Tenant will use the Premises as an office space, for those uses incidental to the use as an office space, and for those uses for which the Premises is intended.
5. CARE. Tenant must keep the Premises in an orderly condition. If Landlord considers Tenant to be in breach of this provision, Landlord must provide Tenant notice of the breach and 30 days, from the receipt of notice, to cure the breach.
6. REPAIR AND MAINTENANCE. Tenant, 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, security and fire alarm system, janitorial services, and weeding of landscaped areas of the exterior of the building. Tenant shall also provide light bulbs, plumbing system drain clearing caused by Tenant or Tenant's clients, periodic testing of fire alarm system, and any needed re-keying of doors. Tenant is responsible for changing air filters on a quarterly basis.

The Landlord 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, roof and exterior of said building, heating and air conditioning systems, HVAC duct system/mechanical units, electrical system including wiring/circuit breakers/transformers,, plumbing, equipment breakage and lighting systems in good and sanitary order, condition, and repair, including normal wear and tear to doors and hardware. Landlord maintenance obligation under this paragraph does not include snow removal from the parking area.

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

7. ALTERATIONS AND IMPROVEMENTS. Landlord shall complete the alterations and improvements described in Exhibit B and Exhibit B-2 attached hereto and made apart hereof, at Tenant's expense. Landlord will invoice Department in an amount not to exceed TWO HUNDRED TWENTY-THREE THOUSAND, EIGHT HUNDRED FORTY-SEVEN AND 50/100 DOLLARS (\$223,847.50).

Any additional remodeling, alterations or improvements to the leased premises which the Tenant may deem necessary or desirable during the term of this lease shall be made at the Tenant's sole cost and expense after having first obtained Landlord's written consent.

8. INDEMNITY. Each party agrees to indemnify, defend, and hold the other harmless from liability, penalties, losses, damages, costs, expenses, causes of action, claims, or judgments, including, attorney fees and costs, arising by reason of any death, bodily injury, personal injury, or property damage that results from the negligence or willful misconduct of that party or its agents, employees, invitees, licensees, contractors, and subcontractors.

9. INSURANCE. Tenant is self-insured and will cover its liability and damage risks under its self-insurance program. Landlord must maintain general liability coverage in amounts satisfactory to Tenant. Landlord must provide Tenant a certificate of insurance, prior to the execution of this Agreement, as evidence that Landlord has obtained, or maintains the satisfactory coverage. In the event of cancellation, non-renewal, or material alteration effecting coverage required by this Agreement, the party suffering cancellation, non-renewal, or alteration must immediately provide notice to the other. The party receiving notice may terminate this Agreement.
10. INSPECTION. Tenant will provide Landlord reasonable access to the Premises to fulfill Landlord's obligations under this Agreement. Landlord may also enter the Premises, during reasonable business hours, provided that Landlord has given Tenant 24-hour notice of Landlord's intent to enter the Premises for purposes of inspecting the Premises to ensure Tenant's compliance with Tenant's obligations under this Agreement.
11. DESTRUCTION OF PREMISES. If the Premises, or any essential part on or about the Premises, is destroyed by fire or other casualty, this Agreement will, in case of total destruction, immediately terminate, and, in the case of partial destruction or damage, terminate at the option of Tenant. If Tenant terminates the Agreement under this provision, or if the Agreement terminates due to total destruction, Tenant is relieved of any obligation to make payments under this Agreement. If Tenant does not elect to terminate this Agreement, the Landlord must immediately make those repairs necessary to restore the Premises to its condition immediately preceding the fire or other casualty. If any part of the Premises cannot be occupied following fire or other causality, or during its repair, Landlord must reduce Rent in proportion to the area of the Premises which cannot be occupied.
12. PERSONAL PROPERTY OF TENANT. All fixtures and equipment installed on or about the Premises by Tenant, or owned by Tenant, continue to be the property of Tenant and may be removed by Tenant at the expiration of this Agreement, provided, however, Tenant at Tenant's own expense repair any injury to the premises resulting from said removal. All property of Tenant that may be on the premises during the term of this Agreement shall be at the sole risk of the Tenant.
13. SIGNS. Tenant, at its own expense, may erect and maintain on or about the Premises any signage it determines is reasonably necessary to provide notice to the public of Tenant's occupancy. Tenant, at its own expense, on surrender of the Premises, must remove any signage erected and maintained. Tenant is responsible for obtaining all necessary sign permits
14. HAZARDOUS MATERIALS. Landlord represents that, with respect to the Premises and the land upon which the Premises is located; Landlord does not know of and has not received notice from any governmental agency with respect to any hazardous materials or substances. If Landlord learns of, or receives notice of, any hazardous materials or substances, Landlord must immediately notify Tenant and take action as necessary to bring the Premises into compliance with applicable law.

If Landlord chooses not to cure, or fails to timely cure, the, Tenant may choose to terminate this Agreement.

15. WAIVER. No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement will be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy will be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, nor will any waiver constitute a continuing waiver unless the writing so specifies.

16. NOTICE. All notices must be provided in writing and must be given by personal delivery, by mail or by a reputable delivery service (i.e., FedEx, etc.). Notices sent by mail or delivery service must be addressed to:

If to Landlord: Jefferson Resource Properties, LLC
P.O. Box 886
Yreka, CA 96097

If to Tenant: County of Siskiyou
Human Service Department
818 South Main Street
Yreka, California 96097

With copy to: County of Siskiyou
Office of County Counsel
P.O. Box 659
205 Lane Street
Yreka, California 96097

If properly addressed, are deemed given upon deposit in the United States mail, postage prepaid or with a reputable delivery service, payment provided. In all other instances, or as specified in this Agreement, notices are deemed given at the time of actual delivery. Changes may be made in the name and addresses of the person to whom notices are to be given by giving notice under this provision.

17. UTILITIES; SERVICES. Tenant agrees to pay all charges for telephone services and any other utility services which may occur or become payable during the period of this Agreement. Landlord will pay for water, and sewage.

18. SURRENDER. Tenant will surrender the Premises in the same condition as when Tenant took possession, allowing for reasonable use and wear, upon expiration of this Agreement.

19. HOLDING OVER. If Tenant occupies the Premises after the expiration of this Agreement, Tenant's occupancy will be a month-to-month tenancy on the same terms and conditions.

20. TERMINATION. Unless otherwise provided for in this Agreement, Tenant has the right to terminate this Agreement on 60 days' notice if Tenant determines that the

use for which the Premises has been leased has been discontinued or that the use is no longer of utility to the Tenant. Further, if Tenant fails to appropriate sufficient funds to continue this Agreement, or if sufficient funds required to fulfill the obligations set forth in this Agreement are not appropriated by funding entities (i.e., the State of California, etc.), then this Agreement terminates upon Landlord receiving notice from Tenant.

21. BINDING ON SUCCESSORS. This Agreement inures to the benefit of and is binding on the successors and assigns of the parties.
22. MODIFICATION. This Agreement may be supplemented, amended, or modified only by the agreement of the parties. No supplement, amendment, or modification of this Agreement will be binding unless it is in writing and signed by both parties. No provisions in either party's correspondence or other business forms used by either party will supersede or add to the terms and conditions of this Agreement.
23. COUNTING DAYS. Days are to be counted by excluding the first day and including the last day, unless the last day is a Saturday, a Sunday, or a legal holiday, and then it is to be excluded. Any act required by this Agreement to be performed by a certain day is timely performed if completed before 5:00 p.m. local time on that date. If the day for performance of any obligation under this Agreement is a Saturday, a Sunday, or a legal holiday, then the time for performance of that obligation is extended to 5:00 p.m. local time on the first following day that is not a Saturday, Sunday, or legal holiday. As used in this section, "legal holiday" means those days designated as "holidays" in Government Code § 6700 and those designated by County Ordinance.
24. INCORPORATION BY REFERENCE. The exhibits, the schedules, and any other separate writing attached to this Agreement, constitute a part of this Agreement and are incorporated into this Agreement by this reference. Should any inconsistency exist or arise between a provision of this Agreement and a provision of any exhibit, schedule, or other incorporated writing, the provision of this Agreement will prevail.
25. SEVERABILITY. If a court or an arbitrator of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid, in whole or in part, for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected.
26. AMBIGUITIES. Each party and its counsel have participated, or have been given an opportunity to participate, fully in the review and revision of this Agreement. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.
27. CONSTRUCTION. Time is of the essence. The plural and singular numbers are each deemed to include the other. The masculine, feminine, and neuter genders are each deemed to include the others. Handwritten or typed words have no greater weight than printed words. The headings are for convenience only.

28. ENTIRE AGREEMENT. This Agreement and all other agreements, exhibits, and schedules referred to in this Agreement constitute(s) the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement and supersede(s) all prior and contemporaneous understandings or agreements of the parties. No party has been induced to enter into this Agreement by, nor is any party relying on, any representation outside those expressly set forth in this Agreement.

29. NECESSARY ACTS AND FURTHER ASSURANCES. The parties, at their own cost and expense, must execute and deliver those documents and instruments and must take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purpose of this Agreement.

[Intentionally Left Blank; Signatures to Follow]

IN WITNESS WHEREOF, County and Contractor have executed this agreement on the dates set forth below, each signatory represents that they have the authority to execute this agreement and to bind the Party on whose behalf their execution is made.
e dates set forth below, each signatory represents that they have the authority to execute this agreement and to bind the Party on whose behalf their execution is made.

COUNTY OF SISKIYOU

Date: _____

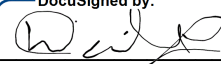
MICHAEL N. KOBSEFF, CHAIR
Board of Supervisors
County of Siskiyou
State of California

ATTEST:
LAURA BYNUM
Clerk, Board of Supervisors

By: _____
Deputy

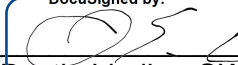
**CONTRACTOR: JEFFERSON
RESOURCE PROPERTIES, LLC.**

Date: 9/19/2024

DocuSigned by:


Danielle Linder, OWNER

Date: 9/19/2024

DocuSigned by:


Dustin Linder, OWNER

License No.: _____
(Licensed in accordance with an act providing for the registration of contractors)

Note to Contractor: For corporations, the contract must be signed by two officers. The first signature must be that of the chairman of the board, president or vice-president; the second signature must be that of the secretary, assistant secretary, chief financial officer or assistant treasurer. (Civ. Code, Sec. 1189 & 1190 and Corps. Code, Sec. 313.)

TAXPAYER I.D. _____

ACCOUNTING:

Fund	Organization	Account	FY24/25	FY25/26	FY 27/28	FY28/29	FY29/30
2120	501010	726000	\$302,759.50	\$107,755.80	\$114,528.00	\$117,915.00	\$29,690.400

Encumbrance number (if applicable):

If not to exceed, include amount not to exceed: \$783,791.50

If needed for multi-year contracts, please include separate sheet with financial information for each fiscal year.

Exhibit A

Payment Date	Amount Due
Months 1-12	\$8,768.00
<hr/> Months 13-24	<hr/> \$9,050.20
Months 25-36	\$9,332.40
Months 37-48	\$9,614.60
<hr/> Months 49-60	<hr/> \$9,896.80
<hr/>	\$ <hr/>
<hr/>	\$ <hr/>
<hr/>	\$ <hr/>
<hr/>	\$ <hr/>
<hr/>	\$ <hr/>

See Attachment Exhibit A-1 for breakdown of payments

SCHEDULE A-1
RENTAL COSTS

24/25

Location	Sq Footage	Rate	Monthly	9 months (Oct - June)
746 S Main	3020	\$ 1.60	\$ 4,832.00	\$ 43,488.00
750 S. Main	3280	\$ 1.20	\$ 3,936.00	\$ 35,424.00
			\$ 8,768.00	\$ 78,912.00

25/26

Location	Sq Footage	Rate	Monthly	3 months (July - Sept)	3% inc.	9 months (Oct - June)	Annual total
746 S Main	3020	\$ 1.60	\$ 4,832.00	\$ 14,496.00	\$ 1.6500	\$ 4,983.00	\$ 44,847.00
750 S. Main	3280	\$ 1.20	\$ 3,936.00	\$ 11,808.00	\$ 1.2400	\$ 4,067.20	\$ 36,604.80
			\$ 8,768.00	\$ 26,304.00		\$ 9,050.20	\$ 81,451.80
							\$ 107,755.80

26/27

Location	Sq Footage	Rate	Monthly	3 months (July - Sept)	3% inc.	9 months (Oct - June)	Annual total
746 S Main	3020	\$ 1.65	\$ 4,983.00	\$ 14,949.00	\$ 1.7000	\$ 5,134.00	\$ 46,206.00
750 S. Main	3280	\$ 1.24	\$ 4,067.20	\$ 12,201.60	\$ 1.2800	\$ 4,198.40	\$ 37,785.60
			\$ 9,050.20	\$ 27,150.60		\$ 9,332.40	\$ 83,991.60
							\$ 111,142.20

27/28

Location	Sq Footage	Rate	Monthly	3 months (July - Sept)	3% inc.	9 months (Oct - June)	Annual total
746 S Main	3020	\$ 1.70	\$ 5,134.00	\$ 15,402.00	\$ 1.7500	\$ 5,285.00	\$ 47,565.00
750 S. Main	3280	\$ 1.28	\$ 4,198.40	\$ 12,595.20	\$ 1.3200	\$ 4,329.60	\$ 38,966.40
			\$ 9,332.40	\$ 27,997.20		\$ 9,614.60	\$ 86,531.40
							\$ 114,528.60

28/29

Location	Sq Footage	Rate	Monthly	3 months (July - Sept)	3% inc.	9 months (Oct - June)	Annual total
746 S Main	3020	1.75	\$ 5,285.00	\$ 15,855.00	\$ 1.8000	\$ 5,436.00	\$ 48,924.00
750 S. Main	3280	1.32	\$ 4,329.60	\$ 12,988.80	\$ 1.3600	\$ 4,460.80	\$ 40,147.20
			\$ 9,614.60	\$ 28,843.80		\$ 9,896.80	\$ 89,071.20
							\$ 117,915.00

29/30

Location	Sq Footage	Rate	Monthly	3 months (July - Sept)
746 S Main	3020	1.8	\$ 5,436.00	\$ 16,308.00
750 S. Main	3280	1.36	\$ 4,460.80	\$ 13,382.40
			\$ 9,896.80	\$ 29,690.40

Total for the Term of the Contract \$ **559,944.00**

EXHIBIT B

Project	Cost
Engineering Plans for 746 & 750 S. Main Street	24,000.00
City and Electrical Permits	10,000.00
Installation of door with keypad and other keypad installation	5,000.00
Gregory Construction Quote	154,847.50
Mini-Split for server room	7,000.00
IT Wiring for 746/750 S. Main	23,000.00
TOTAL	223,847.50

Exhibit B-2

GREGORY CONSTRUCTION

5318 HOY RD.
WEED, CALIFORNIA 96094
(530) 926-9114
gregoryjr61@live.com

Jefferson Resource LLC

PROJECT LOCATION:
746 Main St.
Yreka, Ca. 96097

JULY 16, 2024

(COUNTY PORTION)
ESTIMATE FOR TENANT IMPROVEMENT (PERMIT BY OWNER)

- REMOVE T-BAR CEILING AS NECESSARY
- HAUL AWAY

PRICE ----- \$ 300.00

- REMOVE ALL EXISTING MISC. SHELVING
- REMOVE ALL EXISTING WOOD AND DRYWALL WALLS MARKED ON PLANS
- STRIP OFF ALL WALL STANDARD MATERIAL ON INTERIOR HALLWAY WALL AND EXTERIOR WALLS IN NEED OF STRIPPING
- REMOVE EXISTING DRYWALL AS NECESSARY FOR NEW ELECTRICAL
- REMOVE ALL EXISTING FLOORING / CARPET
- REMOVE ANY MATERIALS NECESSARY TO FACILITATE NEW WORK
- HAUL AWAY

PRICE ----- \$ 3,500.00

FRAMING

- ALL FRAMING PER CONVERSATION WITH DANIELLE LINDLER
- INSTALL 2X2 FIRRING STRIPS TO ACCOMMODATE ELECTRICAL

PRICE ----- \$ 16,500.00

ELECTRICAL

- REMOVE OLD EXISTING UNGROUNDED CIRCUITRY AND ABANDONED CONDUIT RUNS
- REMOVE EXISTING SUB PANELS
- RELOCATE EXISTING LIGHTS THAT ARE SERVICEABLE
- PULL WIRE, INSTALL BREAKERS, PROVIDE AND INSTALL SUB PANEL
- ASSIGN CIRCUITRY AND PROVIDE PANEL SCHEDULE FOR NEW SUB PANEL
- PROVIDE AND INSTALL LIGHTING CONTROLS FOR LIGHTING
- RUN CONDUIT, PULL WIRE, PROVIDE AND INSTALL A 30 AMP WATER HEATER CIRCUIT

NOTE: NO LOW VOLTAGE OR DATA CABLING INCLUDED

PRICE ----- \$ 43,000.00

DRYWALL

- REPAIR OR REPLACE DRYWALL WHERE NECESSARY
- INSTALL NEW DRYWALL ON ALL NEW FRAMING
- TAPE & TEXTURE

- **NOTE: ALL DRYWALL TO HAVE ORANGE PEEL TEXTURE THROUGHOUT**

PRICE ----- **\$ 14,000.00**
HVAC

- SERVICE HEATING AND A/C UNITS AND MAKE FUNCTIONAL FOR HEATING AND COOLING

PRICE ----- **\$ 5,000.00 *ALLOWANCE***

T-BAR CEILING

- REPAIR AND REPLACE PANELS AS NEEDED

PRICE ----- **\$ 3,800.00 *ALLOWANCE***

INTERIOR DOORS

- INSTALL SOLID CORE WOOD DOORS WITH WOOD JAMBS AND WOOD TRIMS AND LEVER TYPE LOCKS (NO KEYPAD LOCKS INCLUDED) FOR TWO INTERVIEW ROOMS AND ONE TO SEPARATE IN THE NEW SEPARATION WALL IN FRONT

MATERIAL ALLOWANCE ----- **\$ 8,500.00 *ALLOWANCE***

INSTALLATION LABOR ALLOWANCE ----- **\$ 4,000.00 *ALLOWANCE***

FLOORING

- REPLACE FLOOR COVERING WITH COMMERCIAL CARPET, & COMMERCIAL VINYL PLANK IN LOBBY

PRICE ----- **\$ 21,750.00**

- INSTALL RUBBER BASE ON ALL WALLS

PRICE ----- **\$ 3,000.00**

SIGNAGE

- INSTALL NECESSARY SIGNAGE FOR LIGHTED EXIT SIGNS WITH BATTERY BACKUP

PRICE ----- **\$ 1,500.00**

PAINT

- PREP, PRIME & PAINT ALL INTERIOR WALLS
- APPLY 2 COATS OF SHERWIN WILLIAMS PRO MAR 200 HP EGGSHELL TO ALL WALLS AND CEILINGS (NO DROP CEILINGS)
- DOORS TO BE PAINTED WITH SHERWIN WILLIAMS PRO CLASSIC SEMI GLOSS

PRICE ----- **\$ 9,800.00**

SUBTOTAL ----- **\$ 134,650.00**

PROFIT / SUPERVISION / OVERHEAD 15% ----- **\$ 20,197.50**

TOTAL ESTIMATE ----- **\$ 154,847.50**