

**LEASE AGREEMENT FOR 240 EAST HONOLULU STREET, LINDSAY**

THIS LEASE AGREEMENT is entered into as of \_\_\_\_\_, 2018, between LLOYD TURNER, referred to as LESSOR, and the COUNTY OF TULARE, referred to as LESSEE, with respect to the following:

WHEREAS, the Parties entered into Tulare County Agreement No. 16893 on January 5, 1993 for lease of that real property situated in the City of Lindsay, County of Tulare, State of California, described as that certain building located at 240 East Honolulu Street, consisting of approximately 700 sq. ft., and more particularly described in Exhibit A, attached hereto and incorporated by reference, (the "Property"); and,

WHEREAS, said Agreement was amended May 7, 1996; April 30, 2002; May 10, 2005; June 17, 2008; and August 9, 2011; and

WHEREAS, on July 28, 2014 the County exercised its option to renew the term of the lease for three (3) years; and

WHEREAS, the tenancy is currently in a month-to-month holdover.

WHEREAS, both Parties now desire to enter into a three (3) year term and increase the rental rate in exchange for certain upgrades to the Premises.

**ACCORDINGLY IT IS AGREED:**

1. **LEASE.** LESSOR leases to LESSEE, and LESSEE leases from LESSOR, the premises situated in the City of Lindsay, addressed as 240 East Honolulu St., hereinafter referred to as "the Property" consisting of 700 square feet of office space.

2. **TERM/OPTION TO RENEW.** The term of this Lease Agreement shall commence August 11, 2017 and shall expire 3 years thereafter. LESSEE shall have the option to

renew this Lease Agreement for an additional two (2), three (3) year terms under the same terms and conditions by serving notice of exercise of the option to renew to LESSOR prior to the end of the term. Tulare County Agreement No. 16893 and all other Amendments to Agreement No. 16893 will terminate upon approval of this Lease Agreement by the Tulare County Board of Supervisors.

3. **RENT.** LESSEE shall pay to LESSOR monthly rent, without deduction, set off, prior notice, or demand of SIX HUNDRED FIFTY-TWO DOLLARS AND THIRTY-EIGHT CENTS (\$652.38) made payable to Lloyd Turner, 246 East Honolulu St., Lindsay, California, 93247. The monthly rental amount will increase to SEVEN HUNDRED FIFTY-TWO DOLLARS AND THIRTY-EIGHT CENTS (\$752.38) upon satisfactory completion of the upgrades as delineated in Exhibit C, attached hereto and incorporated by reference, hereinafter referred to as the "Work". Rent shall be prorated for any partial month at the rate of 1/30<sup>th</sup> of the monthly rent per day. Rent shall be increased by 3% annually every July 1<sup>st</sup>.

4. **USE.** LESSEE shall use the Premises as office space for the County of Tulare. LESSEE shall not use the Premises in any manner that will constitute waste or nuisance.

5. **LESSEE'S DATE OF POSSESSION:** Upon commencement of the term LESSEE will be entitled to exclusive possession of the Premises.

6. **ACCEPTANCE.** LESSEE's taking possession of the Premises shall constitute LESSEE's acknowledgment that the Premises are accepted in "as is" condition

7. **MAINTENANCE.**

a. LESSOR will provide, at LESSOR's expense, all ongoing maintenance, preventative maintenance, repair, and upkeep of the Premises, including, but not limited to,

the parking areas, sidewalks, grounds, building and improvements, and equipment and fixtures attached thereto. Such responsibility shall include, without limitation, the following:

i. The structural parts of the building and other improvements in which the Premises are located, which structural parts include the foundations, bearing and exterior walls, subflooring, and roof;

ii. The exposed and unexposed electrical, plumbing, and sewage systems, including, without limitation, those portions of the systems lying outside the Premises;

iii. Window frames, gutters, and down spouts on the building and other improvements in which the Premises are located;

iv. Heating, ventilating, and air-conditioning systems (HVAC) servicing the Premises;

v. Light fixtures and replacement bulbs;

vi. Pest control;

b. LESSOR will be responsible for complying with all codes or laws requiring alterations, maintenance or restoration of the Premises and parking areas, excluding any alterations of LESSEE's furnishings, during the term of the Agreement, at no cost to LESSEE, including all ADA Standards for Accessible Design requirements..

c. In case of emergency the LESSOR will take immediate steps to protect persons and property. If the LESSOR does not take the necessary steps, LESSEE will have the right to repair or contract to repair and to be reimbursed by LESSOR. If the full amount of the reimbursement is not delivered by LESSOR to LESSEE within ten (10) days after LESSEE's delivery to LESSOR of a written statement bill evidencing the cost of the repair, LESSEE will have the right to deduct the cost of repair from the next monthly rent payment.

d. Except for cases of emergency, LESSOR will make all repairs as soon as is possible. In the event LESSOR has not made a repair referred to in a written notice from LESSEE to LESSOR within thirty (30) days after date of notice, LESSEE will have the right to repair or contract to repair and be reimbursed by LESSOR. If the full amount of the reimbursement is not delivered by LESSOR to LESSEE within ten (10) days after LESSEE's delivery to LESSOR of a written statement or bill evidencing the cost of the repair, LESSEE will have the right to deduct the cost of repair from the next monthly rent payment.

8. **UTILITIES/SERVICES.** LESSEE shall make arrangements for, and provide at its own cost and expense, utilities utilized by the Premises, including electrical, gas, and phones. LESSEE shall be responsible for the following services: fire extinguisher, alarm, and janitorial services. LESSOR shall make arrangements for and provide at LESSOR's expense all water, sewer, and trash services utilized by the Premises.

9. **QUIET ENJOYMENT.** LESSOR covenants and agrees that upon performance of all covenants by the LESSEE as herein provided, LESSEE shall peaceably and quietly hold and enjoy the Premises during the term of the Agreement.

10. **ALTERATIONS.** Except as stated above, LESSEE shall not make any structural or exterior alterations to the Premises without LESSOR's consent, which consent shall not be unreasonably withheld; however, LESSEE shall have the right without cost to the LESSOR to make, with LESSOR's consent, nonstructural alterations to the interior of the Premises that LESSEE requires in order to conduct its operations on the Premises.

Upon termination of the tenancy, if LESSEE is not then in default of any of the provisions of this Agreement, LESSEE shall have the right to remove from the Premises immediately before the termination of the tenancy, or within ten (10) days thereafter, any

alterations LESSEE has made to the Premises, as long as the removal will not cause any structural damage to the Premises, and LESSEE at its cost promptly restores any damage caused by the removal.

**11. PREVAILING WAGE AND OTHER LABOR LAWS: LESSOR**

acknowledges that the work outlined in Exhibit C, and potentially any subsequent alterations LESSOR makes to the Premises at LESSEE's sole request to LESSEE's explicit leased space under the terms of this Lease Agreement, are subject to such prevailing wage, apprenticeship, and anti-discrimination provisions of the Labor Code as are applicable to public works projects contracted for by LESSEE, including Labor Code section 1771. LESSOR will require all contractors and subcontractors who complete such work to: (a) maintain accurate and certified payroll records pursuant to Labor Code section 1776; (b) to make such records available for inspection by LESSEE and the Division of Labor Standards Enforcement of the Department of Industrial Relations, on a weekly basis and at no cost; and (c) to comply with all other applicable prevailing wage requirements. In addition, LESSOR's construction contract(s) will require contractor(s) and subcontractor(s) to maintain complete and accurate records with respect to the funds expended on such work, and will require that the contractor(s) and subcontractor(s) provide access to the Tulare County Auditor and to the State of California auditors, and to their agents and representatives, for the purpose of auditing and/or copying such records for a period of five (5) years from the date of this Agreement. LESSOR will require that all such records be prepared in accordance with generally accepted accounting procedures, be clearly identified, and be readily accessible within the County of Tulare, upon request.

**12. ASSURANCES OF NON-DISCRIMINATION.** LESSOR will not discriminate in employment or the performance of the work or in the provision of services called for under

this Lease Agreement on the basis of any characteristic or condition upon which discrimination is prohibited by state or federal law or regulation.

LESSOR will not discriminate in employment or the performance of the work or in the provision of services called for under this Lease Agreement on the basis of any characteristic or condition upon which discrimination is prohibited by state or federal law or regulation.

13. **MECHANICS LIENS.** LESSEE shall pay all costs for construction done by it or caused to be done by it on the Premises as permitted under this Lease Agreement. LESSEE shall keep the building, other improvements, and land on which the Premises are located free and clear of all mechanics liens resulting from construction done by or for LESSEE.

14. **INSURANCE.** LESSOR acknowledges and agrees that LESSEE is a self-insured entity, and waives any requirement that LESSEE procure and/or maintain insurance of any kind, including liability and/or fire/extended coverage insurance. Prior to execution of this Agreement by LESSEE, LESSOR shall file with the Clerk of the Board of Supervisors, evidence of the insurance as set forth in Exhibit B attached, which outlines the minimum scope, specifications and limits of insurance required under this Lease Agreement. Failure to maintain or renew coverage, or to provide evidence of insurance renewal, for the duration of this Lease Agreement, including any renewal or holdover period, may be considered a material breach of this Lease Agreement.

15. **DESTRUCTION.** In the event the leased space, or the building in which the leased space is located, is totally or partially destroyed by fire, earthquake, or other casualty so as to render such property unfit for occupancy, in whole or in part, LESSEE shall be entitled to a reduction in the rental during the period that such part remains unrepaired or unrestored, in the

proportion of the amount of floor space unfit for occupancy to the total floor space included in the lease; provided, however, that if it should reasonably appear that LESSOR cannot or will not restore or repair the Premises within ninety (90) days from the date of such damage, either party shall be entitled to terminate the lease by giving the other party notice in writing of intention to so terminate ten (10) days before the proposed date of termination.

16. **CONDEMNATION.** If, during the tenancy, there is any taking by condemnation of all or part of the building, other improvements, or land of which the Premises are a part, or any interest in the tenancy, the rights and obligations of the parties shall be determined as follows:

- a. If the Premises are totally taken by condemnation, the tenancy shall terminate on the date of the taking;
- b. If any portion of the Premises is taken by condemnation the tenancy shall remain in effect, except that: (i) the rent shall be reduced by an amount that is in the same ratio to monthly rent as the value of the area of the portion of the Premises taken bears to the total value of the Premises immediately before the taking; and (ii) LESSEE may elect to terminate the tenancy by giving notice of same within ten (10) days of the date of the taking.

17. **ASSIGNMENT.** LESSEE shall not assign or encumber its interest in the tenancy, or sublease all or any part of the Premises, without the consent of LESSOR, except as otherwise provided in this Lease Agreement.

18. **DEFAULT.** The occurrence of any of the following shall constitute a default by LESSEE:

- a. Abandonment and vacation of the Premises;

b. Failure to perform any other provision of this Lease Agreement if the failure to perform is not cured within a reasonable time after notice has been given of same to LESSEE.

Notices given under this section shall specify the alleged default and the applicable provisions of this Lease Agreement, and shall demand that LESSEE perform the provisions within the applicable period of time, or quit the Premises.

The purpose of the notice requirements set forth in this section is to extend the notice requirements of the unlawful detainer statutes of California.

In the event of a default, the parties shall have the remedies now or later allowed by law.

19. **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 on the Premises without LESSOR's prior written consent, which consent shall not be unreasonably withheld. On the expiration or termination of this Lease Agreement, LESSOR may remove and destroy any items which were permitted to be installed in accordance with the terms of this section.

20. **LESSOR'S ENTRY ON PREMISES.** LESSOR and its authorized representatives shall have the right to enter the Premises at all reasonable times, and after reasonable notice to LESSEE, for any of the following purposes:

a. To determine whether the Premises are in good condition and whether LESSEE is complying with the obligations under this Lease Agreement;

b. To do any necessary maintenance and to make any restoration to the Premises or the building and other improvements in which the Premises are located that LESSOR has the right or obligation to perform;



c. To serve, post, or keep posted any notices required or permitted under this Lease Agreement;

d. To show the Premises to prospective brokers, agents, buyers, and prospective lessees at any time during the tenancy.

21. **SURRENDER.** On expiration or other termination of the tenancy, LESSEE shall surrender the Premises to LESSOR in good condition, ordinary wear and tear excepted.

LESSEE shall remove all its personal property, and shall perform all restoration made necessary by the removal of any alterations, fixtures, or signs.

22. **TERMINATION.** The right to terminate this Lease Agreement under this provision may be exercised without prejudice to any other right or remedy to which the terminating party may be entitled at law or under this Lease Agreement.

(a). With Cause: This Lease Agreement may be terminated by either party should the other party:

- (1). be adjudged a bankrupt, or
- (2). become insolvent or have a receiver appointed, or
- (3). suffer any judgment which remains unsatisfied for 30 days, and

which would substantively impair the ability of the judgment debtor to perform under this Agreement, or

- (4). materially breach this Lease Agreement.

For any of the occurrences except item (4), termination may be effected upon written notice by the terminating party specifying the date of the termination. Upon a material breach, the Lease Agreement may be terminated following the failure of the defaulting party to remedy the breach to the satisfaction of the non-defaulting party within FIVE (5) days of written notice

specifying the breach. If the breach is not remedied within that FIVE (5) day period, the non-defaulting party may terminate the Lease Agreement on further written notice specifying the date of termination.

If the nature of the breach is such that it cannot be cured within a FIVE (5) day period, the defaulting party may, submit a written proposal within that period which sets forth a specific means to resolve the default. If the non-defaulting party consents to that proposal in writing, which consent shall not be unreasonably withheld, the defaulting party shall immediately embark on its plan to cure. If the default is not cured within the time agreed, the non-defaulting party may terminate upon written notice specifying the date of termination.

23. **SUCCESSORS.** This Lease Agreement shall be binding on, and inure to, the benefit of the parties, their successors and assigns, except as otherwise limited by this Lease Agreement.

24. **NOTICE.** Any notice, demand, request, consent, approval or other communication required or permitted under this Lease Agreement shall be in writing and either served personally or sent by prepaid, first class mail, certified return receipt requested, and addressed to the other party at the address indicated below:

**LESSEE:** Board of Supervisors  
County of Tulare Administration Building  
2800 W. Burrel  
Visalia, CA 93291

**COPY TO:** County of Tulare  
General Services Agency/Property Management  
5953 S. Mooney Blvd.

Visalia, CA 93277

**LESSOR:** Lloyd Turner  
1823 W. Brian  
Porterville, CA 93257

Notice shall be deemed communicated five (5) days from the time of mailing as provided in this section.

25. **WAIVER.** The failure of either party to insist on strict compliance with any provision of this Agreement will not be considered a waiver of any right to do so, whether for that breach or any subsequent breach. The acceptance by either party of either performance or payment will not be considered to be a waiver of any preceding breach of the Agreement by the other party.

26. **INTEGRATION.** This instrument contains all the agreements of the parties relating to the Premises and cannot be modified or amended except by a subsequent agreement in writing.

27. **SEVERABILITY.** The unenforceability, invalidity, or illegality of any provision of this Lease Agreement shall not render the other provisions of the Lease Agreement unenforceable, invalid, or illegal.

28. **GOVERNING LAW.** This Lease Agreement shall be interpreted and governed under the laws of the State of California without reference to California conflicts of law principles. The parties agree that this Lease Agreement is made and shall be performed in Tulare County, California.

29. **NO THIRD-PARTY BENEFICIARIES INTENDED.** Unless specifically set forth in this Lease Agreement, the parties to this Lease Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.

30. **CONSTRUCTION.** This Lease Agreement reflects the contributions of all undersigned parties and accordingly the provisions of Civil Code section 1654 shall not apply to address and interpret any alleged uncertainty or ambiguity.

31. **EXHIBITS.** The exhibits to this Lease Agreement are fully incorporated into and are integral parts of this Lease Agreement.

32. **HEADINGS.** Section headings are provided for organizational purposes only and do not in any manner affect the scope, meaning or intent of the provisions under the headings.

33. **HOLDING OVER:** If LESSEE, with LESSOR'S consent, remains in possession of the Premises after the expiration of the initial lease term or the renewal period, such possession shall be deemed to be a month-to-month tenancy terminable on thirty (30) days' notice given at any time by either party. During such month-to-month tenancy, LESSEE shall pay all rent required by this Lease Agreement, all other provisions of which shall apply to the month-to-month tenancy.


34. **CONFLICT WITH LAWS OR REGULATIONS; SEVERABILITY.** This Agreement is subject to all applicable laws and regulations. If any provision of this agreement is found by any court or other legal authority, or is agreed by the parties, to be in conflict with any code or regulation governing its subject, the conflicting provision will be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of the Agreement to either party is lost, the Agreement may be terminated at the option of the affected party. In all other cases the remainder of the Agreement will continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement as of the day and year first written.

LESSOR

Lloyd Turner

Date: 3-26-18

By 

LESSEE

County of Tulare

Date: \_\_\_\_\_

By \_\_\_\_\_

Chairman, Board of Supervisors

ATTEST: MICHAEL C. SPATA  
County Administrative Officer/  
Clerk of the Board of Supervisors

By \_\_\_\_\_, Deputy

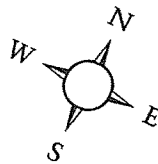
Approved as to form:  
County Counsel

By \_\_\_\_\_, Deputy

Matter ID: 20171255

**Exhibit A**  
**240 East Honolulu Street, Lindsay, CA**

**The Premises**



## Exhibit B

240 East Honolulu St., Lindsay, CA

### LEASES WITH COUNTY AS LESSEE

#### INSURANCE REQUIREMENTS

LESSOR shall procure and maintain insurance for the duration of this Agreement against claims for injuries to persons and damage to property which may arise from, or in connection with, performance under the Agreement by the LESSEE, his agents, representatives, employees and subcontractors, if applicable.

#### A. Minimum Scope & Limits of Insurance

1. ~~Insurance Services Office Commercial General Liability Hartford Business Liability coverage of \$1,000,000 combined single limit per occurrence (occurrence Form CG 00 01) including products and completed operations, property damage, bodily injury and personal & advertising injury. If a general aggregate applies, either the general aggregate limit shall apply separately to this location or the general aggregate shall be \$2,000,000.~~
2. ~~Insurance Services Office Form Number CA 00 01 covering Automobile Liability, (any auto) of \$1,000,000 per occurrence. If an annual aggregate applies it must be no less than \$2,000,000.~~
3. ~~Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.~~
1. 4. Property Insurance against ~~all risks of loss~~ direct physical loss on all real property being leased including improvements and betterment not installed by Lessee. Limits of full replacement cost with no coinsurance penalty provision.

#### B. Specific Provisions of the Certificate

1. If any of the required insurance is written on a claims made form, the retroactive date must be before the date of the contract and must be maintained and evidence

of insurance must be provided for at least three (3) years after completion of the contract work.

2. ~~The General Liability and Property Insurance policies must be endorsed and endorsements must be provided to COUNTY reflecting the following provisions:~~

a. ~~The County, its officers, agents, officials, employees and volunteers are to be covered as additional insureds with respect to liability arising out of ownership maintenance or use of that part of the Premises leased to the COUNTY.~~

b. ~~For claims related to this lease, the LESSOR's insurance coverage shall be primary insurance as respects the COUNTY, its officers, agents, officials, employees and volunteer and shall be at least as broad as ISO CG 20 01 04 13. Any insurance or self insurance maintained by the COUNTY, its officers, agents, officials, employees or volunteers shall be excess of the LESSOR's insurance and shall not contribute with it.~~

c. ~~Each insurance policy required by this agreement shall be endorsed to state that coverage shall not be canceled, except after written notice has been provided to the COUNTY.~~

d. ~~LESSOR hereby grants to COUNTY a waiver of any right to subrogation which any insurer of the LESSOR may acquire against the COUNTY by virtue of the payment of any loss under such insurance. LESSOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the COUNTY has received a waiver of subrogation endorsement from the insurer.~~

3. ~~The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the COUNTY for all work performed by the LESSOR, its employees, agents and subcontractors. LESSOR waives all rights against the COUNTY and its officers, agents, officials, employees and volunteers for recovery of damages to the extent these damages are covered by the workers compensation and employers liability.~~

C. Deductibles and Self-Insured Retentions

Self-insured retentions must be declared and the COUNTY Risk Manager must approve any



deductible or self-insured retention that exceeds \$100,000.

D. Acceptability of Insurance

Insurance must be placed with insurers with a current rating given by A.M. Best and Company of no less than A-VII and a Standard & Poor's Rating (if rated) of at least BBB and from a company approved by the Department of Insurance to conduct business in California. Any waiver of these standards is subject to approval by the County Risk Manager.

E. Verification of Coverage

Prior to approval of this Agreement by the COUNTY, the LESSOR shall file with the Tulare County Board of Supervisors, certificates of insurance ~~with original endorsements~~ effecting coverage in a form acceptable to the COUNTY. Endorsements must be signed by persons authorized to bind coverage on behalf of the insurer. The COUNTY reserves the right to require certified copies of all required insurance policies at any time.

Rev. 8/8/17

**Exhibit C**  
**240 East Honolulu Street, Lindsay, CA**

**Work to be completed by Lessor at Lessor's sole expense.**

**LESSOR'S RESPONSIBILITY:**

1. Remove and dispose of existing carpet.
2. Replacement of current flooring with Vinyl Composite Tile (VCT) throughout office. Color choices subject to approval by Lessee.

**LESSEE'S RESPONSIBILITY**

1. Lessee to arrange the movement of all furniture in coordination with LESSOR's flooring contractor.