

## Attachment D

1 GA 1254-206  
2 HCA/Alcohol and Drug Abuse Services

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### LEASE

7 THIS IS A LEASE, hereinafter referred to as "Lease," made July 1, 2003, by and between  
8 Margery G. Geiler, Trust, and Leland W. Geiler II, Trust, hereinafter referred to as "LESSOR," and  
9 County of Orange, hereinafter referred to as "COUNTY," without regard to number and gender. The  
10 term "COUNTY" shall mean the Board of Supervisors of the political body that executed this agreement  
11 or its authorized  
representative. 12

#### 13 1. DEFINITIONS (1.2 S)

14

15 "Board of Supervisors" means the Board of Supervisors of the County of Orange, a political subdivision  
16 of the State of California

17

18 "County Executive Officer" means the County Executive Officer, County Executive Office, County of  
19 Orange, or designee, or upon written notice to LESSOR, such other person or entity as shall be  
20 designated by the Board of

Supervisors. 21

22 "Director of CEO/Purchasing and Real Estate" means the Director, County Executive Office, Purchasing  
23 and Real Estate, County of Orange, or designee, or upon written notice to LESSOR, such other person or  
24 entity as shall be designated by the County Executive Officer or the Board of

Supervisors. 25

26 "Director of Health Care Agency" means the Director, Health Care Agency, County of Orange, or  
27 designee, or upon written notice to LESSOR, such other person or entity as shall be designated by the  
28 County Executive Officer or the Board of Supervisors.

29

30 "Manager, HCA/Facilities Support-Real Estate" means the Manager, Health Care Agency, Facilities  
31 Support-Real Estate, County of Orange, or designee, or upon written notice to LESSOR, such other  
32 person or entity as shall be designated by the Director of Health Care Agency, or designee.

33

34 "Auditor-Controller" means the Auditor-Controller, County of Orange, or designee, or upon written  
35 notice to LESSOR, such other person or entity as shall be designated by the Board of Supervisors.

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1 "County Counsel" means the County Counsel, County of Orange, or designee, or upon written notice to  
2 LESSOR, such other person or entity as shall be designated by the County Executive Officer or the  
3 Board of Supervisors.

4  
5 "CEO/Real Estate" means the County Executive Office, Real Estate, for the County of Orange, or upon  
6 written notice to LESSOR, such entity as shall be designated by the County Executive Officer or the  
7 Board of Supervisors.

## 8 9 2. PREMISES (1.3 S)

10  
11 LESSOR leases to COUNTY that certain property hereinafter referred to as "Premises," described in  
12 "Exhibit A" and shown on "Exhibit B," which exhibits are attached hereto and by reference made a part  
13 hereof, together with non-exclusive, in common use of LESSOR's elevators, stairways, washrooms,  
14 hallways, driveways for vehicle ingress and egress, pedestrian walkways, other facilities and common  
15 areas appurtenant to COUNTY's Premises created by this Lease.

## 16 17 3. PARKING (1.4 S)

18  
19 LESSOR, throughout the term of this Lease, shall provide 44 parking spaces for COUNTY's free and  
20 exclusive use. Said parking spaces are to be located in the parking area shown on Exhibit B.

21  
22 In addition to said parking spaces, LESSOR shall also provide parking for disabled persons in  
23 accordance with the Americans with Disabilities Act, Section 7102 of the California Uniform Building  
24 Code and the applicable codes and/or ordinances relating to parking for disabled persons as established  
25 by the local jurisdiction in which the Premises is located where the provisions of such local codes and/or  
26 ordinances exceed or supersede the State requirements.

## 27 28 4. TERMINATION OF PRIOR AGREEMENTS (1.5 S)

29  
30 It is mutually agreed that this Lease shall terminate and supersede any prior agreement between the  
31 parties hereto covering all or any portion of the Premises, including that certain lease dated December  
32 18, 2001, between the Margery G. Geiler Trust and Leland W. Geiler II, and the County of Orange,  
33 EXCEPT that all personal property and/or equipment (e.g., fixtures, partitions, counters, shelving)  
34 attached to and/or placed upon any portion of the Premises by COUNTY pursuant to the terms of any  
35 prior agreement between the parties hereto shall remain the personal property of COUNTY, who shall

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36 have the right to remove same.

37 //

1 ~~5.~~ TERM (2.2 N)

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4 ~~The term of this Lease shall be ten (10) years and commencing on July 1, 2003.~~

The term of this Lease commenced on July 1, 2003, ("**Commencement Date**"), and will terminate on June 30, 2024.

5 ~~6.~~ OPTION TO TERMINATE LEASE (2.4 N)

6

7 ~~COUNTY or LESSOR shall have the option to terminate this Lease at any time after the second year~~  
8 ~~upon giving the other party written notice at least sixty (60) days prior to said termination date.~~

9

10 7. RENT (3.1 N)

11

12 ~~COUNTY agrees to pay to LESSOR as rent for the Premises the sum of Seventeen Thousand Nine~~  
13 ~~Hundred Three Dollars (\$17,903) per month.~~

14

15 ~~To obtain rent payments LESSOR (or LESSOR's designee) shall submit to COUNTY's Manager,~~  
16 ~~HCA/Facilities Support Real Estate, in a form acceptable to said Manager, HCA/Facilities Support Real~~  
17 ~~Estate, a written claim for said rent payments.~~

18

19 ~~Payment shall be due and payable within twenty (20) days after the later of the following:~~

20

21 ~~A. The first day of the month following the month earned; or~~

22 ~~B. Receipt of LESSOR's written claim by COUNTY's Manager, HCA/Facilities Support Real~~  
23 ~~Estate.~~

COUNTY agrees to pay to LESSOR as rent for the Premises the sum of Thirty Thousand Twenty-One (\$30,021) Dollars per month, of which amount includes an additional Two Hundred Seventy (\$270) Dollars for the Reserve Fund, as detailed in Clause 33 (RESERVE FUND) of this Lease.

To obtain rent payments and payment of any amounts hereunder LESSOR (or LESSOR's designee) shall submit to COUNTY's HCA Facilities Operations Manager, in a form acceptable to said HCA Facilities Operations Manager, a written claim for said rent payments.

Payment shall be due and payable within twenty (20) days after the later of the following:

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A. The first day of the month following the month earned; or

B. Receipt of LESSOR's written claim by the HCA Facilities Operations Manager.

COUNTY shall pay Additional Rent in accordance with this Clause. Additional Rent consists of additional charges to COUNTY payable to LESSOR under Clause 33 (RESERVE FUND) of this Lease.

25 8. RENT ADJUSTMENT (3.3 N)

26

27 ~~The monthly rental payable by COUNTY for the Premises shall be automatically adjusted as follows:-~~

28	Months	Monthly Rental
29	13-24	\$18,400
30	25-36	\$18,897
31	37-48	\$19,395
32	49-60	\$19,892
33	61-72	\$20,389
34	73-84	\$20,887
35	85-96	\$21,384
36	97-108	\$21,881
37	109-120	\$22,379

The monthly rental payable by COUNTY for the Premises shall be automatically adjusted as follows:

Commencing	Monthly Rental	Rent Per Square Foot	Additional Rent for Reserve Fund	Total Rent
July 1, 2017	\$29,751	\$2.20	\$.02	\$30,021
July 1, 2018	\$30,644	\$2.27	\$.02	\$30,968
July 1, 2019	\$31,563	\$2.34	\$.02	\$31,914
July 1, 2020	\$32,510	\$2.41	\$.02	\$32,861
July 1, 2021	\$33,485	\$2.48	\$.02	\$33,808
July 1, 2022	\$34,490	\$2.55	\$.02	\$34,754
July 1, 2023	\$35,525	\$2.63	\$.02	\$35,836

The Monthly Rental, above, is the amount to be paid by COUNTY. The "Per Square Foot" rate, above, is an estimate for statistical purposes only and for no other purpose.

9. REPAIR, MAINTENANCE, AND JANITORIAL SERVICES (5.1 S)

2

3 LESSOR shall provide at its own cost and expense all repair, maintenance (including fire extinguishers),  
4 and janitorial supplies and services to Premises (including but not limited to the repair and maintenance

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5 of the HVAC system). Janitorial supplies and services shall be provided on a five-day-per-week basis in  
6 accordance with Exhibit C (JANITORIAL SPECIFICATIONS) attached hereto and made a part hereof.

7

8 If LESSOR fails to provide satisfactory repair, maintenance, and janitorial services to the Premises,  
9 Manager, HCA/Facilities Support-Real Estate, may notify LESSOR in writing; and if LESSOR does not  
10 instigate measures to provide satisfactory service and/or to remedy the unsatisfactory conditions within  
11 four (4) days after COUNTY has placed such notice in the mail to LESSOR directed to the address  
12 shown for LESSOR in the clause entitled (NOTICES) below, or has personally delivered such notice to  
13 LESSOR, COUNTY may provide the repair, maintenance, and/or janitorial service necessary to remedy  
14 the unsatisfactory condition and assure satisfactory service or have others do so, and deduct the cost  
15 thereof, including labor, materials, and overhead from any rent payable.

16

17 If LESSOR fails to provide satisfactory janitorial supplies to Premises, Manager, HCA/Facilities  
18 Support-Real Estate, may notify LESSOR either verbally or in writing; and if LESSOR does not provide  
19 janitorial supplies within twenty-four (24) hours after LESSOR has received such notice from  
20 COUNTY, COUNTY may provide the janitorial supplies necessary or have others do so, and deduct the  
21 cost thereof, including labor, materials, and overhead, from any rent payable.

22

23 If LESSOR or its representative cannot be contacted by COUNTY for emergency repairs and/or services  
24 the same day any emergency repairs and/or services are necessary to remedy the emergency condition, or  
25 if LESSOR following such contact by COUNTY is unable or refuses to make the necessary repairs or  
26 provide the necessary services, COUNTY may at its option have the necessary repairs made and/or  
27 provide services to remedy the emergency condition, and deduct the cost thereof, including labor,  
28 materials, and overhead from any rent payable.

29

30 Should COUNTY be forced to shut down its operations within the Premises due to LESSOR's failure to  
31 provide services required by this clause, LESSOR shall be responsible for the cost, to the COUNTY, of  
32 such a shutdown.

33

34 LESSOR shall provide COUNTY with a complete copy of the janitorial contract covering the Premises,  
35 including the janitorial schedule and any other exhibits.

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1 10. UTILITIES (5.2 N)

2

3 LESSOR shall be responsible for and pay, prior to the delinquency date, all charges for utilities supplied  
4 to the Premises except telephone, which shall be the obligation of COUNTY. Should LESSOR fail to  
5 provide utility service to the Premises, COUNTY may provide such service and deduct the cost thereof,  
6 including overhead, from any rent payable. LESSOR shall provide said services during COUNTY's  
7 normal business hours. COUNTY's normal business hours are 8:00 a.m. to 8:00 p.m., Monday through  
8 Thursday, and 8:00 a.m. to 5:00 p.m. on Friday, except holidays of the County of Orange.

9

10 Should COUNTY reduce its normal business hours of operation from of those hours listed above,  
11 LESSOR may proportionately reduce the utilities supplied to the Premises during the changed or  
12 reduced hours. LESSOR shall be entitled to reduce the utilities supplied only after the COUNTY gives  
13 written notice of the times and dates of its reduction of its business operation. However, in no event  
14 shall the rent be reduced should COUNTY elect to reduce its normal business hours of operation.

15

16 11. INSURANCE (5.3 N)

17

18 ~~**Property/Fire Insurance:** LESSOR shall obtain and keep in force during the term of this Lease a~~  
19 ~~policy or policies of property and fire insurance with extended coverage, covering the loss or damage to~~  
20 ~~the Premises to the full insurable value of the improvements located on the Premises, (including the full~~  
21 ~~value of all improvements, and fixtures owned by LESSOR), at least in the amount of the full~~  
22 ~~replacement cost thereof, and in no event less than the total amount required by any lender holding a~~  
23 ~~security interest, against all perils included within the classification of fire, extended coverage,~~  
24 ~~vandalism and malicious mischief.~~

25

26 ~~Included in the policy or policies of property and fire insurance shall be a standard waiver of right of~~  
27 ~~subrogation against COUNTY by the insurance company issuing said policy or policies. LESSOR shall~~  
28 ~~provide COUNTY with evidence of compliance with these requirements.~~

29

30 ~~LESSOR's insurance (a) shall be in a form satisfactory to COUNTY and carried with a company (or~~  
31 ~~companies) acceptable to COUNTY and licensed to do business in the state of California, (b) shall~~  
32 ~~provide that such policies shall not be subject to material alteration or cancellation without at least thirty~~  
33 ~~(30) days prior written notice to COUNTY, and (c) shall be primary, and any insurance carried by~~  
34 ~~COUNTY shall be non-contributing. LESSOR's policy or policies, or duly executed certificates for~~  
35 ~~them, shall be deposited with COUNTY prior to the Commencement Date of this Lease, and prior to~~  
36 ~~renewal of such policies. If LESSOR fails to procure and maintain the insurance required to be procured~~

37 ~~//~~

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1 by LESSOR under this Lease, COUNTY may, but shall not be required to, order such insurance and  
2 deduct the cost thereof plus any COUNTY administrative charges from the rent thereafter payable.

3

4 ~~**Liability Insurance:** LESSOR shall obtain and keep in force during the term of this Lease a policy or~~  
5 ~~policies of public liability insurance covering all injuries occurring within the building and the Premises.~~  
6 ~~The policy or policies evidencing such insurance shall name COUNTY as an additional insured, shall~~  
7 ~~provide that same may not be cancelled or amended without thirty (30) days prior written notice to~~  
8 ~~COUNTY, and shall provide for a combined coverage of bodily injury and property damage in the~~  
9 ~~amount of not less than One Million Dollars (\$1,000,000). Such policy or policies shall be issued by an~~  
10 ~~insurance company licensed to do business in the State of California and in a form acceptable to~~  
11 ~~COUNTY. Prior to the Commencement Date of this Lease and upon renewal of such policies, LESSOR~~  
12 ~~shall submit to COUNTY suitable evidence that the foregoing policy or policies are in effect.~~

13

**Commercial Property Insurance:** LESSOR shall obtain and keep in force during the term of this Lease a policy or policies of commercial property insurance written on ISO form CP 00 10 10 12, or a substitute form providing coverage at least as broad, with all risk or special form coverage, covering the loss or damage to the Premises to the full insurable value of the improvements located on the Premises (including the full value of all improvements and fixtures owned by LESSOR) at least in the amount of the full replacement cost thereof, and in no event less than the total amount required by any lender holding a security interest.

LESSOR agrees to and shall include in the policy or policies of commercial property insurance a standard waiver of the right of subrogation against the County of Orange, its elected and appointed officials, officers, agents and employees by the insurance company issuing said policy or policies. LESSOR shall provide the County of Orange with a Certificate of Insurance as evidence of compliance with these requirements.

**Commercial General Liability Insurance:** LESSOR shall obtain and keep in force during the term of this Lease a policy or policies of commercial general liability insurance covering all injuries occurring within the building and the Premises. The policy or policies evidencing such insurance shall provide the following:

- 1) An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the *County of Orange, its elected and appointed officials, officers, agents and employees* as an additional insured, or provide blanket coverage which will state, **AS REQUIRED BY WRITTEN AGREEMENT**;
- 2) A primary and non-contributory endorsement using ISO form CG 20 01 04 13, or a form at least as broad evidencing that the Lessor's insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing;
- 3) LESSOR shall notify County in writing within thirty (30) days of any policy cancellation and ten (10) days for non-payment of premium and provide a copy of the cancellation notice to County. Failure to provide written notice of cancellation may constitute a material breach of the Lease, upon which the County may suspend or terminate this Lease.
- 4) Shall provide a limit of One Million Dollars (\$1,000,000) per occurrence with a Two Million Dollars (\$2,000,000) aggregate; and

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5) The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**). It is preferred, but not mandatory, that the insurer be licensed to do business in the state of California (California Admitted Carrier).

If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings. Prior to the Commencement Date of this Lease and upon renewal of such policies, LESSOR shall submit to COUNTY a Certificate of Insurance and required endorsements as evidence that the foregoing policy or policies are in effect.

If LESSOR fails to procure and maintain the insurance required to be procured by LESSOR under this Lease, COUNTY may, but shall not be required to, order such insurance and deduct the cost thereof plus any COUNTY administrative charges from the rent thereafter payable.

### 14 12. INDEMNIFICATION (5.5 S)

15

16 COUNTY shall defend, indemnify and save harmless LESSOR, its officers, agents, and employees,  
17 from and against any and all claims, demands, losses, or liabilities of any kind or nature which LESSOR,  
18 its officers, agents, and employees may sustain or incur or which may be imposed upon them for injury  
19 to or death of persons, or damage to property as a result of, or arising out of, the sole negligence of  
20 COUNTY, its officers, agents, employees, subtenants, invitees, or licensees, in connection with the  
21 occupancy and use of the Premises by COUNTY.

22

23 Likewise LESSOR shall defend, indemnify and save harmless COUNTY, its officers, agents, and  
24 employees from and against any and all claims, demands, losses, or liabilities of any kind or nature  
25 which COUNTY, its officers, agents, and employees may sustain or incur or which may be imposed  
26 upon them for injury to or death of persons, or damage to property as a result of, or arising out of, the  
27 sole negligence of LESSOR, its officers, agents, employees, invitees, or licensees, in connection with the  
28 ownership, maintenance, or use of the Premises.

29

### 30 13. PAINTING BY LESSOR (4.2 N)

31

~~32 Within sixty (60) days after commencement of the fourth and seventh years of the lease term, LESSOR  
33 shall repaint, at LESSOR'S sole expense, all painted surfaces within the Premises. Said painting shall be  
34 accomplished during hours other than COUNTY'S normal working hours. LESSOR shall be responsible  
35 for the movement and subsequent replacement of all furniture, window coverings, and fixtures necessary  
36 to repaint the Premises. COUNTY shall, at its cost and expense, be responsible for the movement and  
37 subsequent replacement of all computer equipment, communication equipment, all otherwise sensitive~~



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~~equipment or files and for the personal effects of the COUNTY's employees. Said paint shall be Dunn  
2 Edwards semi gloss latex paint or accepted equivalent. The cost of said repainting shall not be included  
3 in the operating costs for the building for the purpose of operating cost adjustments.~~

4

~~5 At COUNTY'S sole option, COUNTY may elect to defer said repainting. Said deferral shall not release  
6 LESSOR from the obligation to repaint. Should COUNTY elect to defer said repainting, the Manager,  
7 HCA/Facilities Support Real Estate at least thirty (30) days prior to the scheduled repainting date, shall  
8 notify LESSOR in writing of COUNTY'S decision to defer said repainting. This notice shall include the  
9 date COUNTY wishes the repainting to take place.~~

10

~~11 Should LESSOR fail to comply with the provisions of this clause, COUNTY shall have the option to  
12 complete said repainting and deduct the cost thereof, including overhead, from any rent  
payable.~~

Within sixty (60) days after the effective date, and within sixty (60) days of July 1, 2024 should the COUNTY exercise its option to extend the lease pursuant to clause 26 (OPTION TO EXTEND), LESSOR shall repaint, at LESSOR's sole expense, all painted surfaces within the Premises. Said painting shall be accomplished during hours other than COUNTY's normal working hours. LESSOR shall be responsible for the movement and subsequent replacement of all furniture, window coverings, and fixtures necessary to repaint the Premises. COUNTY will remove personal items, pictures, computers and printers, etc. necessary to repaint the Premises. Said paint shall be of a kind and quality of Sherwin Williams semi-gloss paint or acceptable equivalent approved by COUNTY.

At COUNTY's sole option, as exercised through the Chief Real Estate Officer, COUNTY may elect to defer said repainting. Said deferral shall not release LESSOR from the obligation to repaint.

13

### 14. CARPETING BY LESSOR (4.3 S)

15

~~16 Within sixty (60) days after commencement of the fourth and eighth years of the lease term, LESSOR  
17 shall recarpet, at LESSOR'S sole expense, all carpeted surfaces within the Premises. Said recarpeting  
18 shall be accomplished during hours other than COUNTY'S normal working hours. LESSOR shall be  
19 responsible for the movement and subsequent replacement of all furniture and fixtures necessary to  
20 recarpet the Premises. COUNTY shall, at its cost and expense, be responsible for the movement and  
21 subsequent replacement of all computer equipment, communication equipment, all otherwise sensitive  
22 equipment or files and for the personal effects of the COUNTY's employees. Said carpet shall be 100  
23 percent continuous filament nylon (Antron <sup>®</sup> or equal) with static control, yarn wt./S.Y. min. 26 oz.  
24 level loop to min. 35 oz. cut pile, 118" to 5132" gauge, 9.5 to 10.5 stitches/in. and have .150" to .290"  
25 pile height, and solution dyed. Carpet shall be direct glue down.. The cost of said recarpeting shall not~~

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26 ~~be included in the operating costs for the building for the purpose of operating cost adjustments.~~

27

28 ~~At COUNTY'S sole option, COUNTY may elect to defer said recarpeting. Said deferral shall not~~  
29 ~~release LESSOR from the obligation to recarpet. Should COUNTY elect to defer said recarpeting, the~~  
30 ~~Manager, HCA/Facilities Support Real Estate at least thirty (30) days prior to the scheduled recarpeting~~  
31 ~~date, shall notify LESSOR in writing of COUNTY'S decision to defer said recarpeting. This notice shall~~  
32 ~~include the date COUNTY wishes the recarpeting to take place.~~

33

34 ~~Should LESSOR fail to comply with the provisions of this clause, COUNTY shall have the option to~~  
35 ~~complete said recarpeting and deduct the cost thereof including overhead, from any rent payable.~~

36

Within sixty (60) days of completion of HVAC work and interior painting, LESSOR shall have the carpet cleaned per industry standards, and again twice a year thereafter, in calendar years 2018 through 2021, and within sixty (60) days of January 1, 2022. Within sixty (60) days of July 1, 2022, LESSOR shall recarpet, at LESSOR's sole expense, all carpeted surfaces within the Premises. Said recarpeting shall be accomplished during hours other than COUNTY's normal working hours. LESSOR shall be responsible for the movement and subsequent replacement of all furniture and fixtures necessary to recarpet the Premises. COUNTY will remove computers, printers and electronic equipment necessary to recarpet the Premises. Said carpeting shall be Calypso (Mar 1-RS), Powerbond Plus carpet (1/4" foam back) manufactured by Collins & Aikman or equivalent carpeting, with final carpet selection by mutual agreement between LESSOR and COUNTY'S Manager, HCA Facilities Operations.

At COUNTY's sole option, as exercised through the Chief Real Estate Officer, COUNTY may elect to defer said recarpeting. Said deferral shall not release LESSOR from the obligation to recarpet.

### 1 15. TAXES AND ASSESSMENTS (5.6 S)

2

3 All taxes and assessments which become due and payable upon the Premises shall be the full  
4 responsibility of LESSOR, and LESSOR shall cause said taxes and assessments to be paid prior to the  
5 due date. Should LESSOR fail to pay taxes and assessments due upon the Premises, COUNTY may pay  
6 such amount due and deduct the cost thereof, including overhead, from the rent thereafter payable.

7

### 8 16. BUILDING AND SAFETY REQUIREMENTS (5.7 S)

9

10 During the full term of this Lease, LESSOR, at LESSOR's sole cost, agrees to maintain the Premises in  
11 compliance with all applicable laws, rules, regulations, building codes, statutes, and orders as they are  
12 applicable on the date of this Lease, and as they may be subsequently amended.

13

14 Included in this provision is compliance with the Americans with Disabilities Act (ADA) and all other  
15 federal, state, and local codes, statutes, and orders relating to disabled access as they are applicable on  
16 the dates of this Lease, and as they may be subsequently amended.

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18 LESSOR further agrees to maintain the Premises as a "safe place of employment," as defined in the  
19 California Occupational Safety and Health Act (California Labor Code, Division 5, Part 1, Chapter 3,  
20 beginning with Section 6400) and the Federal Occupational Safety and Health Act, where the provisions  
21 of such Act exceed, or supersede, the California Act, as the provisions of such Act are applicable on the  
22 date of this Lease, and as they may be subsequently

amended. 23

24 In the event LESSOR neglects, fails, or refuses to maintain said Premises as aforesaid, COUNTY may,  
25 notwithstanding any other termination provisions contained herein:

26

27 A. Terminate this Lease; or

28 B. At COUNTY's sole option, cure any such default by performance of any act, including payment  
29 of money, and subtract the cost thereof plus reasonable administrative costs from the

rent. 30

### 31 17. TOXIC MATERIALS (5.9 S)

32

33 COUNTY hereby warrants and represents that COUNTY will comply with all laws and regulations  
34 relating to the storage, use and disposal of hydrocarbon substances and hazardous, toxic or radioactive  
35 matter, including, but not limited to, those materials identified in Title 26 of the California Code of  
36 Regulations (collectively "Toxic Materials"). COUNTY shall be responsible for and shall defend,  
37 indemnify and hold LESSOR, its officers, directors, employees, agents, and representatives, harmless  
1 from and against all claims, costs and liabilities, including attorneys' fees and costs arising out of or in  
2 connection with the storage, use, and disposal of Toxic Materials on the Premises by COUNTY. If the  
3 storage, use, and disposal of Toxic Materials on the Premises by COUNTY results in contamination or  
4 deterioration of water or soil resulting in a level of contamination greater than maximum allowable  
5 levels established by any governmental agency having jurisdiction over such contamination, COUNTY  
6 shall promptly take any and all action necessary to clean up such contamination.

7

8 Likewise, LESSOR hereby warrants and represents that LESSOR has in the past and will hereafter  
9 comply with all laws and regulations relating to the storage, use and disposal of hydrocarbon substances  
10 and hazardous, toxic or radioactive matter, including, but not limited to, those materials identified in  
11 Title 26 of the California Code of Regulations (collectively "Toxic Materials"). LESSOR shall be  
12 responsible for and shall defend, indemnify and hold COUNTY, its officers, directors, employees,  
13 agents, and representatives, harmless from and against all claims, costs and liabilities, including  
14 attorneys' fees and costs arising out of or in connection with the previous, current and future storage, use  
15 and disposal of Toxic Materials on the Premises (or building if the Premises comprises only a portion of  
16 said building) by LESSOR. If the previous, current and future storage, use, and disposal of Toxic  
17 Materials on the Premises by LESSOR results in contamination or deterioration of water or soil resulting

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18 in a level of contamination greater than maximum allowable levels established by any governmental  
19 agency having jurisdiction over such contamination, LESSOR shall promptly take any and all action  
20 necessary to clean up such contamination.

21

### 22 18. SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE (6.4 N)

23

24 This Lease and all rights of the COUNTY hereunder are subject and subordinate to any mortgage or  
25 deed of trust which does now or may hereafter cover the Premises or any interest of LESSOR therein,  
26 and to any and all advances made on the security thereof, and to any and all increases, renewals,  
27 modifications, consolidations, replacements and extensions of any such mortgage or deed of trust;  
28 except, insofar as COUNTY is meeting its obligations under this Lease, any foreclosure of any mortgage  
29 or deed of trust shall not result in the termination of this Lease or the displacement of COUNTY.

30

31 In the event of transfer of title to the Premises, including any proceedings brought for foreclosure or in  
32 the event of the exercise of the power of sale under any mortgage or deed of trust or by any other transfer  
33 of title covering the Premises, COUNTY shall attom to and recognize any subsequent title holder as the  
34 LESSOR under all terms, covenants and conditions of this Lease. COUNTY's possession of the  
35 Premises shall not be disturbed by the LESSOR or its successors in interest, and this Lease shall remain  
36 in full force and effect. Said attornment shall be effective and self-operative immediately upon

1

2 succession of the current title holder, or its successors in interest, to the interest of LESSOR under this  
3 Lease.

3

4 Foreclosure shall not extinguish this Lease, and any lender or any third party purchasing the Premises at  
5 foreclosure sale shall do so subject to this Lease and shall thereafter perform all obligations and be  
6 responsible for all liabilities of the LESSOR under the terms of this Lease.

7

8 Upon default by LESSOR of any note or deed of trust, COUNTY may, at its option, make all lease  
9 payments directly to Lender, and same shall be applied to the payment of any and all delinquent or future  
10 installments due under such note or deed of trust.

11

### 12 19. ESTOPPEL CERTIFICATE (6.5

S) 13

14 COUNTY agrees that its Director of Health Care Agency shall furnish from time to time upon receipt of  
15 a written request from LESSOR or the holder of any deed of trust or mortgage covering the Premises or  
16 any interest of LESSOR therein, COUNTY's standard form Estoppel Certificate containing information  
17 as to the current status of the Lease. The Estoppel Certificate shall be approved by Director of Health  
18 Care Agency, CEO/Real Estate, and County Counsel.

## Attachment D

19

20 20. DEFAULTS AND REMEDIES (6.8

S) 21

22 The occurrence of any of the following shall constitute an event of default:

23

24 • Failure to pay any installment of any monetary amount due and payable hereunder;

25 • Failure to perform any obligation, agreement or covenant under this Lease.

26

27 In the event of any non-monetary breach of this Lease by COUNTY, LESSOR shall notify COUNTY in  
28 writing of such breach, and COUNTY shall have fifteen (15) days in which to initiate action to cure said  
29 breach

. 30

31 In the event of any non-monetary breach of this Lease by LESSOR, COUNTY shall notify LESSOR in  
32 writing of such breach and LESSOR shall have fifteen (15) days in which to initiate action to cure said  
33

breach

. 34

35 In the event of any monetary breach of this Lease by COUNTY, LESSOR shall notify COUNTY in  
36 writing of such breach, and COUNTY shall have fifteen (15) days in which to cure said breach, unless  
37 specified otherwise within this Lease.

1 In the event of any monetary breach of this Lease by LESSOR, COUNTY shall notify LESSOR in  
2 writing of such breach, and LESSOR shall have fifteen (15) days in which to cure said breach, unless  
3 specified otherwise within this Lease.

4

5 21. DEBT LIMIT (6.9 S)

6

7 LESSOR acknowledges and agrees that the obligation of the COUNTY to pay rent under this Lease is  
8 contingent upon the availability of COUNTY funds which are appropriated or allocated by the  
9 COUNTY's Board of Supervisors for the payment of rent hereunder. In this regard, in the event that this  
10 Lease is terminated due to an uncured default of the COUNTY hereunder, LESSOR may declare all rent  
11 payments to the end of COUNTY's current fiscal year to be due, including any delinquent rent from  
12 prior budget years. In no event shall LESSOR be entitled to a remedy of acceleration of the total rent  
13 payments due over the term of the Lease. The parties acknowledge and agree that the limitations set  
14 forth above are required by Article 16, Section 18, of the California Constitution. LESSOR  
15 acknowledges and agrees that said Article 16, Section 18, of the California Constitution supersedes any  
16 law, rule, regulation or statute, which conflicts with the provisions of this paragraph. Notwithstanding  
17 the foregoing, LESSOR may have other rights or civil remedies to seek relief due to the COUNTY's

## Attachment D

18 default under the Lease. Such rights or remedies may include a right to continue the COUNTY's right  
19 of possession under the Lease and sue for the rent as it becomes past due.

20

### 21 22. CHILD SUPPORT ENFORCEMENT REQUIREMENTS (6.12 S)

22

23 In order to comply with child support enforcement requirements of the County of Orange, within thirty  
24 (30) days after COUNTY's execution of this Lease agreement, LESSOR agrees to furnish Director of  
25 Health Care Agency, COUNTY's standard form, Child Support Enforcement Certification  
26 Requirements, which includes the following

information: 27

28 A. In the case where LESSOR is doing business as an individual, LESSOR's name, date of birth,  
29 Social Security number, and residence address;

30

31 B. In the case where LESSOR is doing business in a form other than as an individual, the name,  
32 date of birth, Social Security number, and residence address of each individual who owns an interest of  
33 ten (10) percent or more in the contracting entity;

34 C. A certification that the LESSOR has fully complied with all applicable federal and state  
35 reporting requirements regarding its employees; and

36

37 D. A certification that the LESSOR has fully complied with all lawfully served Wage and Earnings  
2 Assignment Orders and Notices of Assignment, and will continue to so comply.

3

4 Failure of LESSOR to timely submit the data and/or certifications required above or to comply with all  
5 federal and state reporting requirements for child support enforcement, or to comply with all lawfully  
6 served Wage and Earnings Assignment Orders and Notices of Assignment, shall constitute a material  
7 breach of this Lease. Failure to cure such breach within sixty (60) calendar days of notice from Director  
8 of Health Care Agency shall constitute grounds for termination of this Lease.

9

10 It is expressly understood that this data will be transmitted to governmental agencies charged with the  
11 establishment and enforcement of child support orders and will not be used for any other purpose.

12

### 13 23. BUILDING SECURITY (N)

14

15 LESSOR will provide a burglar alarm system monitored by a U.L. listed central station, which secures  
16 all entrances and windows. Throughout the term of the Lease, COUNTY will pay all fees, charges, and  
17 maintenance for monthly service.

18

### 19 24. NOTICES (8.1 S)

## Attachment D

20

21 All written notices pursuant to this Lease shall be addressed as set forth below or as either party may  
22 hereafter designate by written notice and shall be deemed delivered upon personal delivery, delivery by  
23 facsimile machine, or seventy-two (72) hours after deposit in the United States Mail.

24 TO: LESSOR

TO: COUNTY

25 ~~Margery G. Geiler~~

26 ~~Leland W. Geiler II~~

27 ~~7407 Via de Fortuna~~

28 ~~Carlsbad, CA 92009~~

County of Orange  
Health Care Agency  
405 West 5<sup>th</sup> Street, 7th Floor  
Santa Ana, CA 92701  
Attn: Director of Administration

29 Leland W. Geiler, II  
6319 Di Vita Drive  
Carlsbad, CA 92009

Phone (760) 505-6623

With a copy to:

County Executive Office  
333 W. Santa Ana Boulevard, 3rd Floor  
Santa Ana, CA 92701

Attention: Scott Mayer, Chief Real Estate Officer

### 25. ATTACHMENTS (8.2 S)

32 ~~This Lease includes the following, which are attached hereto and made a part hereof:~~

33 ~~I. GENERAL CONDITIONS~~

34 ~~II. EXHIBITS~~

35 ~~A. Description Premises~~

36 ~~B. Plot Plan Premises~~

37 ~~C. Janitorial Specifications~~

This Lease includes the following which are attached hereto and made a part hereof:

#### I. GENERAL CONDITIONS

#### II. EXHIBITS

- A. Revised Description - Premises
- B. Revised Plot Plan - Premises
- C. Janitorial Specifications
- D. Construction Plans and Specifications
- E. Tenant Improvement Plan ("Work")

### 26. OPTION TO EXTEND (2.3 N)

LESSOR and COUNTY shall upon mutual agreement, have the option to extend the term of this Lease for one

## Attachment D

(1) 5-year period. Notification of said exercise of option shall be done in writing at least sixty (60) days prior to the Lease termination date. If COUNTY and LESSOR are unable to mutually agree to terms of renewal, the lease will convert to a month-to-month tenancy at that last month's rent payment level. During this holdover period LESSOR and COUNTY shall work to negotiate the terms of renewal but COUNTY may be required by LESSOR to vacate, upon receipt of ninety (90) days written notice.

A. ~~Clause 27 RENT ADJUSTMENT SHOULD COUNTY EXERCISE OPTION TO EXTEND LEASE TERM (N) is hereby deleted.~~

### 28. CONSTRUCTION (N)

**A. Completion Schedule:** LESSOR hereby agrees to use its best efforts to complete, at LESSOR's sole cost and expense, on or prior to the date which is one-hundred twenty (120) days after the Effective Date ("**Completion Date**"), the Premises Improvements, as mutually agreed upon (as defined in Exhibit E) ("**Work**") and in accordance with the Work Letter, attached hereto and made a part hereof as Exhibit E, and the provisions of this Clause 28 (CONSTRUCTION). The Work shall include, without limitation, any additional improvements, additions, alterations or construction to the Premises, and shall comply with current laws and building codes as required by applicable governmental authorities in connection with the construction of the Work (including, without limitation, any work required to comply with ADA laws, seismic laws and health and safety laws). LESSOR agrees to schedule the Work so as to move the project along as expeditiously and efficiently as possible. Without limiting any legal remedies available to COUNTY, if the Work is not completed on or prior to the Completion Date, other than as a direct result of the actions (or inactions) of COUNTY, COUNTY shall have the option, after notice to LESSOR, to complete the Work and deduct the cost thereof, including labor, materials, contractor's overhead and an administrative charge (equal to ten percent (10%) of the cost of the Work completed by COUNTY) from any Rent payable, or other sums due LESSOR by COUNTY, hereunder.

**B. COUNTY Remedies:** If the Work is not completed on or prior to the Completion Date, other than as a result of a delay caused by COUNTY, LESSOR shall be obligated to pay a penalty to COUNTY of Two Hundred Twenty Dollars (\$220) per day for the period from the Completion Date, until the Work is substantially completed, in addition to the remedy set forth in A above, COUNTY shall be entitled to pursue all available remedies at law or pursuant to this lease. The Parties agree that this penalty amount is a fair and reasonable amount based on the COUNTY'S damages for the Work not being completed.

**C. Punch List:** Upon Substantial Completion (as defined below) of the Work, LESSOR shall request the HCA Facilities Operations Manager's approval and acceptance of such Work, which approval will not be unreasonably withheld or delayed. Said approval shall be manifested by a letter from the HCA Facilities Operations Manager ("**HCA Letter**"), and may be subject to completion of items on a "punch list," which shall be generated by COUNTY and included in the HCA Letter. COUNTY shall not be required to send the HCA Letter until COUNTY is satisfied that all of the Work has reached Substantial Completion (other than punch list items, if any) pursuant to this Lease in COUNTY's sole but reasonable discretion. As used in this Clause 28 (D), "**Substantial Completion**" means that the Work shall have been completed in accordance with the provisions of this Lease and any mutually approved plans and specifications, such that the Premises may continue to be occupied by COUNTY for the intended purposes subject to "punch list" items, if any.

In the event COUNTY's approval and acceptance of the Work is given along with a punch list, LESSOR shall complete all punch list items within twenty-one (21) working days following receipt of the HCA Letter. Should the items on the punch list not be completed within twenty-one (21) working days other than as a result of actions (or inactions) of COUNTY, LESSOR shall be obligated to pay a penalty to COUNTY of One Hundred Ten (\$110) per day for the period from the Completion Date through the date that all punch



## Attachment D

list items have been completed.

### **30. USE (2.1 S)**

COUNTY shall use the Premises for general office, as well as outpatient clinic appointments and outpatient treatment.

### **31. COUNTY-REQUESTED ALTERATIONS (4.4A N)**

COUNTY may, during the term of the Lease, request LESSOR to make improvements and changes in the Premises. The granting or conditioning of any such request shall be at LESSOR's sole discretion and in no event shall LESSOR have any obligation whatsoever to grant such request or perform such improvements or changes in the Premises. In the event that LESSOR grants such request, all plans and working drawings for the improvements and changes, as well as the final work shall have the written approval of the Health Care Agency.

LESSOR agrees that any improvement being constructed by, or under the direction of LESSOR, shall be constructed, to the extent applicable to the requested project, in substantial compliance with City approved plans and to the extent applicable, in compliance with Federal, California and local laws, including by not limited to, the requirement of California Public Contract Code Section 22000 et seq. If applicable to the requested project, LESSOR shall request its contractor or subcontractors to pay the prevailing rate of per diem wages for work of a similar character in the locality of the County and not less than the general prevailing rate of per diem wages for work of a similar character in the locality of the County and not less than the general prevailing rate of per diem wages for holiday and overtime work, as provided in Clause 32 (LABOR CODE COMPLIANCE) of this Lease.

All such improvements and changes shall be made by LESSOR at LESSOR's sole cost, and reimbursed in lump sum as Additional Rent by COUNTY, within thirty (30) days of receipt by COUNTY from LESSOR of a written claim for such reimbursement. COUNTY agrees that said reimbursement may include a five percent (5%) management/construction fee which shall be considered as part of the costs and expenses of the alterations.

COUNTY shall have the right to audit LESSOR's reimbursement request and require additional support documentation from LESSOR prior to making reimbursement payment. COUNTY shall evidence acceptance of such claim by written letter to LESSOR.

### **32. LABOR CODE COMPLIANCE (6.10 N)**

Any improvements or modifications requested by the COUNTY that cost more than \$1,000 and are required to be performed by the LESSOR pursuant to this Lease may be subject to the provisions of Article 2 of Chapter 1, Part 7, Division 2 of the Labor Code of the State of California (Sections 1770, *et seq.*) ("Prevailing Wage laws"). To the extent applicable, LESSOR agrees to comply with any such Prevailing Wage laws.

Except as expressly set forth in this Lease, nothing herein is intended to grant authority for LESSOR to perform modifications on space currently leased by COUNTY or for which COUNTY has entered into a lease or lease amendment.

### **33. RESERVE FUND (N)**

As a portion of the monthly rental payable by COUNTY, pursuant to Clause 7 (RENT) of this Lease, as

## Attachment D

amended, a Reserve Fund (“**Fund**”) will be established which LESSOR will administer for the benefit of COUNTY to make any repairs or perform maintenance work caused by the employees, clients, or invitees of COUNTY to the Premises. The Fund will be segregated by LESSOR and held in bank accounts designated by LESSOR.

Upon expiration or termination of this Third Amendment, any amount then remaining in the Fund, after payment of all expenditures referred to above, will belong solely to COUNTY. LESSOR shall not have any equity interest in the Fund. The Fund shall be administered by LESSOR which, from time to time during the term of this Lease, shall have the right to withdraw monies from the Fund, as LESSOR may deem necessary or appropriate, in order to pay or reimburse LESSOR for costs incurred in connection with the items referred to above, including any advances against the Fund by LESSOR as described below. Nothing herein shall relieve LESSOR of its financial responsibility to fulfill its obligations under this Lease with respect to the times referred to above if there are insufficient monies available in the Fund.

If the amount then on hand in the Fund is inadequate to make payments required in connection with the items referred to above, LESSOR shall advance, without interest, such additional monies as may be required and are not then available in the Fund, such advances to be deemed to constitute borrowings by the Fund from LESSOR and with respect to which LESSOR shall have the right of reimbursement at such time as additional monies are available in the Fund.

Within sixty (60) days immediately following each anniversary date of the Effective Date of the Third Amendment, LESSOR shall furnish COUNTY with a written statement setting forth Fund receipts from COUNTY and any advances by LESSOR, together with interest earned, during the immediately preceding lease year, and an enumeration of all expenditures made by LESSOR from the Fund during such lease year.

COUNTY shall have sixty (60) days following the expiration or termination of this Third Amendment to make claims to the funds that were not used to perform the repairs or maintenance work. If COUNTY fails to make a claim within said sixty day period, it will be deemed to have waived its right to any portion of the Fund and the money in the Fund may be retained by LESSOR.

### **34. SIGNAGE (N)**

COUNTY shall have the right to install decal signage on the glass located near the front door. COUNTY shall also have the right to install building signage on the façade of the property in a mutually agreed upon location. COUNTY shall be responsible for installing, maintaining and removing the signage upon lease expiration or termination. In the event any damage or repair is needed as a result of the removal of the signage, Tenant shall be responsible for the cost of the repairs.

### **35. ASSIGNMENT AND SUBLETTING**

**General.** COUNTY shall not assign this Lease or sublet the Premises in whole or in part without LESSOR’s prior written consent, which consent shall not be unreasonably withheld. LESSOR shall respond in writing to COUNTY’s request to assign this Lease or sublet all or any portion of the Premises within fifteen (15) days of COUNTY’s request. In the event LESSOR withholds consent to any such request by COUNTY, LESSOR shall provide reasonable details of its reason for such withholding of consent. In the event LESSOR fails to timely respond to COUNTY’s request, LESSOR shall be deemed to have approved such request. COUNTY hereby waives the provisions of Section 1995.310 of the California Civil Code, or any similar or successor Laws, now or hereinafter in effect, and all other remedies, including, without limitation, any right at law or equity to terminate this Lease, on its own behalf and, to the extent permitted under all applicable Laws, on behalf of the proposed transferee.

## Attachment D

**Justifications for Withholding Consent.** By way of example and not limitation, LESSOR shall be deemed to have reasonably withheld consent to a proposed assignment or sublease if in LESSOR's reasonable opinion (i) the Premises are or may be in any way materially adversely affected thereby; (ii) the business reputation of the proposed assignee or subtenant is unacceptable; or (iii) the financial worth of the proposed assignee or subtenant is insufficient to meet the obligations of the subject sublease or assignment. Notwithstanding anything to the contrary contained herein, in no event shall it be reasonable for LESSOR to withhold its consent on the basis that there is vacancy in the Building or based on the fact that the proposed assignee or sublessee currently leases space in the Building or has been or is currently in negotiations with LESSOR to lease space at the Building.

**Excess Profit.** If COUNTY shall make any assignment or sublease, with LESSOR's consent, for a rental in excess of the rent payable under this Lease, LESSOR shall not be entitled to any of such excess which shall be held by COUNTY.

### 36. RIGHT TO WORK AND MINIMUM WAGE LAWS (6.13 N)

Any services provided by LESSOR or LESSOR's contractors, agents, employees, etc. may be subject to the United States Immigration Reform and Control Act of 1986 ("Immigration Laws"). To the extent applicable, LESSOR agrees to comply with any such Immigration Laws.

Moreover, any services provided by LESSOR or LESSOR's contractors, agents, employees, etc. may be subject to the United States of America Fair Labor Standard Act of 1938, as amended, and State of California Labor Code, Section 1178.5 ("Labor and Wage Laws"). To the extent applicable, LESSOR agrees to comply with any such Labor and Wage Laws.

### 38. ALTERATIONS (4.4 S)

COUNTY may, at COUNTY's sole cost and expense, make any alterations, improvements and changes in the Premises ("**Alterations**"), including but not limited to the installation of fixtures, partitions, counters, shelving, and equipment as deemed necessary or appropriate, subject to LESSOR's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed, however, LESSOR's failure to deliver notice to COUNTY of LESSOR's refusal to consent within ten (10) days of COUNTY's request for consent shall be deemed to be consent by LESSOR. COUNTY shall submit such information regarding the intended Alteration as LESSOR may reasonably require, and no request for consent shall be deemed complete until such information is so delivered. It is agreed that any such fixtures, partitions, counters, shelving, or equipment attached to or placed upon the Premises by COUNTY shall be considered as personal property of COUNTY, who shall have the right to remove same; provided that COUNTY shall repair any damage caused by such removal at its sole cost and expense. COUNTY agrees that the Premises shall be left in as good condition as when received, reasonable wear and tear excepted.

The following provisions apply to all Alterations: (i) COUNTY shall hire a licensed general contractor approved by LESSOR who, in turn, shall hire only licensed subcontractors; (ii) COUNTY shall obtain all required permits and deliver a copy of the same to LESSOR. COUNTY shall install all Alterations in strict compliance with all laws, codes, permits, any plans approved by LESSOR, and all conditions to LESSOR's approval; (iii) Unless LESSOR elects otherwise, COUNTY shall remove each Alteration at the end of this Lease or COUNTY's right of possession and restore the Premises to its prior condition, all at COUNTY's sole expense; and (iv) COUNTY shall deliver to LESSOR, within ten (10) days following installation of each Alteration, (A) accurate,

## Attachment D

reproducible as-built plans, (B) proof of final inspection and approval by all governmental authorities, (C) complete lien waivers acceptable to LESSOR for all costs of the Alteration, and (D) a copy of a recorded notice of completion. LESSOR's approval of any Alterations and/or LESSOR's approval or designation of any general contractor, subcontractor, supplier or other project participant will not create any liability whatsoever on the part of LESSOR.

### **39. ORANGE COUNTY TELECOMMUNICATIONS NETWORK (OCTNET) (4.6 S)**

LESSOR agrees that COUNTY may install, at COUNTY's sole cost and expense, telecommunication devices in, on, or around the Premises and LESSOR's building in accordance with COUNTY's OCTNET plans and specifications provided that the provisions of Clause 38 (ALTERATIONS), shall be applicable to such work. It shall be COUNTY's responsibility to obtain all governmental permits and/or approvals required for such installation; however, LESSOR shall reasonably cooperate with COUNTY as necessary or appropriate, to obtain said permits and/or approvals.

### **40. LESSOR'S RIGHT OF ENTRY**

Upon reasonable verbal or electronic mail notice to COUNTY (except in an emergency [which shall mean immediate risk of injury to person or property] in which case no notice shall be required, provided that LESSOR shall first call COUNTY) and in the presence of COUNTY, LESSOR, its agents, employees and contractors and any mortgagee of the Premises shall have the right to enter the Premises during regular business hours (a) to inspect the Premises; (b) to exhibit the Premises to prospective tenants during the last six (6) months of Term or any Option Term, as applicable, or any time COUNTY is in material default hereunder, or purchasers of the Premises; (c) for any purpose which LESSOR shall deem necessary for the operation and maintenance of the Premises; and (d) to abate any condition which constitutes a violation of any covenant or condition of this Lease.

### **42. AUTHORITY**

The persons executing the LEASE below on behalf of COUNTY warrant that they have the power and authority to bind COUNTY to this Lease.

### **43. UNENFORCEABLE PROVISIONS**

If any paragraph or clause hereof shall be determined illegal, invalid or unenforceable, it is the express intention of the Parties hereto that the remainder of the Lease shall not be affected thereby, and it is also the express intentions of the Parties hereto that in lieu of each paragraph or clause of this Lease which may be determined to be illegal, invalid or unenforceable, there may be added as a part of this Lease a paragraph or clause as similar in terms to such illegal or invalid or unenforceable paragraph or clause as may be possible and may be legal, valid and enforceable.

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

APPROVED AS TO FORM:  
OFFICE OF THE COUNTY COUNSEL  
ORANGE COUNTY, CALIFORNIA

LESSOR  
MARGERY G. GEILER, TRUST  
LELAND W. GEILER II

BY: Deputy

BY:

i4.ttsr:e4kv

DATE: (01c; /0)

(G) zF

BY:

Leland W. Geiler II /K.lk!>T/

RECOMMENDED FOR APPROVAL:

Health Care Agency

BY: [Signature]

BY: [Signature]  
Senior Real Property Agent

SIGNED AND CERTIFIED THAT A  
COPY OF THIS DOCUMENT HAS BEEN  
DELIVERED TO THE CHAIRMAN OF  
THE BOARD

COUNTY



COUNTY OF ORANGE

[Signature]  
DARLENE J. BLOOM  
Clerk of the Board of Supervisors  
of Orange County, California

BY: M.J.A., J\_r

## Attachment D

Chairman, Board of Supervisors

# Attachment D

## GENERAL CONDITION(S)

### 1. LEASE ORGANIZATION (9.1 S)

The various headings in this Lease, the numbers thereof, and the organization of the Lease into separate sections and paragraphs are for purposes of convenience only and shall not be considered otherwise.

### 2. INSPECTION (9.2 S)

LESSOR or his authorized representative shall have the right at all reasonable times and upon reasonable advance notice to COUNTY to inspect the Premises to determine, if COUNTY is complying with all the provisions of this Lease.

### 3. SUCCESSORS IN INTEREST (9.3 S)

Unless otherwise provided in this Lease, the terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators, and assigns of all the parties hereto, all of whom shall be jointly and severally liable hereunder.

### 4. DESTRUCTION OF OR DAMAGE TO PREMISES (9.4 N)

"Partial Destruction" of the Premises shall mean damage or destruction to the Premises, for which the repair cost is less than 25% of the then replacement cost of the Premises (including tenant improvements), excluding the value of the land.

"Total Destruction" of the Premises shall mean damage or destruction to the Premises, for which the repair cost is 25% or more of the then replacement cost of the Premises (including tenant improvements), excluding the value of the land.

In the event of a Partial Destruction of the Premises, LESSOR shall immediately pursue completion of all repairs necessary to restore the Premises to the condition which existed immediately prior to said Partial Destruction. Said restoration work (including any demolition required) shall be completed by LESSOR, at LESSOR's sole cost. The Partial Destruction of the Premises shall in no way render this Lease null and void; however, rent payable by COUNTY under the Lease shall be abated in proportion to the extent COUNTY's use and occupancy of the Premises is adversely affected by said Partial Destruction, demolition, or repair work required thereby. Should LESSOR fail to complete necessary repairs, for any reason, within a reasonable time, or other time frame as may be authorized by

## Attachment D

1 COUNTY, COUNTY may, at COUNTY's sole option, terminate the Lease or complete necessary repair  
2 work and deduct the cost thereof, including labor, materials, and overhead from any rent thereafter  
3 payable.

4  
5 In the event of Total Destruction of the Premises or the Premises being legally declared unsafe or unfit  
6 for occupancy, this Lease and/or any option shall in no way be rendered null and void and LESSOR  
7 shall immediately instigate action to rebuild or make repairs, as necessary, to restore the Premises  
8 (including replacement of all tenant improvements) to the condition which existed immediately prior to  
9 the destruction. All rent payable by COUNTY shall be abated until complete restoration of the Premises  
10 is accepted by COUNTY. In the event LESSOR refuses to diligently pursue or is unable to restore the  
11 Premises to an occupiable condition (including replacement of all tenant improvements) within 180 days  
12 of the occurrence of said destruction or within an extended time frame as may be authorized, in writing,  
13 by COUNTY, COUNTY may, at COUNTY's sole option, terminate this Lease.

### 14 15 5. AMENDMENT (9.5 S)

16  
17 This Lease sets forth the entire agreement between LESSOR and COUNTY and any modification must  
18 be in the form of a written amendment.

### 19 20 6. PARTIAL INVALIDITY (9.6 S)

21  
22 If any term, covenant, condition, or provision of this Lease is held by a court of competent jurisdiction to  
23 be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and  
24 effect and shall in no way be affected, impaired, or invalidated thereby.

### 25 26 7. CIRCUMSTANCES WHICH EXCUSE PERFORMANCE (9.7 S)

27  
28 If either party hereto shall be delayed or prevented from the performance of any act required hereunder  
29 by reason of acts of God, performance of such act shall be excused for the period of the delay; and the  
30 period for the performance of any such act shall be extended for a period equivalent to the period of such  
31 delay. Financial inability shall not be considered a circumstance excusing performance under this Lease.

### 32 33 8. STATE AUDIT (9.8 S)

34  
35 Pursuant to and in accordance with Section 8546.7 of the California Government Code, in the event that  
36 this Lease involves expenditures and/or potential expenditures of State funds aggregating in excess of  
37 ten thousand dollars (\$10,000), LESSOR shall be subject to the examination and audit of the Auditor



## Attachment D

1 General of the State of California for a period of three years after final payment by COUNTY to  
2 LESSOR under this Lease. The examination and audit shall be confined to those matters connected with  
3 the performance of the contract, including, but not limited to, the costs of administering the contract.

### 4 5 9. WAIVER OF RIGHTS (9.9 S)

6  
7 The failure of LESSOR or COUNTY to insist upon strict performance of any of the terms, conditions,  
8 and covenants in this Lease shall not be deemed a waiver of any right or remedy that LESSOR or  
9 COUNTY may have, and shall not be deemed a waiver of any right or remedy for a subsequent breach  
10 or default of the terms, conditions, and covenants herein contained.

### 11 12 10. HAZARDOUS MATERIALS (9.11 S)

13  
14 LESSOR warrants that the Premises is free and clear of all hazardous materials or substances.

### 15 16 11. EARTHQUAKE SAFETY (9.12 S)

17  
18 LESSOR warrants that the Premises is in compliance with all applicable seismic safety regulations and  
19 building codes.

### 20 21 12. QUIET ENJOYMENT (9.13 S)

22  
23 LESSOR agrees that, subject to the terms, covenants and conditions of this Lease, COUNTY may, upon  
24 observing and complying with all terms, covenants and conditions of this Lease, peaceably and quietly  
25 occupy the Premises.

### 26 27 13. WAIVER OF JURY TRIAL (9.15 S)

28  
29 Each party acknowledges that it is aware of and has had the advice of Counsel of its choice with respect  
30 to its rights to trial by jury, and each party, for itself and its successors and assigns, does hereby  
31 expressly and knowingly waive and release all such rights to trial by jury in any action, proceeding or  
32 counterclaim brought by any party hereto against the other (and/or against its officers, directors,  
33 employees, agents, or subsidiary or affiliated entities) on or with regard to any matters whatsoever  
34 arising out of or in any way connected with this agreement and/or any claim of injury or damage.

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# Attachment D

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1 14. GOVERNING LAW AND VENUE. (9.16 S)

2

3 This agreement has been negotiated and executed in the State of California and shall be governed by and  
4 construed under the laws of the State of California. In the event of any legal action to enforce or  
5 interpret this agreement, the sole and exclusive venue shall be a court of competent jurisdiction located  
6 in Orange County, California, and the parties hereto agree to and do hereby submit to the jurisdiction of  
7 such court, notwithstanding Code of Civil Procedure section 394.

8

9 15. TIME (9.17 S)

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11 Time is of the essence of this Lease

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# Attachment D

## LEASE DESCRIPTION (10.1 S)

PROJECT NO: GA1254-206

DATE: May 20, 2003

PROJECT:HCNAlcohol and Drug Abuse Services VERIFIED BY: Thurman Hodges

All the Premises shown crosshatched on a plot plan marked Exhibit B, attached hereto and made a part hereof, being the first and a portion of the second floors of that certain two ( 2 ) story building located at 5 Mareblu, in the City of Aliso Viejo, County of Orange, State of California, and located on Parcel 2 on a map recorded in Book 227, pages 35 and 37 of Parcel Maps in the office of the County Recorder of the County of Orange together with exclusive use of 44 parking spaces in the parking areas shown on Exhibit B.

NOT TO BE RECORDED

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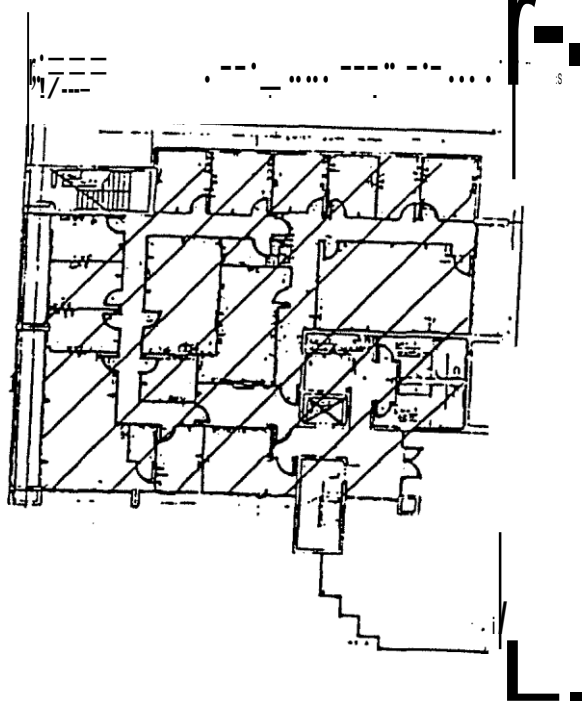
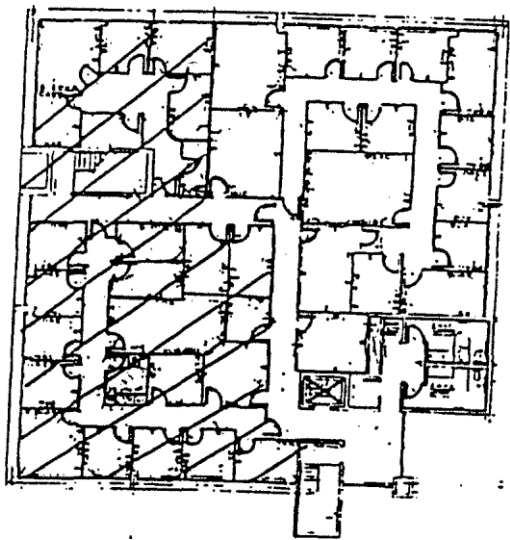
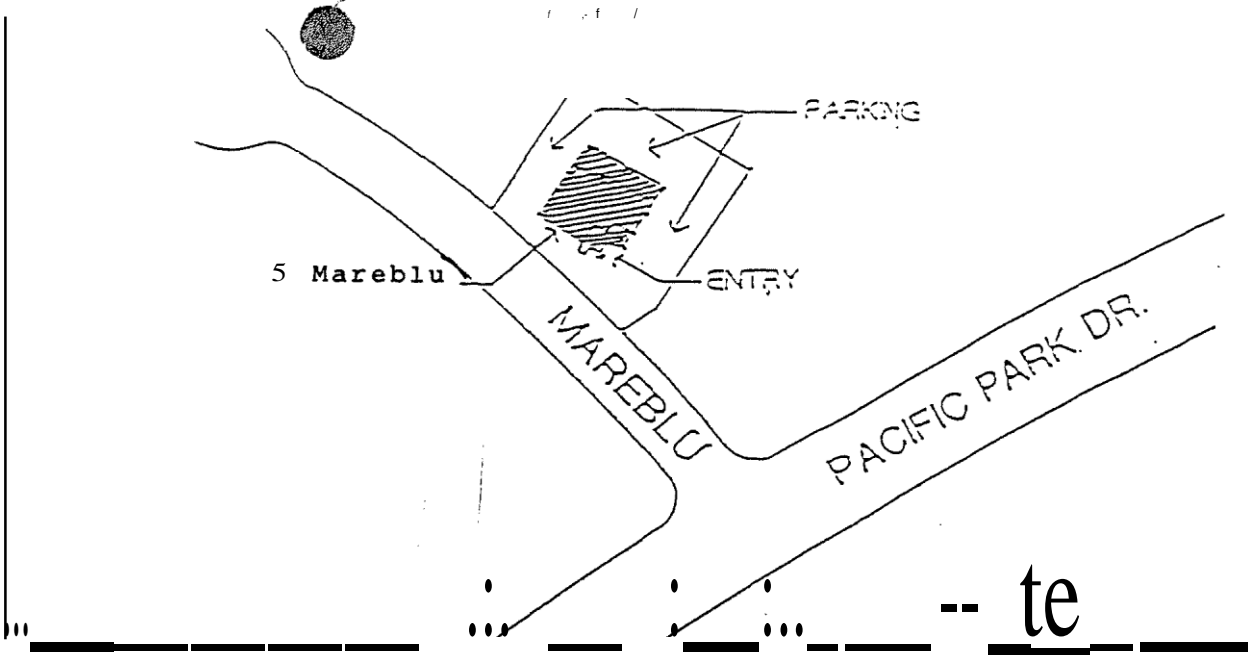
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Attachment D



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PREMISES

Attachment D

<b>Plot Plan</b> GA 1254-206 HCA/Alcohol & Drug Abuse Services 5 Mareblu Aliso Viejo		<b>COUNTY OF ORANGE</b> HCA/REAL ESTATE
	Prepared: Thurman Hodites	
	Date: 615103	

**EXHIBIT B**

# Attachment D

## JANITORIAL SPECIFICATIONS (10.4 S)

It is the intent of this Exhibit to provide general guidelines for minimum janitorial service. Any absence of a specific janitorial service from this Exhibit does not relieve LESSOR of the obligation to provide such service should it become necessary.

"Five-day-per-week" janitorial service as required in the clause entitled (REPAIR, MAINTENANCE AND JANITORIAL SERVICE) of this Lease, shall be inclusive of, but not limited to, the services as detailed below:

### OFFICE AREAS

NIGHTLY: Monday through Friday, inclusive. (Holidays of the County of Orange excepted).

1. Empty and clean all waste receptacles, supply liners for waste receptacles, replace light bulbs and fluorescent tubes, remove waste materials from the Premises and wash receptacles as necessary;
2. Mop all uncarpeted areas;
3. Vacuum all carpeted areas in offices, lobby and corridors;
4. Hand-dust all office furniture, fixtures and all other horizontal surfaces;
5. Remove all finger marks and smudges from doors, door frames, around light switches, private entry glass and partitions;
6. Wash, clean and polish water fountain;
7. Spot clean carpet as necessary;
8. Clean sink and wipe down tables and counter areas in all break areas and coffee bars.

WEEKLY:

1. Wipe clean and polish all metal and bright work;
2. Mop and polish all resilient flooring;
3. Dust in place all picture frames, charts, graphs, and similar wall hangings;
4. Spot-clean all wall marks;
5. Sweep all sidewalks and ramps.

MONTHLY:

1. Dust all mini-blinds within the Premises;
2. Vacuum all HVAC vents, high moldings and other areas not reached by nightly or weekly cleaning;
3. Scrub and wax uncarpeted floors.

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# Attachment D

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# Attachment D

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## 1 SEMI-ANNUALLY:

- 2 1. Clean ceiling light diffusers;
- 3 2. Clean carpet in high traffic areas (corridors, near lunchroom,.etc.) and other areas as needed;
- 4 3. Clean interior walls, as needed;
- 5 4. Strip and wax uncarpeted floors.

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## 7 ANNUALLY:

- 8 Clean carpet throughout Premises.

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## 10 RESTROOMS

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### 12 NIGHTLY:

- 13 1. Clean and damp-mop floors;
- 14 2. Wash all mirrors, bright work and enameled surfaces;
- 15 3. Wash and sanitize all basins, bowls, urinals, and toilet seats;
- 16 4. Dust, clean, and wash where necessary, all partitions, tile walls, dispensers, and receptacles;
- 17 5. Empty and sanitize all receptacles and sanitary napkin disposals;
- 18 6. Provide materials and fill all toilet tissue, towel, seat cover, sanitary napkin, and soap dispensers.

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### 20 MONTHLY:

- 21 1. Machine strip restroom floors and apply finish/sealer where applicable;
- 22 2. Wash all partitions, tile walls, and enamel surfaces;
- 23 3. Vacuum all louvers, vents, and dust light fixtures.

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### 25 MISCELLANEOUS SERVICES

- 26 1. Maintain building lobby, corridors, and other public areas in a clean condition;
- 27 2. Parking lot is to be cleaned on a monthly basis;
- 28 3. All interior and exterior windows of the building are to be cleaned quarterly.



## Attachment D

### Exhibit E Tenant Improvement Plan (“Work”)

“COUNTY” for this Exhibit “C” shall mean the Health Care Agency.

This Exhibit E describes the Work to be performed by LESSOR under the terms and conditions of the Lease Clause 28 (CONSTRUCTION). These Performance Specifications define minimum acceptable standards. They are not to be construed as limiting any items requiring maintenance or repair. All building codes, “The Americans with Disabilities Act” (ADA) and state disability laws as may be applicable, and local authorities’ requirements applicable to this facility shall be met. In case of conflict(s), codes and plans shall take precedence over these specifications. All Work, as detailed below, is to be completed in accordance with the specifications contained herein as Exhibit E. COUNTY shall approve all plans and materials. The specifications contained herein are COUNTY minimum standards; however COUNTY and LESSOR shall agree on the final selection of colors, finishes and styles. All Work shall be done in a neat and workmanlike manner.

- HVAC upgraded by licensed HVAC contractor to include, but not limited to, replacement of 2 of the 4 control boards as well as air balancing of the entire HVAC system once HVAC upgrades are complete, to ensure proper and efficient cooling throughout the Premises.
- Replacement of the supplemental HVAC cooler unit in the 2<sup>nd</sup> floor telecom room.
- Address Parking Lot Lighting (increase brightness), to address safety concerns.
- Replace sinks and faucets in ground floor Testing Area.
- Replace faucets in upstairs Testing Area.
- Repair locking mechanism on exterior door to the extent necessary to ensure access, including key card utilization and access for that door.
- Repair or replace downstairs restroom door.

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