

LEASE AGREEMENT

Crisis Residential Treatment Facility - 641 Orchard Avenue, Ukiah

THIS LEASE, entered into on March 15, 2022, is by and between the **County of Mendocino**, a political subdivision of the State of California, hereinafter referred to as Lessor, and **Redwood Community Services, Inc.** hereinafter referred to as Lessee.

RECITALS:

- A. The County of Mendocino ("County" or "Lessor") has constructed a building, located at 641 Orchard Avenue, Ukiah, California, for the purpose of housing a crisis residential treatment facility the "CRT Facility"), for the purpose of providing a location where Mendocino County adults, aged 18 years or older, who are experiencing a mental health crisis may receive residential treatment services
- B. Following the issuance of a request for proposals to operate the CRT Facility, County is entering into an agreement to Redwood Community Services, Inc. ("RCS" or "Lessee") to operate the CRT Facility (the "CRT Agreement"); additional details regarding the operation of the CRT Facility ("CRT Facility Operations") may be found in the CRT Agreement.
- C. As RCS will be occupying the CRT Facility in its entirety for the purpose of carrying out CRT Facility Operations, County desires to lease to RCS, and RCS desires to lease from the County, the property on which the CRT Facility is located.
- D. County has the authority contained in Government Code section 26227 to lease County property which is not needed for County purposes, to carry out programs that serve public purposes, under the terms and conditions determined by the Board of Supervisors to be in the best interests of the County and the general public. In this case, the property was specifically designed and developed to be used as a CRT facility, its operations shall be governed by the CRT Agreement, and doing so is determined to be in the best interests of the County and the general public

WITNESSETH:

- 1. That on the terms and conditions hereinafter expressed, Lessor does hereby lease to Lessee, and Lessee does hereby hire from Lessor, that certain real property located in Mendocino County, California, owned by Lessor, and located at 641 Orchard Avenue, Ukiah, California (approximately 3,460 square feet). Lessee shall only use said property for the purpose of operating the CRT Facility pursuant to the CRT Agreement.
- 2. The term of the lease shall commence upon full execution by all parties (the "Effective Date"), and shall continue through June 30, 2023, unless terminated as hereinafter provided. Upon the mutual agreement of the Lessor and Lessee, the parties may agree to extend the Agreement up to two (2) additional two (2) year periods, for a total of six (6) years.

3. The rent amount shall be the sum of one dollar (\$1.00) per month, commencing upon full execution. Said rent shall be payable monthly in advance by the tenth (10th) day of each and every month. The rental amount of one dollar (\$1.00) per month is justified as the use of the property is limited to operating the CRT Facility pursuant to the CRT Agreement, which serves a public purpose in providing crisis mental health treatment services. Monthly rental fee shall be mailed to: Mendocino County Behavioral Health and Recovery Services, 1120 S. Dora Street, Ukiah, CA 95482.

Lessee shall also pay any real property, possessory interest or personal property taxes and assessments imposed on the Leased Premises, property located on or affixed to the Leased Premises, or as a result of the lease, use or ownership of the Leased Premises.

4. This agreement may be amended by the parties hereto, and may be canceled by mutual written consent. This lease agreement embodies the entire agreement between Lessor and Lessee, and may be amended only in writing executed by both Lessor and Lessee.
5. Lessee and Lessor understand and intend that the obligation of Lessee to pay rental payments hereunder and operate the CRT Facility under the CRT Agreement is contingent upon funding from the State of California for said rental payments and operations costs. Lessor may, at its sole discretion, upon State legislation or local budgetary directives effecting changes in funding or manning tables of County programs resulting in the elimination or reduction of funding for the CRT Facility Agreement, terminate this Agreement. Termination of this agreement for the reasons provided in this paragraph shall not create an immediate indebtedness on the part of Lessee for any aggregate future payments under this Agreement. Lessee has not pledged the full faith and credit of Lessee to the payment of the rental payment due hereunder.
6. The following terms and conditions shall apply to the areas occupied by Lessee as a tenant:
 - a. Lessor shall be obligated to keep in repair said buildings, the sidewalks adjacent thereto, the heating plant, electrical service, and parking areas. Lessee agrees to pay the expense of all heating, water, electricity, and utilities of every sort used, and janitorial work, to include any routine changing of light bulbs, required routine (quarterly) changing of all filters and manufacture recommended cleaning intervals for Solar Panels, in and on the said Premises during the term of this lease, and as the same may be extended, all at Lessee's sole cost and expense, and Lessee agrees to make provision for the disposal of all refuse and garbage from said Premises at Lessee's sole cost and expense. Lessee shall also be responsible for all expenses related to routine maintenance and grounds keeping.

For purposes of this Paragraph 6(a), "Routine Maintenance" is defined as the work and materials required to keep the condition of the Premises safe, compliant with State licensing requirements, fit for habitation and fit for the use to which the Premises are leased. "Routine Maintenance" does not include repairs to buildings, adjacent sidewalks, heating plant,

electrical service and parking areas.

- b. Lessor shall satisfy requirements as may be established by the California Division of Industrial Safety, within thirty (30) days of such request.
- c. Lessor warrants at the commencement of the lease agreement that the Premises meets all applicable standards and provisions of state and federal law for occupancy. Failure of the Premises to meet such standards shall constitute a material breach of this agreement. In the event of such breach, Lessee's sole option shall be termination of the agreement.
- d. Lessee may not make any change or addition or alteration in said Premises without Lessor's consent in writing. All locks or bolts, alterations or improvements permanently affixed to, or made upon said Premises by either of the parties other than furniture/fixtures affixed because of seismic precautions, shall be and become property of Lessor and shall remain upon and be surrendered with the said Premises as a part thereof upon the termination of the lease. Those fixtures and improvements not permanently attached to the Premises by Lessee may be removed by Lessee upon expiration or termination of this lease. Lessee has permission to install a burglar alarm and/or other security systems and contract for alarm monitoring services. All equipment installed for the purpose of burglar or security systems will be removed by Lessee upon expiration or termination of this lease.
- e. Lessee shall not assign or transfer this lease, nor sublet the whole or any part of said Premises without written consent of Lessor first had and obtained, which consent shall not be unreasonably withheld.
- f. Lessee shall and will peaceably and quietly surrender and yield up unto the Lessor on the last day of said term, or as the same may be extended, or other sooner termination of this lease, the said Premises and improvements thereon in as good a state or condition as they are now, or may be put into hereinafter, reasonable use and wear and damage by the elements excepted.
- g. In the event that subject Premises should be damaged or destroyed by fire, earthquake, or like calamity or by such event be rendered unfit for the purposes of Lessee, this lease shall automatically cease and terminate, unless within thirty (30) days the parties agree to continue. No rent shall be due or be payable for the period during which the Premises are thus rendered untenable for the purpose or use intended by the Lessee.
- h. If any installment of rent be not promptly paid on or before its due date as above specified, or if default shall be made on any of the other covenants herein contained on the part or behalf of the Lessee to be paid, kept, or performed, then at its option Lessor may, twenty (20) or more days after notice of such default given and not cured, terminate this lease. Said notice of default, however, shall not be effective unless it is in writing, and specifically mentions the covenants that are being violated, and is forwarded to the Purchasing Agent of Mendocino County by certified mail and addressed as follows: Purchasing Agent, Executive Office, County of Mendocino, 841

Low Gap Road, Ukiah, California, 95482.

7. In the event litigation arises between the parties hereto, in connection with this lease, each party shall be responsible for their own costs and attorney fees relating to said dispute, including any lawsuit brought by either party.
8. Where Lessor fails to provide its contracted repairs provided for in Section 6(a) above, within twenty four (24) hours of notification by Lessee in the case of heating plant and electrical service repairs, and within two (2) weeks of notification by Lessee in the case of buildings, sidewalks and parking area repairs, Lessee shall have the authority to cause the repairs to be completed at prevailing wages. If Lessee causes repairs to be completed pursuant to this Paragraph 8, Lessor shall reimburse the actual and reasonable costs of such repairs within sixty (60) days of the presentation to Lessor of a written invoice clearly indicating the repairs made and an itemization of said costs.

The twenty four (24) hours notification period provided for in this Paragraph 8 shall not include weekends and Mendocino County designated holidays.

9. To the fullest extent permitted by law, Lessee shall defend, indemnify and hold harmless Lessor and Lessor's Board, board members, officers, agents, contractors and employees from and against all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including court costs and reasonable attorneys' fees) resulting from any injuries to or death of any person or damage to any property occurring in or about the Premises during the term of this Lease and during Lessee's actual possession or occupancy of the Premises, except to the extent such injury, death or damage is caused by sole negligence or willful misconduct of Lessor.
10. If a death, personal injury or property damage occurs in or about the Premises, Lessee shall immediately notify Lessor at the Mendocino County Risk Manager's Office by telephone. Lessee shall promptly submit to Lessor a written report, in such form as may be required by Lessor, of all incidents resulting in death, injury or damage to property which occur in or about the Premises. This report must include the following information: (1) name and address of the injured or deceased person(s) or person(s) claiming property damage; (2) name and address of all witnesses or other persons and entities involved; (3) name and address of Lessee's liability insurance carrier; and (4) a detailed description of the incident and whether any of Lessor's equipment, tools, material, or staff were involved.
11. Lessee, at its sole cost and expense, shall maintain in effect during the term of the lease and during Lessee's actual possession or occupancy of the Premises the insurance described in Exhibit A. Evidence of that insurance must be delivered to Lessor prior to the Effective Date.
12. Lessor and Lessee agree that any construction, reconstruction, erection, alteration, renovation, improvement, demolition, or painting, (excluding routine maintenance work, minor repainting and landscape maintenance), of the facility shall meet all federal, state and local requirements, and shall be subject to prevailing wage requirements.

13. All the provisions of this lease shall be binding upon, and inure to the benefit of, the respective parties hereto, their respective heirs, administrators, and assigns.
14. In the event the CRT Agreement is terminated pursuant to its provisions, this lease shall terminate as of the same date of termination as the CRT Agreement.
15. Lessor and its authorized representatives shall have the right, at any reasonable time during the term of this Lease, with or without prior notice to Lessee, to enter upon the Leased Premises, or any part thereof, to inspect the same, and all buildings and other improvements erected and placed thereon.
16. All notices, requests, demands, or other communications under this agreement shall be in writing. Notices shall be given for all purposes as follows:

Personal delivery: When personally delivered to the recipient, notices are effective on delivery.

First Class Mail: When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a United States Postal Service office or mailbox. Certified Mail: When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.

Overnight Delivery: When delivered by overnight delivery (Federal Express/Airborne/United Parcel Service/DHL WorldWide Express) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

Facsimile transmission: When sent by facsimile to the facsimile number of the recipient known to the party giving notice, notice is effective on receipt, provided that, (a) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (b) the receiving party delivers a written confirmation of receipt. Any notice given facsimile shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

To Lessee: COUNTY OF MENDOCINO
Purchasing Agent, Executive Office
841 Low Gap Road
Ukiah, CA 95482

To Lessor: Redwood Community Services, Inc.
631 South Orchard Avenue
Ukiah, CA 95482
ATTN: Victoria Kelly, CEO

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

Any party may change its address or facsimile number by giving the other party notice of the change in any manner permitted by this agreement.

16.

[END OF LEASE AGREEMENT]

IN WITNESS WHEREOF

DEPARTMENT FISCAL REVIEW:

By: Jenine Miller
Jenine Miller, Psy.D., BHRS Director

Date: 3/2/22

Budgeted: ☒ Yes ☐ No

Budget Unit: 4052

Account String: 82-4200

Org Code: ME

Grant: ☐ Yes ☒ No

COUNTY OF MENDOCINO

By: TW
TED WILLIAMS, Chair
BOARD OF SUPERVISORS

Date: 3/16/2022

ATTEST:

CARMEL J. ANGELO, Clerk of said Board

By: Amara
Deputy **3/16/2022**

I hereby certify that according to the provisions of Government Code section 25103, delivery of this document has been made.

CARMEL J. ANGELO, Clerk of said Board

By: Amara
Deputy **3/16/2022**

INSURANCE REVIEW:

By: Carmel J. Angelo
Risk Management

Date: **03/01/2022**

CONTRACTOR/COMPANY NAME

By: Victoria Kelly
Victoria Kelly, CEO
03/02/2022

Date: _____

NAME AND ADDRESS OF CONTRACTOR:

Redwood Community Services, Inc.
631 South Orchard
Ukiah, CA 95482
707-467-2010
kellyv@redwoodcommunityservices.org

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement

COUNTY COUNSEL REVIEW:

APPROVED AS TO FORM:

CHRISTIAN M. CURTIS,
County Counsel
By: Nathaniel R. A.
Deputy

03/01/2022
Date: _____

EXECUTIVE OFFICE/FISCAL REVIEW:

By: Chris
Deputy CEO

Date: **03/01/2022**

Signatory Authority: \$0-25,000 Department; \$25,001- 50,000 Purchasing Agent; \$50,001+ Board of Supervisors

Exception to Bid Process Required/Completed ☐ N/A

Mendocino County Business License: Valid ☐

Exempt Pursuant to MCC Section: nonprofit

Exhibit A

INSURANCE REQUIREMENTS

Insurance coverage in a minimum amount set forth herein shall not be construed to relieve CONTRACTOR for liability in excess of such coverage, nor shall it preclude COUNTY from taking such other action as is available to it under any other provisions of this Agreement or otherwise in law. Insurance requirements shall be in addition to, and not in lieu of, Contractor's indemnity obligations under this Agreement.

CONTRACTOR shall furnish to COUNTY certificates of insurance with Property Damage/General Liability Endorsements evidencing at a minimum the following:

- a. Combined single limit bodily injury liability and property damage liability - \$1,000,000 each occurrence, \$2,000,000 aggregate

[END OF INSURANCE REQUIREMENTS]