# LEASE

# RECITALS

A. Skikos Properties, LLC, a California limited liability company ("Landlord") is the owner of the real property commonly known as 1215 Sebastopol Road, Santa Rosa, California, Sonoma County Assessor's Parcel Number 125-091-036, and the building and other improvements thereon (hereinafter the "Premises").

B. The Landlord now desires to lease the Premises in accordance with the terms and conditions herein.

1. **PARTIES**. This lease ("Lease") is entered into as of the date on which this Lease is fully executed by the parties as indicated on the signature page ("Effective Date"), by and between Landlord and the City of Santa Rosa, a municipal corporation ("City").

# 2. **PREMISES**.

2.1 Landlord hereby leases to City and City leases from Landlord that certain office space commonly known and identified as 1215 Sebastopol Road, Santa Rosa, California, Suite A which office space is depicted in Exhibit "A" attached (the "Premises"). The Premises are situated in a portion of the building located at 1215 Sebastopol Road, commonly known as Sonoma County Assessor's Parcel Number 125-091-036

2.2 City's use of the Premises includes the four (4) designated parking spaces shown as numbers 1-4 on Exhibit "B", which four (4) parking spaces will be marked by Landlord (by stenciling) for City's exclusive use with wording to be mutually approved by Landlord and City. City understands that Landlord will not police the parking lot but will use reasonable good faith efforts to address parking by others within said four (4) spaces.

2.3 Landlord covenants and warrants that as long as City is not in default of the terms of this Lease, City shall have quiet and peaceful possession of the Premises and shall enjoy all the rights herein granted without interference, subject to the limitations, reservations and conditions set forth herein.

# 3. **TERM; EXTENSION OPTIONS**.

3.1 The initial term of this Lease (the "Term") shall be for a period of three (3) years (unless sooner terminated as provided herein), commencing on the later of the following dates (with the later of such dates being hereinafter referred to as the "Commencement Date"): (i) the completion of Landlord's work as set forth on Exhibit "C" ("Landlord's Work"), estimated to be not later than five (5) days following the Effective Date, or (ii) the date the City commences use of the Premises as a police substation (provided that such date shall not be later than March 1, 2024). Upon completion of Landlord's Work, Landlord shall deliver a written notice to City stating the date of completion of Landlord's Work. Upon City's commencement of the use of the Premises as a police substation, City shall deliver a written notice to Landlord stating the date of commencement to City in the form attached hereto as

Exhibit "D"(the "Commencement Letter") stating the Commencement Date as determined in accordance with this Section 3.1. Tenant's failure to execute the Commencement Letter, or Tenant's failure to provide written notice to Landlord as to any error in the determination of the Commencement Date within ten (10) days of receipt of the Commencement Letter from Landlord shall be deemed to constitute Tenant's agreement to the contents of such document. Notwithstanding the foregoing, Landlord grants Tenant the right to early occupancy of the Premises as of the Effective Date and prior to the Commencement Date (the "Early Occupancy Date") for the sole purpose of installing any IT infrastructure necessary for Tenant's use of the Premises, constructing any tenant improvements to be constructed by Tenant pursuant to Exhibit "E" and for installing its furniture, fixtures and equipment. During the period commencing on the Early Occupancy Date through the Commencement Date (the "Early Occupancy Period"), all terms and conditions of the Lease shall be applicable with the exception that Tenant shall have no obligation to pay any Rent during the Early Occupancy Period. Tenant shall have no right to early occupancy until all provisions of this Lease have been complied with by Tenant including, without limitation, obtaining insurance and providing Landlord with certificates thereof as required under this Lease. In addition, in no event shall Tenant interfere with Landlord's completion of Landlord's work on the Premises.

3.2 In the event the Landlord's Work has not been completed on or before April 1, 2024, City shall have the option to terminate this Lease by delivering written notice of such termination to Landlord.

3.3 Provided that City is not in default under this Lease, City shall have the option to extend the Lease for two (2) additional one (1) year terms. If City elects to exercise its option(s) to extend the Term, it shall provide written notice to Landlord not later than sixty (60) days before the expiration of the then-current Term ("Exercise Notice"), which Exercise Notice will set forth City's intent to exercise its option hereunder.

4. **RENT**. The initial rent of this Lease ("Rent") shall be three thousand five hundred dollars (\$3,500) per month, payable in advance on the first day of each month commencing on the Commencement Date, and thereafter during the term of this Lease as directed by Landlord. Rent for any period during the Lease Term which is less than one month shall be a prorated portion of the monthly Rent based on a thirty day month. Rent shall be paid by City without deduction or offset, notice or demand at the place designated by Landlord.

5. **USE**.

5.1 The Premises shall be used and occupied by City and its employees or contractors for purposes of a Santa Rosa Police Department substation and related administrative office purposes.

5.2 Upon taking possession of the Premises, Tenant shall be deemed to have examined and determined the condition of the Premises and have accepted the present condition and repair.

5.3 City shall promptly comply with all applicable statutes, ordinances, rules, regulations, orders and requirements of any governmental agency in effect during the Term or any part of the Term of this Lease regulating City's use of the Premises. Without limiting the generality of the foregoing, City shall, at City's sole cost and expense, comply with all applicable laws, ordinances and

regulations with respect to any and all required permits for operation of the Premises for its intended purpose. City shall not use or permit the use of the Premises in any manner that will tend to create waste or a nuisance or use the Premises for any unlawful or hazardous purpose.

5.4 City agrees that its use of the Premises shall be conducted in compliance with all applicable state, local and federal laws, and regulations.

## 6. MAINTENANCE, REPAIRS AND ALTERATIONS.

### 6.1

(a) Landlord agrees to perform the Landlord's Work as set forth on Exhibit "C" attached hereto, and shall promptly commence and diligently pursue the completion of the Landlord's Work.

(b) Except as otherwise expressly provided herein, City shall, at City's expense, keep and maintain the Premises and every part thereof in good order, condition and repair (normal wear and tear excepted), including without limitation, Premises entrances door(s), exit door(s), all window glass or other glazing, electrical facilities (including plugs, lights, light bulbs, and ballasts), floor, floor covering, walls, ceilings, interior doors, locks and closures, signs, all other improvements within the Premises.

(c) If City fails to perform City's obligations under Section 6.1(b), Landlord may, at Landlord's option, enter upon the Premises if City fails to cure the deficiency after ten (10) days prior written notice to City, and put the same in good order, condition and repair, to the same condition as when accepted by City pursuant to Section 5.2 above, and the reasonable cost of such repair shall be due and payable as additional rent to the Landlord together with City's next rental installment, provided Landlord has provided City at least ten (10) days written notice and reasonable opportunity for cure and submits copies of detailed invoices or receipts for the cost of such repairs.

(d) Landlord shall make any necessary repairs to the roof, exterior sidewalls, foundation, and heating and air conditioning system (HVAC) within a reasonable time (no less than thirty (30) days) after receipt from City of written notice of the necessity for such repairs. Landlord shall maintain all exterior landscaping in a pleasing condition.

(e) On the last day of the term or any extended term of this Lease or on any sooner termination, City shall surrender the Premises to Landlord in as good a condition as received, broom clean, ordinary wear and tear excepted. Landlord shall inspect the Premises on City's departure and promptly notify City in writing of any failure by City to return the Premises to good condition, ordinary wear and tear excepted.

(f) City shall promptly give Landlord written notice of any damage, destruction or deterioration of or to the Premises, including without limitation the discharge by City of any hazardous materials which are not immediately and completely remedied by City.

(a) City may install and construct certain improvements to the Premises as set forth on Exhibit "E" necessary for City's use of the Premises. City shall maintain all such improvements, equipment and fixtures in good working order and condition, reasonable wear and tear excepted, and shall be solely responsible for the repair or replacement of same during the Term of the Lease. At the end of the Term Tenant shall remove all of the Tenant's personal property, including, but not limited to, any equipment (including computer equipment), cubicles and any trade fixtures.

(b) City agrees not to make any material alterations of, changes in or additions to the Premises without the prior written consent of Landlord, which shall not be unreasonably withheld, conditioned or delayed. Any request for alteration should also inquire as to whether such alterations will be required to be removed by City at the end of the Term, or alternatively whether such alteration may remain on the Premises. City agrees that should Landlord give written consent, unless otherwise agreed in writing, all such alterations, additions and improvements, including fixtures, made in, to or on the Premises shall be made at the sole cost and expense of City and shall (except for unattached movable personal property not the property of Landlord) be the property of Landlord and shall remain upon and be surrendered with the Premises, except that if Landlord requires it at the end of the Term, City shall restore the Premises to the same condition as before the alterations, entirely at City's cost and expense.

(c) City covenants and agrees to indemnify, defend and hold harmless Landlord and the Premises from all claims, liens or demands arising out of any work performed, materials furnished, or obligations incurred by or for City upon the Premises during the term.

(d) All work done by City under these provisions shall be done in a good and workmanlike manner, and in compliance with all applicable laws and all ordinances, regulations and orders of governmental authority, including but not limited to Labor Code Section 1720 et seq.

(e) Upon completion of tenant improvement plans, if any, City shall promptly provide Landlord, at no cost to Landlord, with copies of all engineering, architectural and/or mechanical plans and specifications and original final building permits for all alterations, modification and repairs to the Premises by City.

(f) Pursuant to California Civil Code § 1938(a), Landlord hereby states that the Premises have not undergone inspection by a Certified Access Specialist (CASp) (defined in California Civil Code § 55.52). Accordingly, pursuant to California Civil Code § 1938(e), Landlord hereby further states as follows: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

7. **INSURANCE**.

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(a) Landlord shall obtain and maintain extended property insurance with extended "All Risk" (special form) coverage insuring the full replacement cost of the Premises, and shall be in addition to, and not in lieu of, any insurance required to be maintained by Tenant. Landlord shall not be obligated to insure any furniture, equipment, trade fixtures, machinery, goods, or supplies which Tenant may keep or maintain in the Premises or any alteration, addition, or improvement which Tenant may make upon the Premises. In addition, Landlord may, but is not obligated to, maintain such other insurance and additional coverages as it may deem necessary, including, but not limited to, flood insurance and rent loss insurance.

(b) During the Term City shall have and maintain property insurance with extended "All Risk" (Special Form) coverage in the name of Landlord and City, in an amount adequate to cover the cost of replacement of all alterations and, improvements to the Premises made by the City, the City's personal property, and all other items of City (the "City Insurance").

Notwithstanding anything in the preceding paragraph to the contrary, City may self-insure for the City Insurance coverages stated above by notifying Landlord that City has elected to self insure for such coverages.

# 8. **DAMAGE OR DESTRUCTION**.

8.1 In the event of damage or destruction of the Premises during the Term of the Lease, Landlord shall, to the extent of available insurance proceeds, repair the damage to the Premises, provided such repairs can be made within sixty (60) days under the laws and regulations of state, federal, county or municipal authorities, but such destruction shall in no way annul or void this Lease except if such damage or destruction is without fault of City and/or City's agents, employees and invitees, in which case City may opt to terminate the Lease immediately. City shall be entitled to a reduction of Rent while such repairs are made proportionate to the extent to which the repair operations interfere with City's business conducted on the Premises. If the repairs cannot be made in sixty (60) days, either party has the option to terminate this Lease. Landlord shall provide City with written notice of Landlord's election to terminate within thirty (30) days after such damage or destruction. If Landlord elects to repair and restore the Premises, but fails to do so within sixty (60) days of-the event causing the damage, City may elect to terminate the Lease. City shall not be responsible for Lease payments during the time the Premises were unusable or following termination.

8.2 If the damage or destruction does not result from a peril for which insurance is required to be carried pursuant to Section 7, Landlord may at its sole election either repair and restore the Premises or terminate this Lease. Provided, however, that City may elect to restore the Premises to substantially the same condition as they were in immediately before destruction at City's cost in which event such damage or destruction shall not terminate this Lease. City shall restore the Premises if the destruction is caused by the negligence of City.

9. **UTILITIES**. Landlord shall pay all utility consumption charges for heating and air conditioning, electricity (light and plug loads only), gas, garbage, water, and sewer in connection with the Premises. Tenant shall make all arrangements for, and pay for all other utilities consumed and services furnished to or used by Tenant at the Premises, including, but not limited to, telephone, internet, data, communication, cable, janitorial, recycling, and any other utilities and/or services.

10. **SURRENDER OF PREMISES; HOLDING OVER**. On the termination or the end of any extension or renewal of this Lease, City shall promptly surrender and deliver the Premises to Landlord

in as good condition as they are now at the date of this Lease, but including the installation of all improvements, equipment and fixtures, reasonable wear and tear excepted. At the end of the Term or any extension thereof, should City hold over for any reason, it is agreed that in the absence of a written agreement to the contrary, that tenancy shall be from month-to-month only and not a renewal of this Lease, nor an extension for any further term. City shall pay a monthly amount equal to One Hundred Twenty-Five Percent (125%) of the Rent payable prior to the end of the Term and the month-to-month tenancy shall be subject to every other term, covenant, and condition in this Lease that is consistent with and not contrary to a month-to-month tenancy.

#### 11. HAZARDOUS MATERIALS.

11.1 <u>Hazardous Materials Laws</u>. "Hazardous Materials Laws" means any and all federal, state or local laws, ordinances, rules, decrees, orders, regulations or court decisions relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under or about the Premises, or soil and ground water conditions, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), as amended, 42 U.S.C. § 9601, et seq., the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq., the California Hazardous Waste Control Act, Cal. Health and Safety Code §25100, et seq., the Carpenter-Presley-Tanner Hazardous Substances Account Act, Cal. Health and Safety Code §25300, et seq., the Safe Drinking Water and Toxic Enforcement Act, Cal. Health and Safety Code §25249.5, et seq., the Porter-Cologne Water Quality Control Act, Cal. Water Code § 13000, et seq., any amendments to the foregoing, and any similar federal, state or local laws, ordinances, rules, decrees, orders or regulations.

11.2 <u>Hazardous Materials</u>. "Hazardous Materials" means any chemical, compound, material, substance or other matter that: (a) is defined as a hazardous substance, hazardous material, hazardous waste or toxic substance under any Hazardous Materials Law; (b) is controlled or governed by any Hazardous Materials Law or gives rise to any reporting, notice or publication requirements hereunder, or gives rise to any liability, responsibility or duty on the part of City or Landlord with respect to any third person hereunder; or (c) is flammable or explosive material, oil, asbestos, urea formaldehyde, radioactive material, nuclear medicine material, drug, vaccine, bacteria, virus, hazardous waste, toxic substance, or related injurious or potentially injurious material (by itself or in combination with other materials).

11.3 <u>Use</u>. City shall not allow any Hazardous Material to be used, generated, manufactured, released, stored or disposed of on, under or about, or transported from, the Premises, unless: (a) such use is specifically required in the ordinary course of City's business operations on the Premises; and (b) such use is conducted in compliance with the provisions of this Section 11, and further provided that City shall handle, use, store and dispose of such Hazardous Materials in a safe and lawful manner and shall not allow such Hazardous Materials to contaminate the Premises.

11.4 <u>Compliance With Laws; Handling of Hazardous Materials</u>. City shall strictly comply with, and shall maintain the Premises in compliance with, all Hazardous Materials Laws. City shall obtain, maintain in effect and comply with the conditions of all permits, licenses and other governmental approvals required for City's operations on the Premises under any Hazardous Materials Laws. At Landlord's request, City shall deliver copies of, or allow Landlord to inspect, all such permits, licenses and

approvals. All Hazardous Materials removed from the Premises shall be removed and transported by duly licensed haulers to duly licensed disposal facilities, in compliance with all Hazardous Materials Laws. City shall perform any monitoring, investigation, clean-up, removal, detoxification, preparation of closure or other required plans and any other remedial work (collectively, "Remedial Work") required as a result of any release or discharge of Hazardous Materials affecting the Premises or any violation of Hazardous-Materials Laws by City or any successor or sublessee of City or their respective agents, contractors, employees, licensees or invitees. Landlord shall have the right in Landlord's sole and absolute discretion (but not the obligation) to intervene at City's cost and expense, in any governmental action or proceeding involving any Remedial Work, and to review and approve performance of the Remedial Work, in order to protect Landlord's interests. City shall not enter into any settlement agreement, consent decree or other compromise with respect to any claims relating to Hazardous Materials without notifying Landlord in writing and providing ample opportunity for Landlord to intervene.

11.5 Notice: Reporting. City shall notify Landlord, in writing, and provide copies of any written notices or related correspondence received by City within three (3) business days after any of the following: (a) City has knowledge, or has reasonable cause to believe, that any Hazardous Material has been released, discharged or is located on, under or about the Premises, whether or not the release or discharge is in quantities that would otherwise be reportable to a public agency; (b) City receives any order of a governmental agency requiring any Remedial Work pursuant to any Hazardous Materials Laws; (c) City receives any warning, notice of inspection, notice of violation or alleged violation, or City receives notice or knowledge of any proceeding, investigation of enforcement action, pursuant to any Hazardous Materials Laws; or (d) City receives notice or knowledge of any claims made or threatened by any third party against City or the Premises relating to any loss or injury resulting from Hazardous Materials. If the potential risk of any of the foregoing events is material, City shall deliver immediate oral notice to Landlord, in addition to written notice as set forth above. City shall promptly deliver to Landlord copies of all test results, reports and business or management plans required to be filed with any governmental agency pursuant to any Hazardous Materials Laws.

11.6 Indemnity. City shall indemnify, protect, defend and hold harmless Landlord (and its officers, directors, employees and agents) from and against any and all liabilities, claims, suits, judgments, actions, investigations, proceedings, costs and expenses (including reasonable attorneys' fees and court costs) to the extent arising out of or in connection with any breach of any provisions of this Section 11 or directly or indirectly arising out of the use, generation, storage, release, disposal or transportation of Hazardous Materials by City, or any successor or sublessee of City, or their respective agents, contractors, employees, licensees, or invitees, on, under or about the Premises, including, but not limited to, all foreseeable and unforeseeable consequential damages and the cost of any Remedial Work. Neither the consent by Landlord to the use, generation, storage, release, disposal or transportation of Hazardous Materials nor the strict compliance with all Hazardous Materials Laws shall excuse City from City's indemnification obligations pursuant to this Section 11. City's indemnity obligation in this paragraph does not extend to any liabilities, claims, suits, judgments, actions, investigations, proceeds, costs or expenses arising out of or in connection with Landlord's active negligence, or breach of any provision of this Lease, or non-compliance with or violation of any Hazardous Material Laws. City's obligations pursuant to this Section 11 shall survive the termination or expiration of this Lease.

12. **ASSIGNMENT AND SUBLETTING**. City shall not voluntarily or by operation of law assign, transfer, mortgage, sublet or otherwise transfer or encumber ("transfer") all or any part of City's interest in this Lease or in the Premises, except with the prior written consent of the Landlord. Any attempt at transfer of this Lease or the Premises shall be voidable at the Landlord's option and shall constitute a material breach of this Lease.

#### 13. **DEFAULT**.

13.1 The occurrence of any of the following events shall constitute a material default and breach of this Lease by City:

(a) Vacation or abandonment of the Premises for a period of ninety (90) days or longer, unless the Premises have become unusable for City's permitted use as set forth in Section 5, above.

(b) The failure by City to make any payment of Rent or other payment required to be made by City under the provisions of this Lease, as and when due, unless otherwise excused under Section 8 above.

(c) The failure by City to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by City within thirty (30) days after receiving written notice thereof, or if such breach cannot be cured within said thirty (30) day period, then the failure to commence cure within said thirty (30) day period and thereafter diligently pursue to completion.

(d) Transfer or attempted transfer of this Lease by City contrary to the provisions of Section 12 above.

13.2 Upon the happening of any such event of default, Landlord shall have the following remedies. These remedies are not exclusive; they are cumulative in addition to any remedies now or later allowed by law:

(a) Landlord can continue this Lease in full force and effect and this Lease will continue in effect as long as Landlord does not terminate City's right to possession, and Landlord shall have the right to collect rent when due. During the period City is in default, Landlord can enter the Premises and re-let them, or any part of them, to third parties for City's account. City shall pay to Landlord the rent due under this Lease on the dates the rent is due, less the rent Landlord receives from any reletting. No act by Landlord allowed by this paragraph shall terminate this Lease unless Landlord notifies City that Landlord elects to terminate this Lease. After City's default and for as long as Landlord does not terminate City's right to possession of the Premises, if City obtains Landlord's consent City shall have the right to assign or sublet its interest in this Lease, but City shall not be released from liability. Landlord's consent to a proposed assignment or subletting shall not be unreasonably withheld. If Landlord elects to re-let the Premises as provided in this paragraph, rent that Landlord receives from reletting shall be applied to the payment of:

(i) First, any indebtedness from City to Landlord other than

(ii) Second, Rent due and unpaid under this Lease. After deducting the payments referred to in this paragraph, any sum remaining from the Rent Landlord receives from reletting shall be held by Landlord and applied in payment of future Rent as Rent becomes due under this Lease. In no event shall City be entitled to any excess Rent received by Landlord.

(b) Landlord can terminate City's right to possession of the Premises at any time. No act by Landlord other than giving notice to City shall terminate this Lease. Acts of maintenance, efforts to relet the Premises or the appointment of a.receiver on Landlord's initiative to protect Landlord's interest under this Lease shall not constitute a termination of City's right to possession. On termination, Landlord has the right to recover from City:

(i) The worth, at the time of the award, of the unpaid rent that had been earned at the time of termination of this Lease;

(ii) The worth, at the time of the award, of the amount by which the unpaid rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of rent that City proves could have been reasonably avoided;

(iii) The worth, at the time of the award, of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of the loss of rent that City proves could have been reasonably avoided; and

(iv) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by City's default.

"The worth, at the time of the award," as used in (i) and (ii) of this paragraph, is to be computed by allowing interest at the maximum rate allowable by law. "The worth, at the time of the award," as referred to in (iii) of this paragraph, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(c) Landlord, at any time after City commits a default, may cure the default at City's cost following not less than thirty (30) days prior written notice and opportunity to cure.

#### 14. **CONDEMNATION**.

rent due from City;

14.1 If any part of the Premises are condemned for a public or quasi-public use by right of eminent domain, with or without litigation, or transferred by agreement in connection with such public or quasi-public use, this Lease and the leasehold estate of the City, as to the part taken, shall terminate as of the date title shall vest in the condemner, and City shall have no further-obligation to pay Rent once City is no longer in possession of the Premises.

14.2 All compensation awarded upon such condemnation or taking shall belong and be paid to Landlord and City shall have no claim thereto, and City hereby irrevocably assigns and transfers to Landlord any right to compensation or damages to which City may become entitled during the Term of this Lease by reason of the condemnation of all or part of the Premises, except that City shall receive from the award: (i) the pro rata value of City's additions, alterations and improvements as determined by the same appraiser establishing the value of the Premises for Landlord; (ii) the value of City's trade fixtures to the extent taken; and (iii) in the event of a partial taking and City restores the Premises, City shall receive a sum attributable to that portion of the award constituting severance damages for the restoration of the Premises. In addition, City shall not be deprived of making any direct claims against the condemning authority for loss of goodwill and/or relocation assistance payments.

### 15. MISCELLANEOUS.

15.1 Whenever any notice, approval, consent, request or election is given or made pursuant to this Lease, it shall be in writing. Communication and payments shall be addressed, if to Landlord, at Landlord's address as indicated below or at such other address as may have been specified by prior notice to City, and if to City, at City's address as indicated below or at such other place as may have been specified by prior notice to Landlord. Any communication so addressed shall be deemed duly served when (i) personally served, (ii) if mailed, as of seventy two hours from the time such notice was deposited in the U.S. Mail, by registered or certified mail, return receipt requested, or (iii) if by email, when such email is received (unless given after 5:00 pm in the receiving location, in which case such receipt shall be deemed the next business day).

# LANDLORD:

Skikos Properties, LLC 1289 Sebastopol Road Santa Rosa, CA 95407 Email: vickieB@skikostrucking.com

# **CITY:**

City of Santa Rosa Police Department 965 Sonoma Avenue Santa Rosa, CA 95404 Email: plorence@srcity.org

With a copy to:

Real Estate Services 69 Stony Circle Santa Rosa, CA 95401 REServices@srcity.org

15.2 Each party hereunder shall provide to the other, and keep updated in the event of any change, the name and contact information for the on-site representative in order to facilitate the coordination of day-to-day operations at the Premises.

15.3 Landlord represents and warrants that the Landlord is duly organized, validly

existing, and is in good standing in the state of its formation and is qualified to do business in the State of California, and has full power and authority to enter into this Lease.

15.4 The receipt by Landlord of Rent or additional rent with knowledge of the breach of any covenant of this Lease shall not be deemed a waiver of such breach. No provision of this Lease shall be deemed to have been waived by Landlord, or by City, unless such waiver is in writing signed by the party to be charged. No consent or waiver, express or implied, by Landlord or City to or of any breach of any agreement or duty shall be construed as a waiver or consent to or of any other breach of the same or any other agreement or duty.

15.5 If any term of this Lease shall to any extent be invalid or unenforceable, the remainder of this Lease shall not be affected thereby and each term of this Lease shall he valid and enforceable to the fullest extent permitted by law.

15.6 Landlord and its agents shall have the right at any time, upon not less than twenty-four hours notice, except in cases where Landlord believes there exists an emergency in which case such notice shall be deemed waived, to enter upon the Premises, provided that Landlord shall take all reasonable measure to assure that such entry does not interfere with the activities of City on the Premises. Entry may be had for purposes of inspection, serving or posting notices, maintaining the Premises, and making any necessary repairs, alternations or additions to the Premises to the extent required or permitted to Landlord under this Lease.

15.7 Time is of the essence for each and every provision of this Lease requiring performance within a specified time.

15.8 This Lease contains all agreements of the parties with respect to any matter mentioned in this Lease. No prior agreement or understanding pertaining to any such matter shall be affected. This Lease may be modified in writing only, signed by the parties in interest at the time of the modification.

15.9 Each provision of this Lease performable by either party shall be deemed both a covenant and a condition.

15.10 In any action to enforce the terms of this Lease, the prevailing party shall be entitled to an award of reasonable attorneys' fees and litigation expenses in addition to other relief.

15.11 Landlord and Landlord's agents shall have the right to enter the Premises, after prior notice to City, at reasonable times for the purpose of inspecting the same, showing the same to prospective purchasers or lenders and making such alterations, repairs, improvements or additions to the Premises or to the building of which they are a part as Landlord may deem necessary or desirable, with City's consent. City's consent to such alterations, repairs, improvements or additions shall not be withheld unreasonably. Landlord may at any time place on or about the Premises any ordinary "for lease" signs, all without rebate of rent or liability to City.

15.12 All exhibits attached to this Lease shall be deemed incorporated herein by this reference and all such exhibits shall be deemed to be a part of this Lease as though set forth in full in the body of this Lease. The exhibits to be attached and incorporated herein are as follows:

IN WITNESS WHEREOF, the parties have executed this Lease of the date last written below, which shall be the effective date of this Lease.

#### LANDLORD:

CITY:

SKIKOS PROPERTIES, LLC, a California limited liability company

CITY OF SANTA ROSA, A CALIFORNIA MUNICIPAL CORPORATION

By: Shad Skikos (Jan 19, 2024 15:24 PST)

Name: Shad Skikos Title: Owner By:\_\_\_\_\_

Name: Maraskeshia Smith Title: City Manager

Date: 01/19/2024

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

# **APPROVED AS TO FORM:**

By:\_\_\_\_\_

Ethan Walsh, BEST BEST & KRIEGER, LLP

Exhibit "A" – Depiction of Premises

Exhibit "B"- Depiction of Parking Spaces

Exhibit "C"- Landlord's Work

Exhibit "D"- Form of Commencement Letter

Exhibit "E"- City Tenant Improvements

EXHIBIT "A"

# DEPICTION OF PREMISES

[SEE ATTACHED]



# Exhibit A



# EXHIBIT "B"-

# DEPICTION OF PARKING SPACES

# [SEE ATTACHED]



**Exhibit B** 



# EXHIBIT "C"

#### LANDLORD'S WORK

Install <sup>1</sup>/<sub>2</sub> glass front door- new entrance

Window removed in bathroom

Toilet added to bathroom

Consistent flooring

New paint

Leave refrigerator

Close off door to adjacent leased area

Wall off back alley way

Stencil 4 parking spaces

#### EXHIBIT "D"

### FORM OF COMMENCEMENT LETTER

\_\_\_\_\_, 20\_\_\_\_\_

Re: Lease Agreement (the "Lease") dated as of \_\_\_\_\_\_, 202\_\_\_, between Skikos Properties, LLC, a California limited liability company ("Landlord"), and City of Santa Rosa ("Tenant"). Capitalized terms used herein but not defined shall be given the meanings assigned to them in the Lease.

This letter is to confirm that (i) Landlord has completed Landlord's Work pursuant to the Lease, and (ii) the City has commenced to use the Premises as a police substation. The later of the date of completion of Landlord's Work or the City's commencement of use of the Premises as a police substation (which is not to be later than March 1, 2024) is \_\_\_\_\_\_, 20\_\_\_\_, which date is the Commencement Date of the Lease.

Please indicate your agreement to the above matters by signing this letter in the space indicated below and returning an executed original to us.

Sincerely,

SKIKOS PROPERTIES, LLC, a California limited liability company

By:	
Name:	
Title:	

Agreed and accepted:

CITY OF SANTA ROSA

By:			
Name:			
Title:			

# EXHIBIT "E"

# CITY TENANT IMPROVEMENTS

Run cable for IT connections and install removable cubicles.

# Roseland Police Substation Lease - 1215 Sebastopol Road 12.28.23

Final Audit Report

2024-01-19

- [		
	Created:	2024-01-19
	By:	Celeste Carranza (ccarranza@srcity.org)
	Status:	Signed
	Transaction ID:	CBJCHBCAABAAb6fEWUDcWtvWm7oWDqF8Nja1zPlxEdey

# "Roseland Police Substation Lease - 1215 Sebastopol Road 12. 28.23" History

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- Signer shads@skikostrucking.com entered name at signing as Shad Skikos 2024-01-19 - 11:24:56 PM GMT
- Document e-signed by Shad Skikos (shads@skikostrucking.com) Signature Date: 2024-01-19 - 11:24:58 PM GMT - Time Source: server
- Agreement completed.
  2024-01-19 11:24:58 PM GMT

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