

**FIRST AMENDMENT TO LEASE BETWEEN
COUNTY OF SAN LUIS OBISPO
AND
MONTORO LAND COMPANY, LLC**

This **FIRST AMENDMENT** is to that Lease dated April 4, 2001, by and between the **COUNTY OF SAN LUIS OBISPO**, a public entity in the State of California, hereinafter referred to as "County" or "Lessee", and **MONTORO LAND COMPANY**, a California Limited Liability Company (LLC), hereinafter referred to as "Montoro" or "Lessor."

WHEREAS, on June 5, 2001, the San Luis Obispo County Board of Supervisors approved a lease between the County and Montoro, for approximately 5,554 square feet of improved parking area (APN: 001-222-019), located at 970 Toro Street, San Luis Obispo, California (the "Lease"); and

WHEREAS, the term of the Lease was for a period of nine (9) years, two (2) months commencing April 1, 2001 and expiring May 31, 2010; and

WHEREAS, the Lease provides for five (5) Automatic Extensions each for a period of one (1) additional year, of which all options have been exercised; and

WHEREAS, the fifth Automatic Extension period is due to expire on May 31, 2015; and

WHEREAS, County has requested ten (10) additional one (1) year Automatic Extensions to renew under the same terms and conditions; and

WHEREAS, the County and Montoro agree that it is in the best interest of the parties to amend the Lease to reflect these changes.

NOW, THEREFORE, in consideration of mutual covenants, promises and conditions herein set forth, the parties hereto mutually covenant and agree as follows:

The Lease between the County of San Luis Obispo and Montoro Land Company is hereby amended as follows:

1. **Paragraph 4 "Automatic Extension"** is deleted in its entirety and replaced with the following:

"Provided that there are no uncured defaults by County in any material obligation of this Lease at the time of extension notice herein, and unless County shall have given Lessor not less than one hundred and twenty (120) days' notice by certified or registered mail, return receipt requested, of County intention **not** to renew or extend this Lease at its expiration or at the expiration of any extended term or period, County shall be deemed as having elected to exercise up to ten (10) additional options to extend or renew, each option being for a one

(1) year period, without further notice to Lessor and this Lease shall automatically continue in effect.”

2. Paragraph 8 “Insurance” is deleted in its entirety and replaced with the following:

A. Fire Insurance.

1) Lessor: Lessor’s policy as to the building and Premises shall be primary. Lessor at its cost shall maintain during the term of this Lease on the building and Premises a policy or policies of standard fire and extended coverage insurance to the extent of at least ninety (90%) percent of full replacement value thereof.

2) County: County is presently self-insured. County at its cost shall procure and maintain during the term of this Lease, a policy of fire insurance on County’s personal property including improvements paid for by the County, within the leased Premises.

B. Liability Insurance.

1) Lessor: Lessor agrees to maintain in force throughout the term hereof, at Lessor’s cost, commercial general liability insurance. This insurance shall include, but shall not be limited to, commercial general liability insurance providing protection against third party claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from any act or occurrence arising out of Lessor’s operations during the time of this Lease. The commercial general liability policies shall name “County of San Luis Obispo, its officers and employees” as additional insureds. The policy shall provide that the Lessor’s insurance will operate as primary insurance and that no other insurance maintained by the County will be called upon to contribute to a loss hereunder.

3. Paragraph 9 “Indemnity” is deleted in its entirety and replaced with the following:

To the fullest extent permitted by law, Lessor shall indemnify, defend, and hold harmless the County and its officers, agents, employees, and volunteers from and against all claims, demands, damages, liabilities, loss, costs, and expense (including attorney’s fees and costs of litigation) of every nature arising out of or in connection with Lessor’s performance or attempted performance of work hereunder or its failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by sole negligence or willful misconduct of the County.

All other provisions of said Lease, as amended by the First Amendment to Lease, shall continue in full force and effect.

////////////////////////////////////NOTHING FURTHER PAST THIS POINT////////////////////////////////////

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of this

_____ day of _____, 2015.

COUNTY OF SAN LUIS OBISPO

LESSOR:

By: _____
Chairperson of the Board of Supervisors

MONTORO LAND COMPANY, A Limited
Liability Company

APPROVED BY THE BOARD OF SUPERVISORS

By: Stephen Sinton
Stephen Sinton, Member

This _____ day of _____, 2015

ATTEST:

Clerk of the Board of Supervisors

APPROVED AS TO FORM AND LEGAL EFFECT:

RITA L. NEAL

County Counsel

By: Shannon Matye
Deputy County Counsel

Date: 5/1/15