

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

This **SECOND AMENDMENT** is to that Lease dated February 9, 1999, 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 February 9, 1999, the San Luis Obispo County Board of Supervisors approved a ten (10) year lease (the "Lease") between the County and Montoro, for a new office building for the District Attorney Family Support Division located at 1200 Monterey Street, San Luis Obispo; and

WHEREAS, the County and Montoro entered into a First Lease Amendment, effective April 21, 2001, which amended the actual square footage of the leased Premises, and amended the Rental amount; and

WHEREAS, the term of the Lease was for a period of ten (10) years, commencing June 1, 2000 and expiring May 31, 2010; and

WHEREAS, the Lease provides for an Automatic Extension option for one (1) additional year, commencing June 1, 2010, and ending May 31, 2011, which option has been exercised; and

WHEREAS, the Lease provides for holding over of tenancy on a month-to-month basis, and County has been holding over since June 1, 2011, with the consent of Montoro, on the same terms and conditions; and

WHEREAS, County has requested to modify the original term to cover the automatic extension period, the County's holding over and tenancy through May 31, 2015, and one (1) additional five (5) year period, commencing June 1, 2015, and ending May 31, 2020; and

WHEREAS, County has requested five (5) 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 3 "Term"** is deleted in its entirety and replaced with the following:

"The Term of this Lease shall be for a period of twenty (20) years, commencing June 1, 2000, and expiring May 31, 2020."
2. **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 five (5) 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."
3. **Paragraph 6 "Use of Leased Premises"** the following sentence shall be added following the second sentence of paragraph 6.

"Other County occupants of the property may be approved with written permission of the Lessor."
4. Paragraph 8 "Insurance" Sections A. Fire Insurance and B. Liability Insurance shall be deleted and replaced with the following language.
 - 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.

5. Paragraph 15 "Parking" is deleted in its entirety and replaced with the following:

- "A) County shall have the exclusive right to use all on-site parking spaces.
- B) To comply with the City of San Luis Obispo's ("City") onsite parking requirement of one space per 300 square feet of office space, the County, Montoro, and the City have entered into an "Off-Site Parking Agreement" dated May 23, 2001 recorded as Official Document No. 2001-050263 in the San Luis Obispo County Recorder's Office, State of California. The Off-Site Parking Agreement identifies the eleven (11) required off street parking spaces, located at 970 Toro Street in San Luis Obispo, pursuant to the requirements of the City to serve the Premises.
- C) Off-Site Parking Agreement shall remain in effect for the duration of the Lease term, and any option or extension periods thereto.
- D) County shall have the exclusive right to use the 11 parking spaces identified in the Off-Site Parking Agreement."

6. Paragraph 23 "Notices" is deleted in its entirety and replaced with the following:

"Any notices, demands, or communication, under or in connection with this Lease may be served upon County by personal service, or by mailing the same by certified mail in the United States Post Office, postage prepaid, and directed to County at:

County of San Luis Obispo
General Services Department
1087 Santa Rosa Street
San Luis Obispo, CA 93408
ATTN: Property Manager

and may likewise be served on Lessor at:

Montoro Land Company
P.O. Box 112
Shandon, CA 93461
ATTN: Stephen Sinton, Member.

Either County or Lessor may change such address by notifying either party in writing as to such new address as Lessor or County may desire used and which address shall continue as the address until further written notice."

7. Paragraph 32 "Americans With Disabilities Act" is deleted in its entirety and replaced with the following:

"Lessor shall be responsible for alterations necessary to comply with the Americans With Disabilities Act of 1990, 42 J.S.C. sect. 12010 et seq., as currently enacted and in accordance with applicable laws. In accordance with Civil Code Section 1938, Lessor represents that the property:

- has not undergone inspection by a Certified Access Specialist (CASp); or
- has undergone inspection by a Certified Access Specialist (CASp), and has been determined to meet all applicable construction-related accessibility standards pursuant to Section 55.53."

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: Sharon Matzger
Deputy County Counsel

Date: 5/1/15