

LEASE
between the
COUNTY OF SONOMA



and
**SONOMA COUNTY COMMUNITY
DEVELOPMENT COMMISSION**



**For premises located at 695, 697 and 699
Russell Avenue, in Santa Rosa, CA**

Dated: _____

LEASE

This Lease is made on _____, 2023 ("Effective Date"), between the **COUNTY OF SONOMA**, a political subdivision of the State of California (hereinafter referred to as "County"), and the **SONOMA COUNTY COMMUNITY DEVELOPMENT COMMISSION**, a public body corporate and politic (hereinafter referred to as "Tenant"). County and Tenant are sometimes collectively referred to herein as the "parties" and singularly, a "party."

1. PREMISES

By this Lease, County leases to Tenant, and Tenant does hereby lease from County, that certain real property located at 695, 697, and 699 Russell Avenue, Santa Rosa, CA, including all improvements thereon, as more particularly depicted in **EXHIBIT A** attached hereto (the "Premises").

2. TERM

2.1 Commencement of Term. The term ("Term") of this Lease shall be three (3) years, commencing on the Effective Date (the "Commencement Date").

2.2 Option to Extend Term. County grants to Tenant three (3) options to extend the Term under the same term and conditions of the Lease ("Extension Option") for a period of one (1) year each (each, an "Option Term", collectively, the "Option Terms"). During any Option Term, either party may terminate the Lease by providing thirty (30) days' notice to the non-terminating party.

2.2.1 Exercise of Option to Extend Term. If Tenant wishes to exercise its Extension Option, Tenant shall deliver written notice to County no less than ninety (90) days before the expiration of the Term or the Option Term then in effect.

2.2.2 County Response to Notice. County shall, within thirty (30) days of receipt of notice, respond by acceptance of the Tenant exercise of the option to extend the Term. County failure to respond in a timely manner shall be deemed acceptance of Tenant exercise of option to extend Term.

2.3 Option to Terminate. Tenant shall have the option to terminate this Lease by providing the County with at least ninety (90) days advance written notice.

2.4 Tenant's Duty to Surrender. At the expiration or earlier termination of the Lease, Tenant shall surrender to County, in as good condition and repair as of the Commencement Date, ordinary use, wear and tear excepted, the possession of the Premises. Any structures and improvements erected or installed by Tenant during the Term shall be surrendered to County, without compensation to Tenant in good condition and

repair, free and clear of all claims to or against them by Tenant or any third person. All other improvements and Fixtures, if any, shall be in the condition called for and as otherwise required by this Lease. Tenant shall indemnify County against all liability or loss arising from damage to the Premises at the time of surrender, ordinary wear and tear excepted, as well as any claims with respect to or arising out of occupancy or surrender of the Premises, including but not limited to any outstanding unlawful detainer or other legal actions involving Tenant's subtenants or licensees.

2.5 Holding Over. If Tenant shall continue to occupy or possess the Premises after expiration of the Term or any Option Term, then unless County and Tenant have otherwise agreed in writing, Tenant shall be a tenant on a month-to-month basis. All the terms, provisions and conditions of this Lease shall apply to such month-to-month tenancy.

3. CONSIDERATION

3.1 No rent or other monetary consideration shall be due to County from Tenant for this Lease. In lieu, Tenant shall provide housing for homeless veterans or other recipients of housing rental assistance, who are exiting homelessness.

3.2 Taxes and Assessments.

3.2.1 Obligation to Pay. Tenant expressly recognizes and understands that this Lease may create a possessory interest subject to property taxation and that Tenant is solely responsible for payment of such taxes, and for applying for confirming, and obtaining an exemption from such taxes, where allowed by applicable law.

3.2.2 Tenant's Right to Contest. Tenant may contest the legal validity or amount of any taxes, assessments, or charges for which Tenant is responsible under this Lease, and may institute such proceedings as Tenant considers necessary. If Tenant contests any such tax, assessment or charge, Tenant may withhold or defer payment of such tax or assessment, or pay under protest, but shall protect County and the Premises from any lien by adequate surety bond or other appropriate security. If Tenant does not timely pay taxes, whether under protest or not, tenant is solely responsible for penalties associated with late payment of taxes.

3.2.3 Proof of Compliance. Tenant shall furnish to County within seven (7) days of receipt by Tenant of the written request of County, copies of receipts or other appropriate evidence establishing exemption from any applicable taxes. Tenant may comply with this requirement, but is not obligated to do so, by retaining a tax service to notify County whether the taxes have been paid.

3.3 Reserve Account. Simultaneously with the execution of this Lease, Tenant shall maintain a reserve account , with sufficient funds for the purposes of fulfilling its

obligations hereunder (the "Reserve Account"). The Reserve Account shall be funded by (1) an allocation of funds in the amount of Fifty Thousand Dollars (\$50,000) from the governing body of Tenant, concurrent with the authorization to execute this Lease or subsequent thereto, and (2) the net operating revenues from use of the Premises. The Reserve Account shall be used to pay for maintenance, repair, and restoration of the Premises as required by this Lease. Tenant shall apprise County of the current balance of the Reserve Account on a quarterly basis during the term of this Lease.

4. USES, PURPOSES

4.1 Use of Premises. The Premises shall be used to provide housing for homeless veterans or other recipients of housing rental assistance, who are exiting homelessness. Tenant shall be solely responsible for any and all aspects, requirements, and/or responsibilities as to such use of the Premises. Tenant covenants and agrees that County shall have no responsibility or liability with respect to the leasing, operation, or all other use of the Premises, and County shall take no part in managing or conducting the herein-described uses of the Premises by Tenant. No other use of the Premises is allowed.

4.2 Operational Requirements of Tenant.

4.2.1 Compliance with Laws. Tenant shall comply with all applicable laws and regulations concerning the Premises and Tenant's use of the Premises. Tenant shall not allow the Premises to be used for any unlawful purpose.

4.2.2 Waste Disposal. Tenant shall dispose of all waste in an appropriate manner and in accordance with all applicable regulations and laws of those governmental agencies having jurisdiction or authority over the Premises.

4.2.3 Residential Tenancy Compliance. Tenant shall perform and be responsible for all property and leasing due diligence and for complying with all applicable laws and regulations related to residential leasing and landlord-tenant obligations, including rent payments, meeting all habitability and safety standards, providing all required property condition and rental disclosures and notices (including but not limited to as to lead conditions, Megan's Law, and satisfying all obligations to potential and actual residential tenants and occupants. For reference purposes, Tenant's sample Housing Assistance Payment Contract, is attached hereto as **EXHIBIT D**.

4.2.4 Rules and Regulations.

(a) The sidewalks, passages, entrances and exits shall not be obstructed by Tenant or used for any purpose other than for ingress to and egress from the Premises.

(b) Tenant shall not alter any lock or install any new or additional locks or any bolts on any gates, passages, entrances or exits to the Premises.

(c) Tenant shall not permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to the County by reason of noise, odors and/or vibrations, or interfere in any way with other users or those around the Premises.

(d) In addition, unless otherwise agreed to by the parties pursuant to written agreement, Tenant shall not undertake any activity or use on the Premises that is inconsistent with the purposes of this Agreement, including, without limitation, the following activities: (i) constructing, reconstructing, replacing, repairing, or maintaining any building, structure, utilities, or other improvement; (ii) degrading or eroding the soil or polluting any surface or sub-surface waters; (iii) dumping or accumulating trash, ashes, garbage, waste, junk, non-operative vehicles, or other unsightly or offensive materials; (iv) or exploring for or developing and extracting minerals and hydrocarbons by any mining method, surface or otherwise.

(e) Tenant shall not use or keep on the Premises any kerosene, gasoline or inflammable or combustible fluid or other hazardous material.

(f) Tenant recognizes and acknowledges that utilities infrastructure, including electrical systems may be inadequate to support any expansion of the current method of heating or air conditioning and that use of such additional heating or air conditioning equipment or systems may result in damages to systems and the premises, in which case tenant shall be responsible for all damages, repairs and replacement of systems resulting from such use.

(g) County shall have the right to control and operate the public portions of the property and right-of-way, as well as facilities furnished for the common use of the general public, in such manner as it deems best for the benefit of the general public.

4.2.5 Hazardous Materials.

(a) Tenant shall not cause or permit any Hazardous Materials (as hereinafter defined) to be brought upon, kept or used in or about the Premises by Tenant, its agents, employees, contractors, lessees, or invitees, without the prior written consent of County, which County shall not unreasonably withhold as long as Tenant demonstrates to County's satisfaction that such Hazardous Materials: (i) are necessary or useful to use of the Premises, and will be used, kept and stored in a manner that complies with all laws, statutes, ordinances, rules, regulations, orders, requirements, and policies of any and all governmental agencies and authorities and any requirements of fire insurance underwriters that are applicable to any such Hazardous Materials ("Hazardous Materials Laws") and (ii) do not otherwise, due to the quantity, nature or use of such Hazardous Materials, substantially increase the risk of fire or other casualty to the Premises.

(b) To the extent any Hazardous Materials are used, kept, or become present in or on the Premises on or after the Commencement Date, Tenant shall ensure that all such Hazardous Materials, and all uses thereof, are in full compliance with all Hazardous Materials Laws.

(c) If Tenant breaches the obligations stated in subparagraphs (a) and/or (b) of this Section 4.2.5 or if Hazardous Materials become present on the Premises on or after the Commencement Date which result in contamination of the Premises, or if Hazardous Materials are otherwise discharged or released on and/or from the Premises after the Commencement Date, then Tenant shall indemnify, defend (with counsel approved by County) and hold County harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in value of the Premises; damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises; damages arising from any adverse impact on marketing of space in the Premises; and, sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise during or after the term of this Lease as a result of such breach, contamination, discharge, or release, but excluding liability due to the sole active negligence or sole willful misconduct of County. This indemnification of County by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Materials present in, on or under the Premises. Without limiting the foregoing, if Hazardous Materials become present on the Premises on or after the Commencement Date that result in any contamination of the Premises, or otherwise results in the release or discharge on, under or from the Premises of Hazardous Materials, Tenant shall promptly take all actions at its sole expense as are necessary to return the Premises to the condition existing prior to the introduction of any such Hazardous Materials to the Premises or to otherwise remove and/or abate the release of discharged Hazardous Materials; provided that County's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises, will not unreasonably interfere with the use and enjoyment of other portions of the Premises, and will be performed in accordance with all Hazardous Materials Laws. Upon the expiration or termination of this Lease, Tenant shall surrender the Premises to County free of any and all Hazardous Materials, except to the extent of any Hazardous Materials existing on the Premises prior to the Commencement Date, if any, and in compliance with all Hazardous Materials Laws applicable to Hazardous Materials. This indemnification shall survive the termination or expiration of this Lease.

(d) For the purpose of this Section 4.2.5, the term "Hazardous Materials" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. 9601 et seq.), the Hazardous Materials Transportation Act, as

amended (49 U.S.C 1801 et seq.), the Resource Conservation and Recovery Act of 1976, as amended (42 U.S.C. 6901 et seq.), Section 25117 of the California Health & Safety Code, Section 25316 of the California Health & Safety Code, and in the regulations adopted and publications promulgated pursuant to them, or any other federal, state, or local environmental laws, ordinances, rules, or regulations concerning the environment, industrial hygiene or public health or safety now in effect or enacted after the date of this Lease.

4.2.6 Waste and Nuisance. Tenant shall not use the Premises in any manner that will constitute waste or cause a nuisance to neighboring properties.

4.2.7 Requests from the Director of Sonoma Public Infrastructure. Tenant shall cooperate with any reasonable request from the County's Director of Sonoma Public Infrastructure regarding use of the Premises or operations at the Premises.

4.3 Reservations to County.

4.3.1 County's Right to Grant Easements. County shall have the right, at its sole cost and expense, to install, lay, construct, maintain, repair and operate such sanitary sewers, drains, storm water sewers, pipelines, manholes, connections; water, oil and gas pipelines; and telephone and telegraph power lines and such other appliances and appurtenances necessary or convenient to use in connection therewith, over, in, upon, through, across and along the Premises or any part thereof, as will not interfere with Tenant's use, and to enter upon the Premises for any and all such purposes, and so long as County restores, at its sole cost and expense, the condition of the Premises and any structures and improvements thereon to their original condition. County also reserves the right to grant franchises, easements, rights-of-way and permits in, over, and upon, along or across any and all portions of said Premises as County may elect as will not interfere with Tenant's operations hereunder and to enter thereupon for any and all such purposes, and so long as County restores, at its sole cost and expense, the condition of the Premises and any structures and improvements thereon to their original condition. In addition, County reserves the right to enter and have access to the Premises in order to make, construct or carry out improvements as will not interfere with Tenant's operations hereunder and to enter thereupon for any and all such purposes, and so long as County restores, at its sole cost and expense, the condition of the Premises and any structures and improvements thereon to their original condition. County will cause the surface of the Premises and the condition of any improvements and structures thereon to be restored as close as reasonably possible to their original condition upon the completion of any construction done pursuant to this Section. County agrees that any right set forth in this Subsection 4.3.1 shall not be exercised unless a prior written notice of thirty (30) days is given to Tenant. However, if such right must be exercised by reason of emergency, County will give such notice in writing as is possible under the existing circumstances. County shall exercise its best efforts to avoid unreasonable interference with Tenant's operations or enjoyment of the Premises or

impairment of the security of any secured creditor in its exercise of rights pursuant to this Section.

4.3.2 Other Rights. All oil, gas, geothermal and mineral rights are expressly reserved from this Lease.

4.3.3 County's Right to Enter. County shall have the right to enter upon the Premises at any and all reasonable times throughout the Lease term, upon forty-eight (48) hours' notice to Tenant or as otherwise allowed to applicable law. In the event the Premises are rented to a third party(s), County and Tenant will use best efforts to coordinate all entries to the Premises in order to comply with all noticing and other legal requirements, including as required by Civil Code section 1954.

5. IMPROVEMENTS

5.1 As-Is Condition. Except as otherwise set forth in this Lease, Tenant hereby accepts the Premises in its existing condition and state of repair, "AS IS" and "WHERE IS," and, other than those expressly stated herein, County shall have no obligation to commence or complete any improvements, repairs, or maintenance items, including, without limitation, any tenant improvement items, in connection with this Lease. The Tenant's possession of the Premises after the Commencement Date shall be deemed conclusive evidence that, as of said date, the Premises are in good order and satisfactory condition and no representations, statements, or warranties, expressed or implied, have been made by or on behalf of County in respect to the Premises, except as expressly contained in the provisions of this Lease.

5.2 Tenant's Improvements. Tenant shall not, without County's prior written consent, enlarge, remove, demolish, replace, or substantially alter any substantial improvement, now or hereafter, in place on the Premises, nor construct or install any new improvement at the Premises. County's consent shall be given or denied in County's sole and absolute discretion.

5.3 Improvements by County. At Tenant's request, County may construct or install improvements or Fixtures upon the Premises, subject to agreement as to costs and other terms for such work and/or equipment. Unless otherwise agreed by County in writing, upon the expiration or earlier termination of this Lease, all such improvements and Fixtures shall be surrendered to County, without compensation to Tenant in good condition and repair, free and clear of all claims to or against them by Tenant or any third person.

6. MAINTENANCE, ALTERATIONS

6.1 County's Repair and Maintenance Obligations.

6.1.1 Portion of Premises to be Maintained by County. County shall maintain the following elements of the Premises: All exterior walls and roofing; all structural

elements of the buildings; fire/safety equipment and monitoring devices; electrical, water, and sewer systems and elements of same; and any driveway or sidewalk area appurtenant to the Premises; and any installed flooring upon the Premises.

Tenant acknowledges that certain laws and regulations may require County to publicly bid and/or formally procure certain contracts for work and services.

In no event shall County be responsible for maintaining or repairing any appliances. In addition, County shall have no obligation or responsibility for any impacts, inconvenience, or damages resulting from maintenance or repair work.

Notwithstanding the foregoing duties of County, Tenant shall be responsible to County for all costs, including overages, for all repairs that are a direct result of abuse or negligence of the Premises by Tenant, or its customers, agents, employees, assignees, licensees, subtenant, lessees, or invitees.

6.1.2 County's Maintenance of the Premises. As to those items and areas of maintenance for which County is responsible under this Lease, County shall repair and maintain the Premises consistent with any and all applicable federal, state and local laws, rules, ordinances, orders, regulations and other requirements. County shall make repairs promptly when appropriate to keep the applicable portion of the Premises in the condition described in this Paragraph. County shall not be in default of its repair and maintenance obligations under this section if County performs the repairs and maintenance within thirty (30) days after written notice by Tenant to County of the need for such repairs and maintenance. If, due to the nature of the particular repair or maintenance obligation, more than thirty (30) days are reasonably required for completion, County shall not be in default under this Section 6.1 if County begins work within this thirty-day (30-day) period and diligently prosecutes this work to completion. No liability of County shall result for any injury to or interference with Tenant's use of the Premises arising from the making of or failure to make any repairs, replacements, alterations, or improvements in or to any portion of the Premises, fixtures, or appurtenances. Tenant waives and releases any rights, including its right to make repairs at County's expense, under California Civil Code §§1941-1942 or any similar law, statute, or ordinance now or hereafter in effect.

6.1.3 Tenant's Duty for Maintenance Costs. Tenant shall not perform any actual maintenance of the Premises. County shall perform all such maintenance and Tenant shall be responsible for County costs associated with repair and maintenance to interior elements of the Premises, including the heating, ventilation and air conditioning systems, hot water heater, fire/life safety systems, drywall, paint, cabinetry, bath and kitchen fixtures, finish floor coverings, interior doors and trims, light fixtures, switches and plugs due to normal wear and tear and damages as a result of negligence or misuse by the tenant, and interior and exterior pest control . Within thirty (30) days after completion of any such repairs or maintenance of the Premises that Tenant is financially responsible for as stated

herein, County shall provide to Tenant an accounting of all time and materials, including the expense of each such item, expended or used by County to complete such repairs or maintenance. Within thirty (30) days of receipt of such documentation from County, Tenant shall reimburse County for such expenses.

Prior to performing any repairs or maintenance that Tenant is financially responsible for, that County reasonably believes will exceed **Five Thousand Dollars (\$5,000)** to complete, County shall create an estimate of total costs associated with such repair or maintenance. Should County's estimate of such costs exceed the aggregate amount in the Reserve Account at that time, County shall then provide a full written estimate to Tenant for review not less than fourteen (14) days prior to commencement of such repairs or maintenance.

Notwithstanding the forgoing, in the event of an emergency or other event that precludes the County from reasonably creating an estimate per this paragraph or precludes the County from reasonably providing Tenant with fourteen days (14) notice of such repairs or maintenance, County shall provide such information and such notice only to the extent reasonably practicable.

6.2 Any Casualty Loss (as defined in Subsection 6.5.1 below) to any part or portion of the Premises caused by the willful or negligent act or omission of Tenant or any Tenant employees, agents, contractors, licensees, directors, officers, partners, trustees, visitors, lessees, or invitees, shall be repaired by County at Tenant's sole cost and expense, to the satisfaction of County. County may (but shall not be obligated to) make any repairs within a reasonable amount of time (except in the case of emergency when such repairs can be made immediately), and charge Tenant for the actual reasonable cost of such repairs.

No damages, compensation or claim shall be payable by County for any inconvenience, any interruption or cessation of Tenant's business, or any annoyance, arising from any repair or maintenance work or any damage to or any destruction of all or any portion of the Premises, except and excluding any damage or any destruction caused by the gross negligence or willful misconduct of County, its officers, agents, employees, or representatives.

6.3 Tenant Duty to Maintain and Repair Fixtures and Equipment. Tenant shall be responsible for the maintenance, including repair and/or replacement of Tenant's furnishings and other personal property and interior maintenance of the Premises, as described in **EXHIBIT B**, at tenant's sole cost and expense.

Tenant shall also be responsible for any and all repair and maintenance to all furniture, fixtures, and equipment (collectively, "Fixtures") at the Premises (1) to the extent necessary to meet all applicable federal, state and local laws, rules, ordinances, orders, regulations and other requirements applicable to the use of such Fixtures in a residential property, and (2) in order to maintain such Fixtures in the condition of same upon the Commencement Date, ordinary wear and tear excepted. Fixtures shall mean: all appliances, including but not limited to, ovens, stoves, refrigerators, washers, dryers, dishwashers, and microwaves. A list

of Fixtures currently installed in the Premises is described in **EXHIBIT C**, attached hereto.

6.4 Utilities. County shall not be responsible for provision or payment of utility services to the Premises. Tenant shall bear all costs directly or indirectly associated with payment for any and all utility services required for Tenant's use of the Premises, including all electricity, natural gas, municipal water and sewer.

6.5 Damage During Term. In the event of any Casualty Loss that is expected will render either reasonable access to or use of the Premises by Tenant impracticable for an anticipated period of two hundred seventy (270) days or more, or it is anticipated that in excess of twenty-five percent (25%) of the Premises will be rendered unusable for two hundred seventy (270) days (based upon a certificate of an architect chosen and paid by County), either County or Tenant may elect to terminate this Lease.

6.5.1 Definition of Casualty Loss. For purposes of this Lease, the term "Casualty Loss" shall mean any casualty, injury, damage, or destruction to the Premises or any part thereof regardless of cause.

7. INSURANCE

Tenant participates in the County of Sonoma's General Liability and Workers' Compensation self-insurance programs, and is a covered party under the Pollution, Cyber Liability, and Crime insurance coverages maintained by the County of Sonoma. If Tenant during the term of this Lease ceases to be a covered party under any of these coverages, Tenant shall obtain and shall provide County evidence of equivalent insurance coverage.

8. ASSIGNMENT AND SUBLEASING

8.1 Sublease. County hereby consents to Tenant renting and/or subleasing the Premises, or any portion thereof, to third parties for residential purposes consistent with the allowed uses under this Lease. County shall not be responsible for any aspect of, or responsibility for, any cost or liability associated with the administration, commencement, or termination of any subtenancy or residential landlord-tenant relationship between Tenant and any other party, including but not limited to any relocation benefits asserted or determined to be payable to any subtenant of Tenant or any occupant of the Premises.

8.2 Assignment. Tenant shall not assign this Lease without the prior written consent of the County, which consent shall be within the sole and absolute discretion of County. Any purported assignment of this Lease without County's written consent shall be of no force or effect, to the extent allowable by law.

9. COUNTY'S REPRESENTATIONS AND WARRANTIES

- (a) County represents that it owns the Premises in fee simple. County further represents that it has the right to enter into this Lease.
- (b) Tenant, shall at all times during the Lease term and any extension or renewal thereof, peaceably and quietly have, hold, and enjoy the Premises without any disturbance from County or any other person claiming through it, except as explicitly permitted by this Lease.
- (c) The subject Premises have not undergone inspection by a Certified Access Specialist (CASp).

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.”.

10. TERMINATION FOR BREACH

If either party fails to comply with the terms of this Lease, such action shall constitute a breach. Unless otherwise provided herein, in the event of a breach, the alleging party shall provide written notice thereof to the other party, whereupon said party shall have not less than thirty (30) days to cure such breach, provided that if the cure cannot be effectuated during such 30-day period, the cure period shall be extended an additional period of time reasonable and appropriate given the nature of the breach and needed cure and so long as the breaching party diligently, and within said thirty (30) days, commences to cure such breach. In the event that the breach is not or cannot be cured before the cure period ends, the Lease will terminate at the expiration of the cure period.

11. NOTICES

11.1 Notices. All notices (including requests, demands, approvals, or other communications) under this Lease shall be in writing.

11.1.1 Method of Delivery. Notice shall be sufficiently given for all purposes as follows:

- (a) When personally delivered to the recipient, notice is effective upon delivery;

(b) When mailed first class to the last address of the recipient known to the party giving notice, notice is effective on delivery;

(c) When mailed by certified mail with return receipt requested, notice is effective on receipt if delivery is confirmed by a return receipt;

(d) When delivered by overnight delivery with charges prepaid or charged to the sender's account, notice is effective on delivery if delivery is confirmed by the delivery service;

(e) When sent by fax or e-mail to the last e-mail address or fax number of the recipient known to the party giving notice, notice is effective on receipt as long as (1) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery; or (2) the receiving party delivers a written confirmation of receipt. Subject to the foregoing requirements, any notice given by fax or e-mail shall be considered to have been received on the next business day if it is received after 5 p.m. (recipient's time) or on a nonbusiness day.

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

11.3 Addresses. Addresses for purposes of giving notice, making payment, and all other correspondence are set forth below:

If to County: **COUNTY OF SONOMA**
Sonoma County Public Infrastructure
Attn: Real Estate Manager
2300 County Center Drive, Suite A220
Santa Rosa, California 95403
Fax: 707-565-2358

If to Tenant: **SONOMA COUNTY COMMUNITY
DEVELOPMENT COMMISSION**
Attn: Executive Director
1440 Guerneville Road
Santa Rosa, CA 95403
Fax: (707) 565-7583.

12. MISCELLANEOUS PROVISIONS

12.1 Joint and Several Obligations. If Tenant consists of more than one (1) person, the obligation of all such persons is joint and several.

12.2 Captions. The captions of the various articles and sections of this Lease are for convenience and ease of reference only and do not define, limit, augment or describe the scope, content, or intent of this Lease or of any part or parts of this Lease.

12.3 Gender. The neuter gender includes the feminine and masculine, the masculine includes the feminine and neuter and the feminine includes the neuter, and each includes corporation, partnership or other legal entity when the context so requires.

12.4 Singular and Plural. The singular number includes the plural wherever the context so requires.

12.5 Exhibits, Addenda. All exhibits and addenda to which reference is made in this Lease are incorporated in the Lease by the respective references to them, whether or not they are actually attached, provided that they have been signed or initialed by the parties. Reference to the "Lease" includes matters incorporated by reference.

12.6 Merger. This Lease is intended both as the final expression of the Lease between the parties hereto with respect to the included terms, and as a complete and exclusive statement of the terms of the Lease, pursuant to California Code of Civil Procedure Section 1856. No modification of this Lease shall be effective unless and until such modification is evidenced by a writing signed by both parties. No promise, representation, warranty or covenant not included in this Lease has been or is relied on by either party. Each party has relied on its own examination of this Lease, the counsel of its own advisors, and the warranties, representations, and covenants in the Lease itself. This Lease shall be construed according to the fair meaning of its language. The rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Lease. The failure or refusal of either party to inspect the Premises, to read the Lease or other documents, or to obtain legal or other advice relevant to this transaction, constitutes a waiver of any objection, contention or claim that might have been based on such reading, inspection or advice.

12.7 Applicable Law and Forum. This Lease shall be construed and interpreted according to California law and any action to enforce the terms of this Lease or for the breach thereof shall be brought and tried in the County of Sonoma.

12.8 Covenants and Conditions. All provisions of this Lease, whether covenants or conditions on the part of Tenant, shall be deemed to be both covenants and conditions and such covenants shall survive termination.

12.9 Time of Essence. Time is and shall be of the essence of this Lease and of each and every provision contained in this Lease.

12.10 No Discrimination. Tenant shall comply with all applicable federal, state and local laws, rules and regulations regarding nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, sexual orientation, marital status, age, medical condition or disability.

12.11 AIDS Discrimination. Tenant has reviewed the provisions of Article II of Chapter 19 of the Sonoma County Code, prohibiting discrimination in housing, employment and services because of AIDS or HIV infection. Tenant agrees to comply with such provisions during the term of this Lease.

12.12 No Third-Party Beneficiaries. Nothing contained in this Lease shall be construed to create and the parties do not intend to create any rights in third parties.

12.13 Construction of Lease; Severability. To the extent allowed by law, the terms, covenants, conditions, provisions and agreements in this Lease shall be construed and given effect in a manner that avoids any violation of statute, regulation or law. County and Tenant covenant and agree that in the event any term, covenant, condition, provision or agreement in this Lease is held to be invalid or void by court of competent jurisdiction, the invalidity of any such term, covenant condition, provision or agreement shall in no way affect any other term covenant, condition provision or agreement in this Lease.

12.14 Relationship. The parties intend by this Lease to establish the relationship of County and Tenant only, and do not intend to create a partnership, joint venture, joint enterprise, or any business relationship other than that of County and Tenant.

12.15 Attorney Fees. If either party undertakes litigation or arbitration against the other party arising out of or in connection with this Lease, the prevailing party shall be entitled to recover from the other party reasonable attorney fees, arbitration costs, and court costs incurred. The prevailing party shall be determined under Civil Code Section 1717(b)(1) or any successor statute.

12.16 Good Faith. County and Tenant shall at all times act in good faith in connection with the exercise and discharge of their respective rights and obligations under the Lease.

IN WITNESS WHEREOF, the parties have executed this Lease as of the Effective Date.

COUNTY:

COUNTY OF SONOMA, a political
subdivision of the State of California

By: _____
Johannes J. Hoevertsz, Director
Sonoma County Public Infrastructure

TENANT:

**SONOMA COUNTY COMMUNITY
DEVELOPMENT COMMISSION**, a public
politic

By: _____
Michelle Whitman, Executive Director

The Director of Sonoma County Public Infrastructure is authorized to execute this Lease, pursuant to the Board
of Supervisors' Action dated _____.

APPROVED AS TO FORM FOR COUNTY:

By: _____
Deputy County Counsel

RECOMMENDED FOR APPROVAL FOR COUNTY:

By: _____
C. Warren Sattler, Real Estate Manager

EXHIBIT A
[DEPICTION OF PREMISES]



EXHIBIT B

TENANT'S PERSONAL PROPERTY

EXHIBIT C

[Description of FIXTURES]

695 Russell Avenue (aka Unit A), FO 01170

Gas Range

Refrigerator

Rinnai Tankless Water Heater

Other: _____

697 Russell Avenue (aka Unit B), FO 01171

Gas Range

Refrigerator

Rinnai Tankless Water Heater

Other: _____

699 Russell Avenue (aka Unit C), FO 01172

Gas Range

Refrigerator

Rinnai Tankless Water Heater

Other: _____

695 Russell Avenue (aka Unit D), FO 01173

EXHIBIT D

[SAMPLE HOUSING ASSISTANCE PAYMENTS CONTRACT]

SECTION 8 TENANT BASED ASSISTANCE

HOUSING CHOICE VOUCHER PROGRAM