

LEASE AGREEMENT

(756 E Thompson Boulevard, Ventura)

This Lease Agreement (“Agreement”), effective as of March 1, 2023, is made and entered into by and between the County of Ventura (“County”) and Ventura Vagabond Inn, LLC, a California limited liability company (“Lessor”). County and Lessor may be referred to individually as a “Party” or collectively as the “Parties.”

The Parties agree as follows:

1. **PROPERTY LEASED.** Lessor hereby leases to County and County hereby leases from Lessor a portion of Assessor’s Parcel Number 073-0-134-160, improved as a motel property, containing an 82-room motel building of approximately 27,731 square feet of area (“Building”), with an adjacent parking lot (“Parking Lot”), commonly known and referred to as 756 E. Thompson Boulevard, Ventura (collectively, the “Premises”). The Premises are more particularly shown on Exhibit “A,” attached hereto and made a part hereof by this reference. The pool, spa and pool area will be closed during the Term. The Lessor’s motel employees shall be onsite daily to assist with any maintenance and housekeeping issues and key card access to the guest rooms.
2. **TERM.** The term of this Agreement shall be twelve (12) months and shall commence on March 1, 2023, and terminate on February 29, 2024, (“Term”), subject to County’s right of Early Termination as more particularly described in Article 38.
3. **RENT.** County shall pay to Lessor, during the term of this Agreement, all-inclusive monthly rent of \$210,000. The rent is payable in advance on the first day of each and every calendar month. There shall be no pass through of any operating expenses from Lessor to County other than costs incurred by Lessor to repair damages to the Premises caused by the sole negligence or misconduct of County, its agents, servants, employees, contractors, or patrons, or the occupants of the Premises.
4. **HOLDOVER.** If County holds possession of the Premises after the expiration of the term of this Agreement, or any extension thereof, with consent of Lessor, either expressed or implied, County shall become a tenant from month-to-month at the rental amount paid for the last month of the Term of this Agreement. Such tenancy will be subject to all of the terms and conditions of this Agreement. After an extension period of six (6) months the rent may be revised.
5. **USE.** The Premises shall be used for the following specified purpose and shall not be used for any other purpose without first obtaining the written consent of Lessor:

GENERAL MOTEL USE – PUBLIC SERVICE

6. **SIGNS.** County shall have the right, at County’s sole cost and expense, to install any signs appropriate for the identification of the Premises subject to the city of Ventura’s approval and issuance of any required permit(s). Lessor shall not install signs on the Premises without the written consent of County.
7. **ALTERATIONS BY COUNTY.** During the Term or any extension thereof, County shall have the right, at County’s sole expense, to make installations, modifications and improvements to the Premises, provided, however, that the basic structure shall not be

altered. All improvements, installations and modifications installed by County during the Term of this Agreement shall be considered personal property of County and County may, at its option, remove any or all of such items at any time during the Term of this Agreement or any extension thereof. Upon the expiration or termination of this Agreement, County shall remove all such improvements, installations and modifications at County's sole cost and expense. If County removes any of such items, County shall restore the portion of the Premises affected by such removal, as nearly as practicable to its condition as of the date of occupancy by County, normal wear and tear excepted.

8. PARKING. County, its agents, invitees, employees, contractors and patrons shall have use of all the unreserved parking spaces in the Parking Lot adjacent to the Building for the Term of the Agreement or any extension thereof. This parking is included in the rent paid by County each month.

9. PRORATION OF RENT. If rent due under this Agreement for any calendar month should be for less than a full month, the rent due for that month shall be prorated on the basis of a 30-day month.

10. CONSTRUCTION OF TENANT IMPROVEMENTS BY LESSOR. None.

11. DELAY IN DELIVERY OF POSSESSION. If possession of the Premises is not delivered to County ready for occupancy within 30 days after the date of execution of this Agreement (the "Termination Trigger Date"), County may terminate this Agreement without further obligation by so advising Lessor in writing. Notwithstanding the foregoing sentence, the Termination Trigger Date shall be extended one day for each day Lessor is delayed in delivering the Premises to County ready for occupancy caused by (i) any acts or omissions of County, or its agents, contractors, employees, guests, licensees or invitees, or (ii) any strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes therefor, government actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of Lessor.

12. FIRE INSURANCE. Fire and extended coverage insurance on the Premises herein leased shall be the sole concern of Lessor. However, no use except that which is expressly provided in this Agreement shall be made, or permitted to be made, of the Premises.

13. TAXES AND ASSESSMENTS. Lessor shall pay all ad valorem taxes and assessments levied against the Premises covered by this Agreement. It is the understanding of the County that no transit occupancy tax for County's occupancy of the Premises shall be due.

14. UTILITIES. Lessor shall pay for all utilities, including waste removal, water, sewer, gas, and electrical serving the Premises and make payments directly to the utility companies furnishing same. Lessor shall make and maintain proper connections with any and all water, gas, sewer, and electrical lines on or serving the Premises and will continue the connections and service thereof during the Term of this Agreement or any extension thereof.

15. JANITORIAL SERVICES. Lessor shall provide standard housekeeping and custodial services at least every three days to the Premises, including to each of the 82 guest rooms in the Building, during the Term of this Agreement or any extension thereof.

As part of the standard housekeeping and custodial services provided by Lessor every three days, Lessor shall provide fresh towels and sheets, cleaning and trash removal to each of the 82 guest rooms in the Building. All housekeeping, custodial and laundry services will be furnished by Lessor in accordance with current health and safety protocols established by public health officials.

16. REPAIRS AND MAINTENANCE BY LESSOR. Lessor shall maintain the Premises as set forth in Exhibit "B," including its foundation, walls, suite demising walls, roof, building exterior including doors and glass, floors, floor coverings, electrical system, plumbing, water and sewage disposal systems, fire sprinkler system, fire alarm system, and HVAC system, and shall provide, at its sole cost, all maintenance, repair and replacement required to be performed in connection therewith. All maintenance, repair and replacement required by reason of damage caused by the sole negligence or misconduct of County, its agents, servants, employees, contractors, or patrons, or occupants of the Premises shall be assumed by Lessor and charged separately by Lessor to County. Lessor, however, shall have no responsibility for interior painting of the Building after occupancy of the Premises by County or for maintenance which may be required by reason of the sole neglect or misconduct of County, its agents, servants, employees, contractors, or patrons.

17. ENTRY BY LESSOR. Lessor may enter upon the Premises at reasonable times with reasonable prior notice to examine the condition thereof, and for the purpose of providing maintenance and making such repairs as Lessor is obligated to make, provided that such right shall not be exercised in such a manner as to unreasonably interfere with any business conducted on the Premises.

18. COMPLIANCE WITH LAW. If the Premises, or Lessor's real property on which the Premises is located, is determined to be in non-compliance with the provisions of the Occupational Safety and Health Act of 1970, or any related legislation including but not limited to California Civil Code section 55.51 et seq. and the federal Americans with Disability Act (as such non-compliance shall be determined on an unoccupied basis without regard to County's proposed use of the Premises or any alterations or improvements to be completed by or for County in the Premises), Lessor shall, to the extent possible, make all installations, modifications or improvements required as a result of such non-compliance, except that County shall comply with all laws and perform all installations, modifications or improvements made necessary due to any installations, modifications or improvements to, or use by County of, the Premises. The Premises have not undergone inspection by a Certified Access Specialist as defined by California Civil Code section 1938.

19. ASSIGNMENT AND SUBLETTING. County shall have the right to assign this Agreement or sublet the Premises with the written consent of Lessor, which consent shall not unreasonably be withheld. In the event that the Premises are sold during the Term of this Agreement, purchaser shall become Lessor's assignee hereunder. In such an event, all terms and conditions of this Agreement shall remain in full force and effect.

20. DEFAULT OR BREACH. Except as otherwise provided, at any time one Party to this Agreement is in default or breach in the performance of any of the terms and conditions of this Agreement, the other Party shall give written notice to remedy such default or breach. If said default or breach is remedied within 30 days following such notice, then this Agreement shall continue in full force and effect. If such default or breach is not remedied within 30 days following such notice, the other Party may, at its

option, terminate this Agreement. Such termination shall not be considered a waiver of damages or other remedies available to either Party because of such default or breach. Each term and condition of this Agreement shall be deemed to be both a covenant and a condition. Notwithstanding the foregoing, County shall be in default under this Agreement if County fails to pay any monetary obligation due and owing hereunder within 10 days following written notice from Lessor that said amount is past due and owing.

21. WAIVER. A waiver by either Party of any default or breach by the other Party in the performance of any of the covenants, terms or conditions of this Agreement shall not constitute or be deemed a waiver of any subsequent or other default or breach.

22. PARTIES BOUND AND BENEFITTED. The covenants, terms, and conditions herein contained shall apply to and bind the successors and assigns of all of the Parties hereto, and all of the Parties hereto shall be jointly and severally liable hereunder. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Lessor and County, subject to compliance with the terms of Article 19.

23. TIME. Time is of the essence of this Agreement.

24. HOLD HARMLESS AND INDEMNITY. County shall defend, indemnify and hold harmless Lessor from and against all third-party demands, claims, actions, liabilities, losses, damages and costs, including reasonable attorney's fees, arising out of or relating to any death, bodily injury or property damage resulting from, or in conjunction with, the maintenance, use or occupation of the Premises by County and its agents, invitees, employees, contractors or patrons under this Agreement, except as to any loss or damage as may arise from the sole negligence or willful misconduct of the Lessor.

In the event of any failure of any building system or element in the Premises that is a Lessor responsibility pursuant to Article 16, Lessor shall defend, indemnify and hold harmless County and its elected officials, officers, directors, agents, employees, subcontractors and volunteers from and against all third-party demands, claims, actions, liabilities, losses, damages and costs, including reasonable attorney's fees, arising out of or related to any death, bodily injury or property damage resulting from such failure, except as to any loss or damage as may arise from the sole negligence of County.

25. DESTRUCTION OF PREMISES. If the Premises should be destroyed by any cause or declared unsafe or unfit for occupancy by any authorized public authority for any reason, either wholly or in such a degree as to materially impair County's use of said Premises, then all rent due under the terms of this Agreement shall cease as of the date of such destruction or declaration. If Lessor makes the necessary repairs within 30 days rendering the Premises as suitable and serviceable as they existed on the day County's occupancy of the Premises commenced, no right of termination by the County shall exist. If repairs are not made within 30 days, ordinary wear and tear excepted, the County may terminate this Agreement effective on the 30th day after said destruction by mailing written notice to Lessor of the County's intention to terminate. If during a period of partial destruction, the County should desire to continue occupancy, the rent shall be abated in the same ratio ("Reduced Rent"), as the portion of the Premises rendered for the time being unfit for occupancy shall bear to the whole Premises. Should the partial destruction of the Premises not be repaired within 30 days, the County shall have the option to terminate this Agreement or remain in possession at the Reduced Rent.

26. CONDEMNATION. If a public authority under the power of eminent domain should take the whole of the Premises, then the Term of this Agreement shall cease on the day of possession by said public authority. If a part only of the Premises should be taken under eminent domain, County shall have the right to either terminate this Agreement or to continue in possession of the remainder of the Premises. If County remains in possession, all of the terms hereof shall continue in effect, with rents payable being reduced proportionately for the balance of the term of this Agreement. If such taking under the power of eminent domain occurs, those payments attributable to the leasehold interest of County shall belong to County, and those payments attributable to the reversionary interest of Lessor shall belong to Lessor.

27. CONDITION OF PREMISES UPON TERMINATION. Upon the termination or expiration of this Agreement for any reason, County shall vacate the Premises and deliver it to Lessor in good order and condition, excepting damage by the elements, fire, earthquake, falling objects and ordinary wear and tear. County shall repair any damage to the Premises which may be required by reason of neglect or misconduct of the County, its agents, servants, employees, contractors, or patrons, or occupants of the Premises.

28. ENTIRE AGREEMENT; SEVERABILITY. This Agreement contains the entire understanding of the Parties hereto and no obligations other than those expressly set forth herein will be recognized, regardless of whether the terms herein differ from what might arguably be implied from any other contract, lease, ordinance, policy, or other documents approved by County. If any term or provision of the Agreement is determined by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the remaining portions of the Agreement shall be considered severable and not affected by such determination, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held to be illegal, invalid, or unenforceable.

29. AGREEMENT MODIFICATION. This Agreement may be terminated, extended, or amended in writing only by the mutual consent of the Parties hereto. Such modification may be executed by the Director of County's Public Works Agency, or another authorized representative, on behalf of County.

30. PARTIAL INVALIDITY. If any term, covenant, condition or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

31. GENDER AND NUMBER. For the purpose of this Agreement, wherever the masculine or neuter form is used, the same shall include the masculine or feminine, and the singular number shall include the plural and the plural number shall include the singular, wherever the context so requires.

32. ARTICLE HEADINGS. Article headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants and conditions of this Agreement.

33. NOTICES AND PAYMENTS. All notices required under this Agreement, including change of address, shall be in writing and all notices and payments shall be made as follows:

- A. All checks to Lessor shall be made payable to Ventura Vagabond Inn, LLC. Payments and notices to Lessor shall be given or mailed to:

Ventura Vagabond Inn, LLC
Attn: Vista Investments / Juan Llaca
2225 Campus Drive
El Segundo, CA 90245

Lessor may request to receive payments via Electronic Funds Transfer by completing documentation provided by County.

- B. All payments and notices to County shall be given or mailed to:

County of Ventura
County Executive Office
Community Development Division
800 South Victoria Avenue, L#1940
Ventura, CA 93009

- C. Lessor's monthly lease payment invoices, and other invoices pre-approved by County, may be sent to County via email with the following email address: Community.Development@ventura.org. All invoices must include the address of the Premises.

34. APPROVAL BY BOARD OF SUPERVISORS. This Agreement was approved by the Board of Supervisors by action of _____, 2023 (Item No. _____).

35. ANTENNA. County shall have access to the Building's roof to install communications equipment necessary to conduct the County's business. County shall bear all costs associated with said communications equipment including all permits and fees. County shall be responsible for any damage to the roof caused by said communications equipment and upon the expiration or termination of the Agreement shall be responsible for removal of said communications equipment and shall restore the portion of the roof affected by such removal, as nearly as practicable to its condition as of the date of occupancy by County, normal wear and tear excepted.

36. GOVERNING LAW; FORUM; VENUE. This Agreement shall in all respects be interpreted, governed and enforced in accordance with the laws of the state of California applicable to contracts entered into and fully to be performed therein. The Parties agree that this Agreement was made and entered into in Ventura County, California and that this Agreement and the Parties' obligations under this Agreement are to be performed in Ventura County. Accordingly, the Parties agree that any action, suit or other legal proceeding concerning this Agreement shall be in a forum with jurisdiction over Ventura County, California, with venue in Ventura County.

37. LIABILITY INSURANCE. County, at its own expense, shall procure and maintain with respect to the Premises and operations conducted therein adequate general premises liability insurance against bodily injury and against property damage. Said insurance shall have a combined single limit of liability for bodily injuries and for property damage in an amount of not less than Two Million Dollars (\$2,000,000.00). Notwithstanding anything to the contrary provided in this Agreement, County shall furnish to Lessor a Certificate of Liability Insurance, which certificate shall verify that County

carries liability insurance as described above. Said certificate shall verify that (i) Lessor is named as an additional insured in said insurance, (ii) said insurance covers products and completed operations coverages, (iii) such insurance shall not be cancelled nor terminated without thirty (30) days' prior written notice given to Lessor, and (iv) said insurance shall be primary insurance, notwithstanding any "other insurance" clauses to the contrary which may be contained in either County's or Lessor's insurance contracts. The insurance coverage shall contain within the contract or by endorsement a "broad form" of contractual liability coverage which covers contracts entered into by County, including leases.

38. EARLY TERMINATION. During the Term of this Agreement, County shall have the right to surrender and quit paying Rent for the Premises, with such surrender effective September 1, 2023, or thereafter, by providing Lessor with written notice at least thirty (30) days prior to such surrender.

39. OCCUPANCY OF PREMISES. Lessor and County understand that they shall not receive rent, fees, or any other form of payments or consideration, or gifts from occupants of hotel rooms in exchange for access to or use of the Premises. Lessor and County also understand that neither has entered into any contract with the occupants of the hotel rooms related to the use of the Premises within the meaning of California Civil Code section 1925. The occupants of the hotel rooms are not persons who hire any dwelling unit from Lessor or County within the meaning of California Civil Code section 1940 and are not subject to the benefits of the California Civil Code or any other state statutes, rules, or regulations or local government rules, regulations or ordinances, that confer tenancy rights on the occupants.

LESSOR:

Ventura Vagabond Inn, LLC, a California limited liability company

By: Les Biggins
Its: Chief Financial Officer

Date

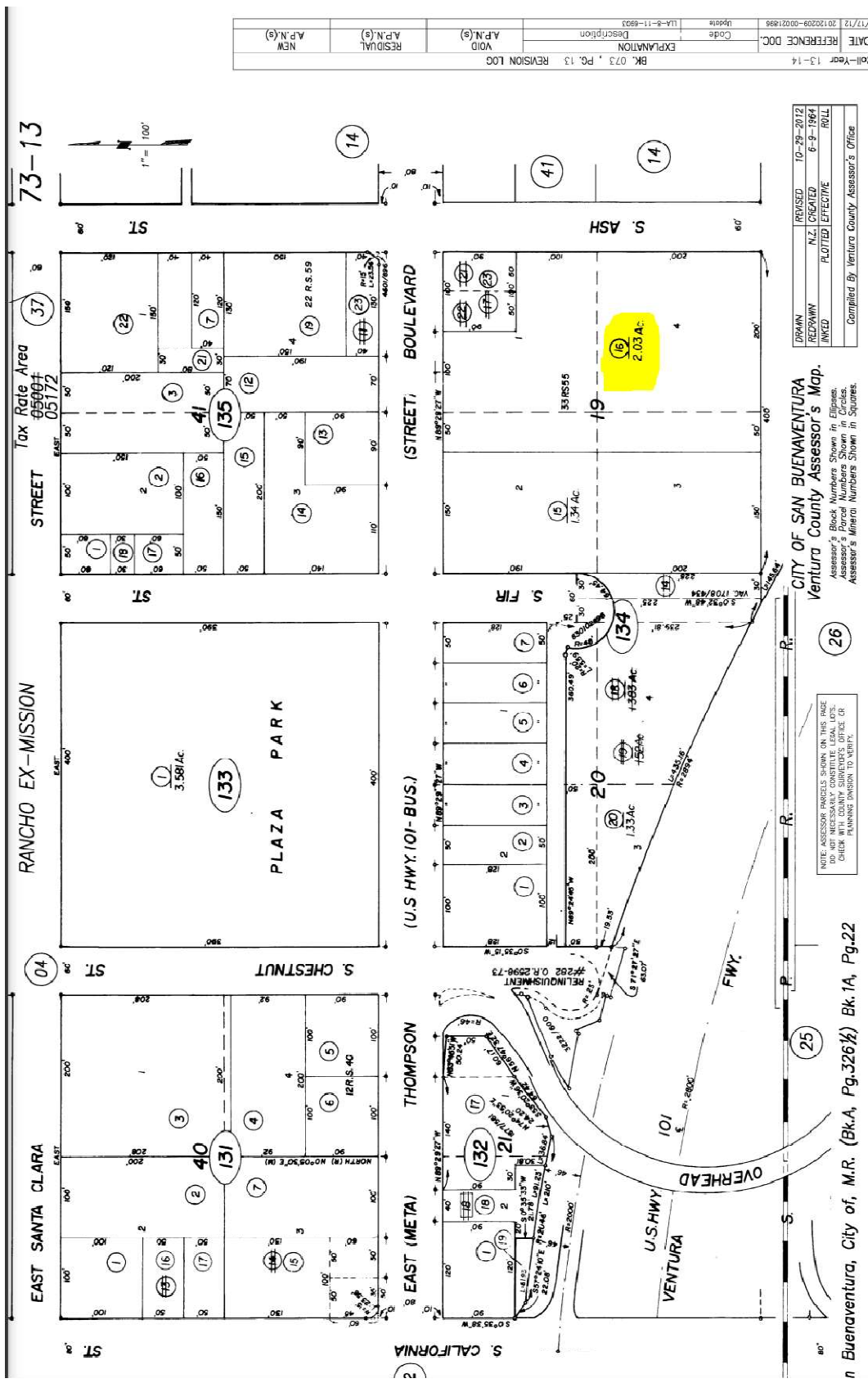
COUNTY:

COUNTY OF VENTURA

By: Sevet Johnson, PsyD.
County Executive Officer
County of Ventura

Date

EXHIBIT "A"



RANCHO EX-MISSION

EAST SANTA CLARA ST. (04)

S. CHESTNUT ST. (04)

EAST ST. (04)

S. ASH ST. (04)

BOULEVARD (STREET)

Tax Rate Area
69999
05172

73-13

EAST (META)

THOMPSON

(U.S. HWY. 101 - BUS.)

S. CALIFORNIA

U.S. HWY. 101 OVERHEAD

VENTURA

FWY.

PLAZA PARK

3.581 AC. (1)

133

131

132

134

135

40

20

19

16

2.03 AC.

41

14

14

DATE	REFERENCE	DOC.	EXPLANATION	Code	Update
10/17/12	20120209-0021886		VOID	A.P.N.(S)	UA-9-11-6603
13-14			RESIDUAL	A.P.N.(S)	
			NEW	A.P.N.(S)	

DRAWN	REVISED	10-09-2012
REDWYN	N.C. CREATED	6-9-1964
INKED	FLOTTED EFFECTIVE	ROLL

Compiled By: Ventura County Assessor's Office

CITY OF SAN BUENAVENTURA
Ventura County Assessor's Map.
Assessor's Block Numbers Shown in Ellipses.
Assessor's Parcel Numbers Shown in Circles.
Assessor's Mineral Numbers Shown in Squares.

NOTE: ASSessor PARCELS SHOWN ON THIS MAP
DO NOT REPRESENT THE CURRENT
CHECK WITH COUNTY SURVEYORS' OFFICE OR
PLANNING DIVISION TO VERIFY.

San Buenaventura, City of, M.R. (BK.A, Pg.326½) Bk.1A, Pg.22

EXHIBIT "B"
MAINTENANCE & REPAIR SCHEDULE

NO.	ITEM	LESSOR	COUNTY
1	Electrical system and conduits.	X	
2	Light switches and electrical outlets.	X	
3	Ballast and transformers for florescent lights.	X	
4	Light bulbs and/or florescent bulbs, including installation.	X	
5	Plumbing system: water, sewer, gas and other underground lines.	X	
6	Plumbing blockage within the premises or from the premises to a community line.	X	
7	Toilets, urinals, water closets, water faucets, paper towel & toilet tissue holders (not owned by supplier), mirrors and other restroom fixtures.	X	
8	Water heater.	X	
9	Drinking fountains	X	
10	Air conditioning & heating systems, including control switches & thermostats.	X	
11	Telephone & cable T.V. jacks.		X
12	Carpet, tile and/or linoleum.	X	
13	Interior doors, door and window hardware and locks.	X	
14	Drapes, window shades, blinds or other window covering.	X	
15	Ceiling.	X	
16	Interior walls & partitions.	X	
17	Broken window glass or door glass including plate glass windows.	X	
18	Exterior walls, roof, drains & down spouts.	X	
19	Exterior parking lot, repair & maintenance.	X	
20	Grounds landscaping, gardening and debris clean up.	X	
21	Security camera system.	X	
22	Fire extinguishers.	X	
23	Refuse, rubbish & garbage disposal.	X	
24	Janitorial service including window washing.	X	
25	Paper supplies, dispensers & waste containers in restrooms.	X	
26	Pest control: exterior or common area.	X	
27	Pest control: interior.	X	

However, it is understood and agreed that Lessor shall not be responsible for those items which require repair or maintenance due to the sole neglect or misconduct of County, its agents, employees, contractors or patrons.