

LEASE AGREEMENT

General Provisions and Definitions:

This lease is made and entered into by and between RANCHO TEHAMA ASSOCIATION, referred to herein as "Lessor," and the County of Tehama, by and through the TEHAMA COUNTY FIRE DEPARTMENT referred to herein as "Lessee" Or "County." The "Effective Date" of this Lease shall be the date on which all parties have executed the agreement.

Lessor, for and in consideration of the rent to be paid by Lessee and of the covenants and provisions to be kept and performed by Lessee under this lease, hereby leases to Lessee, and Lessee agrees to lease from Lessor, subject to the conditions set forth herein, the real property and improvements referred to herein as the "Premises." Lessor shall provide Lessee with unobstructed 24-hour access to the Premises, and shall provide Lessee with a key, passcode, or other access device through any security measures to ensure that the Lessee has actual, self-determined 24-hour access.

"Premises" as used herein shall refer to the **Fire Station** building located at **17155 Rancho Tehama Road, Corning, California 96021**.

ARTICLE 1. TERM OF LEASE

Section 1.01 –Term: This lease shall commence at on the Effective Date of this agreement (the "Commencement Date"), and end at 12:01 a.m. on July 1, 2026, unless terminated earlier pursuant to the provisions of this lease. After the initial year, this lease shall renew annually for up to a total of five years unless the Lessor provides the Lessee with a notice of intent to not renew which must be served on the Lessee no later than May 1 of each year in order to be effective. The annual renewal date shall be July 1.

Section 1.02 – Holding Over: In the event Lessee holds over and continues in possession of the Premises after expiration of the original lease term, Lessee's continued occupancy of the Premises shall be considered a month-to-month tenancy subject to all the terms and conditions of this lease.

ARTICLE 2. RENT / DEPOSITS

Section 2.01 – Monthly Rent: Lessee agrees to pay to Lessor a fixed Yearly Rental Sum for the use and occupancy of the Premises, as set forth below:

- (a) During the Term of the Lease, Lessee shall pay to Lessor the Yearly Rental Sum of \$4,500.00 payable on the 31st day of July each year.
- (b) Rent shall be paid by delivery to Lessor personally or by mailing to Lessor at the address specified in Section 10.02, or at any other place or places as Lessor may from time to time designate by written notice delivered to Lessee.

Rent shall be paid by delivery to Lessor personally or by mailing to Lessor at the address specified in Section 10.03, or at any other place or places as Lessor may from time to time designate by written notice delivered to Lessee.

ARTICLE 3. USE OF PREMISES / COMMON AREAS

Section 3.01 – Permitted Use: During the term of this Lease, the Premises may be used by Lessee for any use which complies with the applicable zoning. Without limiting the generality of the foregoing, Lessee shall be permitted to operate a government office at which services are provided to the public.

Section 3.02 – Waste or Nuisance: Lessee shall not commit or permit the commission by others of any waste on the Premises; Lessee shall not maintain or commit, or permit the maintenance or commission of any nuisance as defined in Civil Code Section 3479 on the Premises, and Lessee shall not use or permit the use of the Premises for any unlawful purpose. Lessee shall be responsible for the legal disposal of any hazardous substances generated or kept on the premises.

Section 3.03 – Compliance with Laws: Lessee shall, at Lessor's own cost and expense, comply with all statutes, ordinances, regulations and requirements of all governmental entities, both federal and state, and county or municipal, including those requiring capital improvements to the Premises, including but not limited to all improvements relating to Lessee's use and occupancy of Premises and those not relating to occupancy, whether those statutes, ordinances, regulations and requirements are now in force or are subsequently enacted. Lessee shall notify Lessor of any improvements that will impact the Lessor's budget.

ARTICLE 4. UTILITIES / JANITORIAL AND TAXES

Section 4.01 – Utilities: Lessee shall pay all utility costs for electricity, telephone, propane, water, garbage pickup and disposal, alarm system contract and upkeep, and other public utilities for the Premises during the term of this lease. **The Lessor shall pay the electricity and any other utilities not tied to the fire department building.**

Section 4.02 – Real Property Taxes: All real property taxes and assessments levied or assessed against the Premises by a governmental entity, including any special assessments imposed on or against the Premises for the construction or improvement of public works in, on or about the Premises shall be paid, before they come delinquent, by Lessor.

ARTICLE 5. ALTERATIONS AND REPAIRS

Section 5.01 – Condition of Premises: Lessor represents and warrants that, upon commencement of Lessee's occupancy hereunder, the Premises shall be in good, clean, safe, and rentable condition suitable for Lessee's use. Without limiting the generality of the foregoing, Lessor specifically represents that any improvements or fixtures on the Premises necessary to the operation of a vehicle maintenance facility are in good working order upon commencement of Lessee's occupancy hereunder.

Section 5.02 – Maintenance by Lessor:

Lessor shall be responsible for all maintenance, repair, and upkeep of the entire Premises, including without limitation, the parking lot, grounds, building and improvements, and equipment and fixtures attached thereto (except for improvements, and equipment and fixtures installed by Lessee). Lessee shall notify Lessor prior to installation of any equipment or fixtures. Such responsibility shall include, without limitation, the following:

- a) The structural parts of the building and other improvements in which the premises are located, which structural parts include the foundations, bearing and exterior walls, subflooring, and roof.
- b) The exposed and unexposed electrical, plumbing, and sewage systems including, without limitation, those portions of the systems lying outside the Premises.
- c) Garage doors, window frames, gutters, and down spouts on the building, and other improvements in which the premises are located.
- d) Heating, ventilating, and air-conditioning systems (HVAC).
- e) Landscape maintenance and parking lot maintenance including drainage. Lessee shall secure a separate agreement, at Lessee's expense for pest and weed control.
- f) Flooring
- g) Items to be repaired prior to July 1, 2024:
 - a. Repair bathroom water supply
 - b. Install bathroom vanity
 - c. Service & repair apparatus bay doors

In case of emergency, Lessor will immediately make appropriate repairs under this Section 5.02 to protect persons and property. If the Lessor does not take the necessary steps, Lessee will have the right to repair or contract to repair and to be reimbursed by Lessor. If the full amount of the reimbursement is not delivered by Lessor to Lessee within 10 days after Lessee's delivery to Lessor of a written statement or bill evidencing the cost of the repair, Lessee will have the right to deduct the cost of repair from the next monthly rent payment. As used herein, "emergency" shall mean any condition that may cause irreparable harm to personal property, real property, or fixtures attached to real property if not immediately repaired, or any condition that poses an immediate threat to the health or safety of an occupant.

Except for cases of emergency, Lessor will make all repairs as soon as is possible. In the event Lessor has not made a repair referred to in a written notice from Lessee to Lessor within 30 days after date of notice, Lessee will have the right to repair or contract to repair and be reimbursed by Lessor. If the full amount of the reimbursement is not delivered by Lessor to Lessee within 10 days after Lessee's delivery to Lessor of a written statement or bill evidencing the cost of the repair, Lessee will have the right to deduct the cost of repair from the next monthly rent payment.

Section 5.03 – Alterations/Liens: Lessee shall not make or permit any other person to make any alterations to the Premises or to any improvements on the Premises without the prior written consent of Lessor. Lessor shall not unreasonably withhold this consent. Lessee shall keep the Premises free and clear from any and all liens, claims, and demands for work performed, materials furnished, or operations conducted on the Premises at the instance or request of Lessee. Furthermore, any and all alterations, additions, improvements and fixtures made or placed in or on the Premises by Lessee or any other person shall on expiration or earlier termination of this lease, become the property of Lessor and remain on the Premises, except trade fixtures which Lessee shall be permitted to remove from the leased Premises at any time during the term hereof. Upon execution of this agreement, Lessor agrees to the following alterations:

- (a) Replace or re-key all locks and re-program security alarm system to new security code number determined by Lessee. New key set should only be distributed to Lessee and one key to Lessor.
- (b) Upon commencement of the lease agreement, Lessor agrees that any office furnishings left on the premises, excluding all furnishings in the office area, will be donated to Lessee for any use which is in the best interest of Lessee and will not be returned to Lessor.

Section 5.04 – Entry by Lessor: Lessor and its agents shall have the right to enter the Premises at all reasonable times as scheduled with Lessee (and at any time during an emergency) for all of the following purposes: inspection of the Premises, repairs required of Lessor, inspection to assure that Lessee is complying with the terms of this lease, and for the purpose of doing other lawful acts that may be necessary to protect Lessor's interest in the Premises or for the purpose of performing Lessor's duties under this lease.

Section 5.05 – Surrender of Premises: On expiration or earlier termination of this lease, Lessee shall promptly surrender and deliver the Premises to Lessor in as good condition as they are now at the date of this lease, excluding reasonable wear and tear and repairs required to be made by Lessor under this lease.

Section 5.07 – Parking: Lessee, Lessee's staff, clients, guests and invitees may park anywhere within the perimeters of the leased area, and street parking, but shall not obstruct the ingress and egress to any other premises.

ARTICLE 6. INDEMNITY AND INSURANCE

Section 6.01 – Lessor Indemnification: Lessee shall hold Lessor harmless for all damages to any person or property occurring in, on or about the Premises and arising out of Lessee's use and occupation of said Premises, except that Lessor shall be liable to Lessee and shall hold Lessee harmless for damage resulting from the acts or omissions of Lessor or its authorized representatives.

Section 6.02 – Lessee Public Liability Insurance: Lessee at its cost shall maintain public liability and property damage insurance, or participation in a self-insurance program, against claims for personal injury, death or property damage arising out of and in connection with Lessee's use or occupancy of the premises, with a single combined limit of not less than one million dollars (\$1,000,000.00). Lessor shall be named additional insured for liability arising out of operations by or on behalf of the Lessee.

Section 6.03 – Lessor's Property Insurance: Lessor shall maintain on the building and other improvements that are a part of the Premises a policy of standard fire and extended coverage insurance, with vandalism and malicious mischief endorsements, to the extent of the full replacement value.

Section 6.04 – Release and Waiver of Subrogation: In consideration of and in return for the promises and covenants set out herein, and for other good and valuable consideration, the Lessor, on its own behalf, and on behalf of any of their agents, insurers, attorneys, and assigns **fully and forever release, acquit, and discharges** hereby releases Lessee and its elected officials, officers, employees, agents, volunteers, and invitees from any claims for damage to any person or property of Lessor about the Premises, whether known or unknown, fixed or contingent, accrued or not yet accrued, anticipated or unanticipated, of any kind whatsoever as of or at any time prior to the Effective Date and prospectively those that are caused by or result from risks insured against under any insurance policies carried by Lessor. Lessor further agrees that Lessee shall not be liable to Lessor for any damage caused by fire or any of the risks insured against under any insurance policy and Lessor shall cause each insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against Lessee in connection with any covered damage.

The Parties expressly waive any rights they may have under California Civil Code § 1542, as well as under any other state or federal statute or common law principle of similar effect. California Civil Code § 1542 provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

The Parties acknowledge that they may later discover facts different from or in addition to those which they or their attorneys now know or believe to be true. It is the intention of the Parties to fully, finally and forever settle and release all claims included in the releases set forth herein.

Section 6.05 – Authorization to Insurance Companies to Release Information: By its signature to this lease, Lessee hereby authorizes any insurer providing insurance on the Premises or relating to the Premises to release to Lessor any and all information concerning the nature and extent of such insurance coverage.

ARTICLE 7. SIGNS AND TRADE FIXTURES

Section 7.01 – Installation and Removal of Trade Fixtures: Lessee shall have the right at any time and from time to time during the term of this lease, at Lessee's sole cost and expense, to install and affix in, to or on the Premises any items, including fixtures, which are reasonably necessary to the performance of the activities for which the Premises are leased. Lessor's right of pre-approval as previously stated in this agreement shall not be unreasonably withheld, and the discretion of Lessee in design shall be honored.

Section 7.02 – Unremoved Trade Fixtures: Any additions or fixtures described in this Article that are not removed from the Premises by Lessee as described in Section 5.05 shall be deemed abandoned by Lessee and shall automatically become the property of Lessor as owner of the real property to which they are affixed. This provision does not negate the right of Lessor to insist that

such additions or fixtures be removed by Lessee, and a written demand by Lessor to Lessee within thirty (30) days of lease termination shall require Lessee to remove and repair.

Section 7.03 – Signs: Subject to lessor's approval, which shall not be unreasonably withheld, Lessee may erect, maintain, permit and from time to time remove any signs in, on or about the Premises that Lessee may deem necessary or desirable, provided that any signs erected or maintained by Lessee shall comply with all requirements of any governmental authority with jurisdiction.

ARTICLE 8. DESTRUCTION OF PREMISES

Section 8.01 – Lessor's Obligation to Repair: Except as otherwise provided in Section 8.02 below, if at any time during the term of this lease the building on the Premises is damaged or destroyed by any cause, Lessor shall promptly repair, restore or rebuild the building to substantially the same condition as the building was delivered to Lessee at the commencement of this lease (i.e., exclusive of Lessee fixtures and equipment). Lessor shall have the obligation to repair, restore or rebuild described in this section whether or not the insurance proceeds paid to Lessor are sufficient to cover the total cost of repair, restoration or rebuilding. Lessor shall commence repair, restoration or rebuilding, as appropriate, not later than thirty (30) days after occurrence of the event causing damage or destruction, and shall cause construction to be completed not later than two (2) months after the occurrence of the event causing damage or destruction. In the event Lessor does not commence or complete construction within the time periods described in this section, Lessee shall have the right to terminate this lease by giving Lessor written notice within thirty (30) days after expiration of either time period. Lessor is not responsible for repair or rebuild if damage is caused by Lessee.

Section 8.02 – Lessor's Right to Terminate Lease: Notwithstanding Section 8.01, Lessor shall have the right to terminate this lease and shall have no obligation to repair, restore or rebuild the Premises or the building under any of the following circumstances:

- (a) Damage or destruction from an insured casualty when the damage or destruction cannot reasonably be repaired, restored or rebuilt within the period required by Section 8.01.
- (b) Damage or destruction from an uninsured casualty when the cost of repair, restoration or rebuilding exceeds a total of twenty-five percent (25%) of the then-replacement cost of the building.
- (c) Damage or destruction from an uninsured casualty occurring during the last two (2) months of the Term of this lease.

If Lessor elects to terminate this lease under any of the above circumstances, Lessor shall give written notice to Lessee no later than sixty (60) days **ninety (90) days** after occurrence of the casualty.

Section 8.03 – Abatement of Rent: If damage or destruction to the Premises renders the operation of Lessee's business at the Premises impossible and Lessee, in fact, ceases to operate its business at the Premises, the rent required under this lease shall abate during the period in which Lessor is required to perform repairs or restoration, or to rebuild. In the event Lessee is able to continue partial operation of its business, rent shall be reduced during the period of repair in proportion to the reduction of square footage used by Lessee.

ARTICLE 9. DEFAULT, ASSIGNMENT, AND TERMINATION

Section 9.01 – Restriction Against Subletting or Assignment: Except as provided herein, Lessee shall not encumber, assign or otherwise transfer this lease, any right or interest in this lease, or any right or interest in the Premises or any of the improvements that may now or hereafter be constructed or installed in, on or about the Premises without first obtaining the express written consent of Lessor. Lessee shall not sublet the Premises or any part of the Premises or allow any other person, other than Lessee's agents, clients, servants, employees, invitees and guests, to occupy the Premises or any part of the Premises without the prior written consent of Lessor. A consent by Lessor to one assignment, one subletting, or one occupation of the Premises by another person shall not be deemed to be a consent to any subsequent assignment, subletting, or occupation of the Premises by another person. Except as provided herein, any encumbrance, assignment, transfer, or subletting without the prior written consent of Lessor, whether voluntary or involuntary, by operation of law or otherwise, is void and shall, at the option of Lessor, terminate this lease. The consent of Lessor to any assignment of Lessee's interest in this lease or the subletting by Lessee of the Premises or parts of the Premises shall not be unreasonably withheld.

Section 9.02 – Default: If Lessee defaults in the payment of rent, or defaults in the performance of any of the other covenants or conditions hereof, Lessor may give Lessee notice of such default and if Lessee does not cure any such default within 10 (ten) working days, after the giving of such notice (or if such default is of such nature that it cannot be completely cured within such period, if Lessee does not commence such curing within 30 (thirty) days thereafter proceed with reasonable diligence and in good faith to cure such default), then the Lessor may terminate this lease on not less than 30 (thirty) days' notice to Lessee. On the date specified in such notice the term of this lease shall terminate, and Lessee shall then quit and surrender the premises to Lessor, and Lessor may recover from Lessee any unpaid rent that had been earned at the time of termination of the lease. If this lease shall have been so terminated by Lessor, Lessor may at any time thereafter resume possession of the premises by any lawful means and remove Lessee or other occupants and other effects.

Section 9.03 – Termination for Non-Appropriation: Notwithstanding any other provision of this Lease, Lessee may terminate this lease immediately, without cost or penalty, should the Tehama County Board of Supervisors decline to appropriate sufficient funds for this lease in any fiscal year or reduce any such appropriation previously made. In the event Lessee elects to terminate this lease under this Section, Lessor may recover from Lessee any unpaid rent that had been earned at the time of termination of the lease.

Section 9.04 – Waiver of Breach: The waiver by Lessor of any breach by Lessee of any of the provisions of this lease shall not constitute a continuing waiver or a waiver of any subsequent breach by Lessee, either of the same or another provision of this lease.

Section 9.05 – Lessor's Failure to Deliver Possession: If Lessor is unable to deliver possession of the Premises to Lessee for any reason not within Lessor's control, including but not limited to partial or complete destruction of the Premises, Lessee will have the right to terminate the Agreement upon proper notice as required by law. In such event, Lessor's liability to Lessee will be limited to the return of all sums previously paid by Lessee to Lessor.

ARTICLE 10. MISCELLANEOUS

Section 10.01 – Force Majeure—Unavoidable Delays: If the performance of any act required by this lease to be performed by either Lessor or Lessee is prevented or delayed by reason of an act of God, strike, lockout, labor troubles, inability to secure materials, restrictive governmental laws or regulations, or any other cause except financial inability that is not the fault of the party required to perform the act, the time for performance of the act will be extended for a period equivalent to the period of delay; and performance of the act during the period of delay will be excused. However, nothing contained in this section shall excuse the prompt payment of rent by Lessee as required by this lease or the performance of any act rendered difficult solely because of the financial condition of the party required to perform the act.

Section 10.02 – Notices: Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this lease or by law to be served on or given to either party to this lease by the other party to this lease shall be in writing and shall be deemed duly served and given when personally delivered to the party to whom they are directed, or, in lieu of personal service, when deposited in the United States mail, first-class postage prepaid, and addressed as follows:

Lessor

Rancho Tehama Association
P.O. Box 5111
Corning, CA 96021
(530) 585-2444

Lessee

Tehama County Fire Department
Attn: Fire Chief
604 Antelope
Red Bluff, CA 96080
(530) 528-5199
(530) 529-8538 FAX

Either party, Lessee or Lessor, may change its address for the purpose of this section by giving written notice of that change to the other party in the manner provided in this section.

Section 10.03 – Binding on Heirs and Successors: This lease shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of Lessor and Lessee; but nothing in this section shall be construed as a consent by Lessor to any assignment of this lease or any interest therein by Lessee except as provided in Section 10.01 of this lease.

Section 10.04 – Partial Invalidity: If any provision of this lease is held by a court of competent jurisdiction to be either invalid, void or unenforceable, the remaining provisions of this lease shall remain in full force and effect unimpaired by the holding.

Section 10.05 – Sole and Only Agreement/Modification: This instrument constitutes the sole and only agreement between Lessor and Lessee respecting the Premises, the leasing of the Premises to Lessee, or the lease term created under this lease; and correctly sets forth the obligations of Lessor and Lessee to each other as of its date. Any agreements or representations respecting the Premises or their leasing by Lessor to Lessee not expressly set forth in this instrument are null and void.

The terms of this agreement may not be modified by oral agreement. No modification of this agreement shall be valid unless it is in writing and signed by both parties.

Section 10.06 – Time of Essence: Time is expressly declared to be of the essence by both parties.

In this lease the neuter gender includes the feminine and masculine; and the singular number includes the plural; and the word "person" includes corporation, partnership, firm, or association wherever the context requires.

The one signing this contract for the Lessee agrees and warrants that he or she has authority to sign for the Lessee.

Section 10.07 – Law and Venue: This Agreement shall be deemed to be made in, and shall be governed by and construed in accordance with the laws of, the State of California (excepting any conflict of laws provisions which would serve to defeat application of California substantive law). Venue for any action arising from this agreement shall be in Tehama County, California.

Section 10.08 – Authority: Each party executing this Agreement and each person executing this Agreement in any representative capacity, hereby fully and completely warrants to all other parties that he or she has full and complete authority to bind the person or entity on whose behalf the signing party is purporting to act.

IN WITNESS WHEREOF, County and Lessor have executed this agreement on the day and year set forth below.

Lessor

Date: 5/22/2025

Date: 5/21/2025

Lessee

Date: _____

Rancho Tehama Association

Signed by:



Rancho Tehama Association President

Signed by:



Rancho Tehama Association Treasurer

COUNTY OF TEHAMA

Board of Supervisors, Chairman