

LEASE AGREEMENT

This Lease Agreement ("Agreement") is dated July 18, 2023 and is between JCM Farming, Inc., a California corporation ("Lessor"), and the County of Fresno, a political subdivision of the State of California ("Lessee"). The Lessor and the Lessee are each a "Party" to this Agreement, and the Lessor and the Lessee together are the "Parties" to this Agreement.

Article 1

Leased Premises

1.1 **Leased Premises.** The Lessor hereby leases to the Lessee the office space at the location commonly known as 770 E. Shaw Avenue, Fresno, CA 93710, Third floor Suites 300, 301, 302,303, and 304 ("Premises"). The Lessor shall provide natural gas, electricity, and janitorial services at the Premises. The Lessor represents that the Premises is approximately 11,704 square feet. Lessee shall be permitted to park vehicles overnight on the premises with prior consent for the Lessor.

1.2 **Covenants.** The Lessor covenants that the Premises are in compliance with all applicable laws, ordinances and regulations, including but not limited to safety regulations, health and building codes, including, without limitation, the Americans with Disabilities Act and that the Premises shall remain in such compliance throughout the term of this Agreement.

1.3 **Compliance with Laws.** The Lessor shall, at its own cost, comply with all applicable federal, state, and local laws and regulations in the performance of its obligations under this Agreement, including but not limited to workers compensation, labor, and confidentiality laws and regulations.

Article 2

Use of the Premises

2.1 The Lessee shall use the Premises as Sheriff's office space or office space for any County of Fresno department, as determined by the Lessee. The Lessee agrees to comply with applicable laws, ordinances, and regulations in connection with such use.

1 **Article 3**

2 **Term of Agreement**

3 3.1 **Term.** The primary term of this Agreement shall be seven years commencing on the
4 date the Lessee first takes occupancy of the Premises ("First Date of Occupancy"). In no event
5 shall the term of this Agreement extend beyond seven years after the First Date of Occupancy,
6 except as provided in Article 8, "Termination and Suspension," below.

7 The exact First Date of Occupancy shall be fixed by written acknowledgement signed
8 by both Parties to the Agreement. The Lessee's occupancy of Suite 300-303 shall commence
9 on July 17, 2023. The Lessee's occupancy of Suite 304 shall commence only after completion
10 of Tenant Improvements provided in Exhibit A to this Agreement, and Lessor providing Lessee
11 with a certificate of occupancy of the Premises by the City of Fresno. The Lessor shall make all
12 such improvements to the Suite 304 of Premises at the Lessee's sole expense. Occupation of
13 Suite 304 shall not commence until Tenant Improvements are completed to the mutual
14 satisfaction of both Parties.

15 The Lessor shall allow the Lessee access to the Premises prior to the First Date of
16 Occupancy, for the purpose of installing furniture and network equipment, provided however,
17 such access, or any activities in connection therewith, shall not obligate Lessee for the payment
18 of any monthly rents under Article 4.

19 **Article 4**

20 **Rent, Utilities, Invoices, and Payments**

21 4.1 **Monthly Rent.** The Lessee agrees to pay, and the Lessor agrees to receive, monthly
22 rent for the use of its Premises under this Agreement as described in Exhibit B to this
23 Agreement. The Lessee's obligation to pay rent does not begin until the actual First Date of
24 Occupancy. Should the completion of Tenant Improvements for Suite 304 surpass the First
25 Date of Occupancy for Suite 300-303 then the Lessee agrees to pay, and the Lessor agrees to
26 receive, monthly compensation for Suite 300-303 only, until Tenant Improvements have been
27 completed for Suite 304. The Lessee shall pay the Lessor rent in advance on the first of each
28 month.

1 4.2 **Maximum Rent.** The maximum Rent payable to the Lessor under this Agreement for
2 the entire seven-year term is \$1,345,221.86. The Lessor acknowledges that the Lessee is a
3 local government entity, and does so with notice that the Lessee's powers are limited by the
4 California Constitution and by State law, and with notice that the Lessor may receive
5 compensation under this Agreement only for services performed according to the terms of this
6 Agreement and while this Agreement is in effect, and subject to the maximum amount payable
7 under this section 4.2. The Lessor further acknowledges that the Lessee's employees have no
8 authority to pay the Lessor except as expressly provided in this Agreement.

9 4.3 **Utilities.** The Lessor shall pay for all natural gas, water, garbage, and sewer
10 services provided to the Premises. The Lessee shall procure and pay for its telecommunications
11 services used by Lessee at the Premises.. The Lessee shall pay the Lessor for electricity in
12 advance on or about the first of each month as depicted in Exhibit C to this Agreement, titled
13 "Utilities Schedule", provided however, the Lessee's obligation to pay the Lessor for electricity
14 does not begin until the actual First Date of Occupancy, reference in Section 4.1.

15 4.4 **Invoices.** The Lessor shall submit monthly invoices to the Fresno County Sheriff's
16 Office, Attn: Business Office, 2200 Tulare St., Fresno, CA 93721. The Lessor shall submit each
17 invoice 60 days prior the month in which the Lessee uses the Premises and, for the last invoice
18 in any event within 60 days after the end of the term or termination of this Agreement.

19 4.5 **Payment.** The Lessee shall pay rent for each month for each correctly completed
20 and submitted invoice not later than the first of the month, provided however, such due date
21 shall be extended by each day that the Lessor is late in submitting a correctly completed invoice
22 under Section 4.4.. The Lessee shall remit any payment to the Lessor's address specified in the
23 invoice.

24 4.6 **Incidental Expenses.** The Lessor is solely responsible for all of its costs and
25 expenses that are not specified as payable by the Lessee under this Agreement.
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1 **Article 5**

2 **Tenant Improvements**

3 5.1 **Tenant Improvements.** The Lessor shall construct tenant improvements (“Tenant
4 Improvements”), as described in Exhibit A. The Lessor shall use commercially reasonable
5 efforts to ensure that those certain Tenant Improvements, as described in Exhibit A, are
6 completed, as and to the extent provided in, and in accordance with and subject to the terms
7 and conditions of, the provisions of this section 5; provided. Further, any modifications to Exhibit
8 A or the final Tenant Improvement drawings, plans and specifications after the execution of this
9 Agreement must be approved in writing by both the Lessor and the Lessee’s Sheriff-Coroner-
10 Public Administrator, or their respective designees, prior to commencement of construction of
11 such modifications, which approval shall not be unreasonably withheld or delayed. The Lessor
12 shall provide all labor, material, and equipment for the completion of the above-described work
13 in accordance with Exhibit A and the final Tenant Improvement drawings, plans and
14 specifications. The Lessor and the Lessee agree that the total cost for the Tenant Improvements
15 shall not exceed the sum of \$50,000.00. The Lessee shall pay the cost of the Tenant
16 Improvements amortized over the Term of the Agreement as described in Exhibit A, (the “TI
17 Rent”). The Lessee shall make monthly payments to the Lessor for the TI Rent, which shall be
18 in addition to the Base Rent.

19 **Article 6**

20 **Notices**

21 6.1 **Contact Information.** The persons and their addresses having authority to give and
22 receive notices provided for or permitted under this Agreement include the following:

23 **For the Lessee:**
24 County of Fresno
25 Director of Internal Services/
26 Chief Information Officer
27 333 W. Pontiac Way
28 Clovis, CA 93612
[\(559\) 600-6200](tel:(559)600-6200)
isdcontracts@fresnocountyca.gov

For the Lessor:
Marilena Marrelli

1 JCM Farming, Inc.
2 3160 Lionshead Avenue, Unit 1
3 Carlsbad, CA 92010
4 (760) 597-7011

5 6.2 **Change of Contact Information.** Either party may change the information in section
6 6.1 by giving notice as provided in section 6.3.

7 6.3 **Method of Delivery.** Each notice between the Lessee and the Lessor provided for or
8 permitted under this Agreement must be in writing, state that it is a notice provided under this
9 Agreement, and be delivered either by personal service, by first-class United States mail, by an
10 overnight commercial courier service, or by Portable Document Format (PDF) document
11 attached to an email.

- 12 a) A notice delivered by personal service is effective upon service to the recipient.
- 13 b) A notice delivered by first-class United States mail is effective three Lessee
14 business days after deposit in the United States mail, postage prepaid,
15 addressed to the recipient.
- 16 c) A notice delivered by an overnight commercial courier service is effective one
17 Lessee business day after deposit with the overnight commercial courier service,
18 delivery fees prepaid, with delivery instructions given for next day delivery,
19 addressed to the recipient.
- 20 d) A notice delivered by PDF document attached to an email is effective when
21 transmission to the recipient is completed (but, if such transmission is completed
22 outside of the Lessee business hours, then such delivery is deemed to be
23 effective at the next beginning of a Lessee business day), provided that the
24 sender maintains a machine record of the completed transmission.

25 6.4 **Claims Presentation.** For all claims arising from or related to this Agreement,
26 nothing in this Agreement establishes, waives, or modifies any claims presentation
27 requirements or procedures provided by law, including the Government Claims Act (Division 3.6
28 of Title 1 of the Government Code, beginning with section 810).

Article 7

Destruction or Damage from Casualty

1 7.1 If the Premises are damaged or destroyed as a result of fire, earthquake, act of God,
2 or any other identifiable event of a sudden, unexpected, or unusual nature ("Casualty"), then
3 the Lessor shall either promptly and diligently repair the damage at its own cost, or terminate
4 the Agreement as hereinafter provided.

5 a) If the Lessor elects to repair the Casualty damage to the Premises, then it shall
6 within 30 days after the date of Casualty provide written notice ("Notice of
7 Repair") to the Lessee indicating the anticipated time required to repair. The
8 Lessor shall bear the cost of all repairs to the Premises, including the cost to
9 repair any alteration or fixtures installed or attached thereto by the Lessee. Such
10 repairs shall restore the Premises to substantially the same condition as the
11 existing at the commencement of this Agreement and shall be made in
12 compliance with all applicable state and local building codes. The Lessor shall
13 not be liable to the Lessee for compensation for any loss of business, or any
14 inconvenience or annoyance arising from repair of the Premises as a result of the
15 Casualty except for rent reduction as hereinafter provided. The Lessee shall be
16 responsible at its sole cost and expense for the replacement of its personal
17 property.

18 b) The Lessor may only elect to terminate the Agreement due to Casualty if: the
19 Premises have been destroyed or substantially destroyed by said Casualty; and
20 the estimated time to repair the Premises exceeds 240 days from the date of the
21 Casualty. The Lessor shall provide the Lessee with written notice of its election to
22 terminate within 30 days after the date of Casualty.

23 c) In the event of Casualty, the Lessee's obligation to pay rent shall be reduced
24 beginning on the date of the Casualty. Such reduction shall be proportional to the
25 damage caused to the Premises by the Casualty as determined by the Lessee. If
26 the Lessor elects to repair the Premises pursuant to the terms of this Agreement,
27 then the rent reduction shall continue until the date of the local governing body
28 issuing a safe to stock certificate for the Premises.

1 d) If the Lessee does not receive a Notice of Repair from the Lessor within 30 days
2 after a Casualty, or if the anticipated period of repair contained in the Notice of
3 Repair exceeds 240 days, then the Lessee may elect to terminate this
4 Agreement as hereinafter provided. In such case, the Lessee shall have the right
5 to demand that the Lessor refund any monies which, in the judgment of the
6 Lessee, were paid to the Lessor pursuant to the Agreement but which were not
7 earned by the Lessor by consequence of the Casualty. Upon receipt of such
8 demand, the Lessor shall promptly refund all such monies.

9 **Article 8**

10 **Termination and Suspension**

11 **8.1 Termination for Non-Allocation of Funds.** The terms of this Agreement are
12 contingent on the approval of funds by the appropriating government agency. If sufficient funds
13 are not allocated, then the Lessee, upon at least 30 days' advance written notice to the Lessor,
14 may:

- 15 a) Modify the services provided by the Lessor under this Agreement; or
- 16 b) Terminate this Agreement.

17 **8.2 Termination for Breach.**

- 18 a) Upon determining that a breach (as defined in paragraph (C) below and section
19 14.2) has occurred, the Lessee may give written notice of the breach to the
20 Lessor. The written notice may suspend performance under this Agreement, and
21 must provide at least 30 days for the Lessor to cure the breach.
- 22 b) If the Lessor fails to cure the breach to the Lessee's satisfaction within the time
23 stated in the written notice, the Lessee may terminate this Agreement
24 immediately.
- 25 c) For purposes of this section, a breach occurs when, in the determination of the
26 Lessee, the Lessor has:
 - 27 a. Obtained or used funds illegally or improperly;
 - 28 b. Failed to comply with any part of this Agreement;

- c. Submitted a substantially incorrect or incomplete report to the Lessee;
- d. Improperly performed any of its obligations under this Agreement; or
- e. Breached its obligation to maintain the Premises as described in section 14.2.

8.3 **Termination without Cause.** In circumstances other than those set forth above, the Lessee may terminate this Agreement by giving at least 30 days advance written notice to the Lessor.

8.4 **No Penalty or Further Obligation.** Any termination of this Agreement by the Lessee under this Article 8 is without penalty to or further obligation of the Lessee.

8.5 **Lessee's Rights upon Termination.** Upon termination for breach under this Article 8, the Lessee may demand repayment by the Lessor of any monies disbursed to the Lessor under this Agreement that, in the Lessee's sole judgment, were not expended in compliance with this Agreement. The Lessor shall promptly refund all such monies upon demand. This section survives the termination of this Agreement.

Article 9

Independent Relationship

9.1 **Status.** Nothing contained in this Agreement shall create, or be deemed to create any relationship of principal-agent, master-servant, employer-employee, partnership, joint venture, or association between the Lessor and the Lessee. The relationship between the Lessor and the Lessee is that of independent contractor, with each party at all times acting in an independent capacity from the other.

9.2 **Verifying Performance.** The Lessee has no right to control, supervise, or direct the manner or method of the Lessor's performance under this Agreement, but the Lessee may verify that the Lessor is performing according to the terms of this Agreement.

9.3 **Benefits.** Because of its status as an independent contractor, the Lessor has no right to employment rights or benefits available to the Lessee's employees. The Lessor is solely responsible for providing to its own employees all employee benefits required by law. The Lessor shall save the Lessee harmless from all matters relating to the payment of the Lessor's employees, including compliance with Social Security withholding and all related regulations.

1 years after final payment under this Agreement. This section survives the termination of this
2 Agreement.

3 **12.3 Public Records.** The Lessee is not limited in any manner with respect to its public
4 disclosure of this Agreement or any record or data that the Lessor may provide to the Lessee.
5 The Lessee’s public disclosure of this Agreement or any record or data that the Lessor may
6 provide to the Lessee may include but is not limited to the following:

- 7 **a)** The Lessee may voluntarily, or upon request by any member of the public or
8 governmental agency, disclose this Agreement to the public or such
9 governmental agency.
- 10 **b)** The Lessee may voluntarily, or upon request by any member of the public or
11 governmental agency, disclose to the public or such governmental agency any
12 record or data that the Lessor may provide to the Lessee, unless such disclosure
13 is prohibited by court order.
- 14 **c)** This Agreement, and any record or data that the Lessor may provide to the
15 Lessee, is subject to public disclosure under the Ralph M. Brown Act (California
16 Government Code, Title 5, Division 2, Part 1, Chapter 9, beginning with section
17 54950).
- 18 **d)** This Agreement, and any record or data that the Lessor may provide to the
19 Lessee, is subject to public disclosure as a public record under the California
20 Public Records Act (California Government Code, Title 1, Division 10, Chapter 3,
21 beginning with section 7920.200) (“CPRA”).
- 22 **e)** This Agreement, and any record or data that the Lessor may provide to the
23 Lessee, is subject to public disclosure as information concerning the conduct of
24 the people’s business of the State of California under California Constitution,
25 Article 1, section 3, subdivision (b).
- 26 **f)** Any marking of confidentiality or restricted access upon or otherwise made with
27 respect to any record or data that the Lessor may provide to the Lessee shall be
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1 rights or remedies that the Lessee may have arising from this Agreement or by
2 operation of law.

3 14.3 **Surrender of Possession.** Upon the expiration or termination of this Agreement, the
4 Lessee will surrender the Premises to the Lessor in such condition as that existing at the
5 commencement of this Agreement, less reasonable wear and tear, less the effects of any
6 Casualty as herein defined, and less the effects of any breach of the Lessor's covenant to
7 maintain. The Lessee will not be responsible for any damage with the Lessee is not obligated
8 here under to repair.

9 14.4 **Fixtures.** The Lessor agrees that any equipment, fixtures or apparatus installed in or
10 on the Premises by the Lessor shall continue to be the property of that governmental entity and
11 may be removed by that governmental entity at any time. The respective governmental entity
12 shall repair damage caused by the removal of its fixtures. Any fixtures not removed with the
13 Lessee surrender possession shall become the property of the Lessor.

14 14.5 **Right of Entry.** The Lessor, or its representative(s), upon 24 hour notice, shall have
15 the right to enter the Premises at any time during business hours, or at such other time as the
16 Lessee deems appropriate, to make any alterations, repairs or improvements to the Premises.
17 The normal business of the Lessee or its invitees shall not be unnecessarily inconvenienced. In
18 the event of an emergency, the Lessor may enter the Premises at any time without giving prior
19 notice to the Lessee.

20 14.6 **Estoppel Certificate.** The Lessee shall, at any time upon not less than 30 days prior
21 request by the Lessor, execute, acknowledge and deliver to the Lessor a written estoppel
22 certificate, in a form reasonably satisfactory to both parties, certifying that this Agreement is
23 unmodified and in full force and effect (or, if there have been modifications, that the same is in
24 full force and effect as modified and stating the modifications) and, if applicable, the dates to
25 which the monthly rent and any utilities have been paid in advance. Any such statement
26 delivered pursuant to this section 14.6 may be relied upon by third persons, including a
27 prospective purchaser or encumbrancer of the Premises.

1 14.7 **Subordination, Non-Disturbance and Attornment.** If after the Effective Date,
2 LESSOR desires to obtain a loan from a bank (the "Bank") and thereby encumbers the Real
3 Property with a deed of trust ("Deed of Trust"), the Parties agree, and LESSOR shall cause the
4 Bank, as beneficiary of the Deed of trust, to agree, to enter into a Subordination, Non-
5 Disturbance, and Attornment Agreement ("SNDA") in form and substance reasonably
6 acceptable to LESSEE, LESSOR, and the Bank. The agreed-upon SNDA shall include the
7 following terms, generally outlined below, which outline not an exhaustive list of terms, or the
8 specific terms, for the agreed-upon SNDA:

- 9 a) This LESSEE shall subordinate the priority of this Lease to the Deed of Trust;
- 10 b) In the event of a foreclosure of the Deed of Trust, or a transfer of the Real
11 Property in lieu thereof or in any other manner whereby Bank or its successors-in-
12 interest succeed to the interest of LESSOR under this Lease, so long as there shall then
13 exist no breach or event of default by LESSEE under this Lease which has continued to
14 exist for such period of time (after notice, if any, required by this Lease) as would entitle
15 LESSOR to terminate this Lease: (a) this Lease, including the leasehold interest of
16 LESSEE hereunder, and any sublease permitted under Section 2(a), herein, including
17 the sub-leasehold interest of such any sublessee thereunder, shall not be disturbed or
18 otherwise adversely affected by reason of such foreclosure or transfer of the Real
19 Property in lieu thereof or in any other manner; (b) other than as set forth in the SNDA,
20 none of LESSEE's rights and interest under this Lease, or the rights and interest of any
21 such sub-lessee under such sub-lease, shall be affected in any way by reason of any
22 default under the Deed of Trust, and this Lease shall continue in full force and effect; (c)
23 Bank and its successors-in-interest shall recognize and accept LESSEE as the lessee
24 under this Lease, subject to the terms and conditions of this Lease as modified by the
25 SNDA; (d) the Bank and its successors-in-interest as lessor under this Lease, shall have
26 all of the rights and obligations of LESSOR under this Lease (provided that neither Bank
27 nor such successors-in-interest shall be liable for any act or omission of LESSOR as the
28 prior lessor under this Lease, except that LESSEE shall be entitled to exercise all of its

1 rights and remedies under this Lease with respect to continuing defaults hereunder
2 resulting from the acts or omissions of LESSOR arising after Bank, or its successor-in-
3 interest, has received LESSEE's notice to Bank, or its successor-in-interest, with respect
4 to such defaults and has not, after a reasonable opportunity to cure, under the SNDA
5 cured the same under the SNDA); (e) Bank shall not join LESSEE as a party defendant
6 in any action or foreclosure proceeding unless such joinder is with respect to this Lease,
7 including the Real Property, and required by law to foreclose the Deed of Trust, then
8 only for such purpose and not for the purpose of terminating this Lease; and (f) LESSEE
9 shall to attorn to the Bank, and its transferee, as if the Bank and such transferee were
10 LESSOR under this Lease;

11 c) Upon LESSEE's receipt of written demand from Bank, which shall include notice
12 of same has been given in writing to LESSOR, that Bank has elected to terminate the
13 license granted to LESSOR to collect Rents from LESSEE under this Lease, as provided
14 in the Deed of Trust, and directing LESSEE to make payment thereof directly to Bank,
15 (a) LESSEE shall, for any Rents due and payable thirty (30) days thereafter, comply with
16 such written demand and direction to pay and shall not be required to determine whether
17 LESSOR is in default under any obligations to Bank, or to honor any conflicting demand
18 from LESSOR, and (b) LESSEE shall be entitled to full credit under this Lease for any
19 Rents paid to Bank in accordance with such written demand and direction to the same
20 extent as if such Rents were paid directly to LESSOR;

21 d) Any disputes between or among the Bank, including its successors-in-interest,
22 and LESSOR shall be dealt with and adjusted solely between or among the Bank,
23 including its including its successors-in-interest, and LESSOR; and

24 e) The SNDA shall be governed by California law

25 14.8 **Memorandum of Lease.** Upon the parties' execution of this LEASE, the parties shall
26 enter into a Memorandum of Lease, a form of which is attached hereto and incorporated herein
27 by this reference as Exhibit F. LESSEE is authorized to immediately thereafter record the
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1 fullyexecuted Memorandum of Lease against the Premises with the County of Fresno
2 Recorder's Office.

3 14.9

4 14.10 **Modification.** Except as provided in Article 8, "Termination and Suspension," this
5 Agreement may not be modified, and no waiver is effective, except by written agreement signed
6 by both parties. The Lessor acknowledges that the Lessee's employees have no authority to
7 modify this Agreement except as expressly provided in this Agreement.

8 14.11 **Non-Assignment.** Neither party may assign its rights or delegate its obligations
9 under this Agreement without the prior written consent of the other party.

10 14.12 **Governing Law.** The laws of the State of California govern all matters arising from
11 or related to this Agreement.

12 14.13 **Jurisdiction and Venue.** This Agreement is signed and performed in Fresno
13 County, California. The Lessor consents to California jurisdiction for actions arising from or
14 related to this Agreement, and, subject to the Government Claims Act, all such actions must be
15 brought and maintained in Fresno County.

16 14.14 **Construction.** The final form of this Agreement is the result of the parties' combined
17 efforts. If anything in this Agreement is found by a court of competent jurisdiction to be
18 ambiguous, that ambiguity shall not be resolved by construing the terms of this Agreement
19 against either party.

20 14.15 **Days.** Unless otherwise specified, "days" means calendar days.

21 14.16 **Headings.** The headings and section titles in this Agreement are for convenience
22 only and are not part of this Agreement.

23 14.17 **Severability.** If anything in this Agreement is found by a court of competent
24 jurisdiction to be unlawful or otherwise unenforceable, the balance of this Agreement remains in
25 effect, and the parties shall make best efforts to replace the unlawful or unenforceable part of
26 this Agreement with lawful and enforceable terms intended to accomplish the parties' original
27 intent.

1 14.18 **Nondiscrimination.** During the performance of this Agreement, the Lessor shall not
2 unlawfully discriminate against any employee or applicant for employment, or recipient of
3 services, because of race, religious creed, color, national origin, ancestry, physical disability,
4 mental disability, medical condition, genetic information, marital status, sex, gender, gender
5 identity, gender expression, age, sexual orientation, military status or veteran status pursuant to
6 all applicable State of California and federal statutes and regulation.

7 14.19 **No Waiver.** Payment, waiver, or discharge by the Lessee of any liability or obligation
8 of the Lessor under this Agreement on any one or more occasions is not a waiver of
9 performance of any continuing or other obligation of the Lessor and does not prohibit
10 enforcement by the Lessee of any obligation on any other occasion.

11 14.20 **Entire Agreement.** This Agreement, including its exhibits, is the entire agreement
12 between the Lessor and the Lessee with respect to the subject matter of this Agreement, and it
13 supersedes all previous negotiations, proposals, commitments, writings, advertisements,
14 publications, and understandings of any nature unless those things are expressly included in
15 this Agreement. If there is any inconsistency between the terms of this Agreement without its
16 exhibits and the terms of the exhibits, then the inconsistency will be resolved by giving
17 precedence first to the terms of this Agreement without its exhibits, and then to the terms of the
18 exhibits.

19 14.21 **No Third-Party Beneficiaries.** This Agreement does not and is not intended to
20 create any rights or obligations for any person or entity except for the parties.

21 14.22 **Authorized Signature.** The Lessor represents and warrants to the Lessee that:

- 22 a) The Lessor is duly authorized and empowered to sign and perform its obligations
23 under this Agreement.
- 24 b) The individual signing this Agreement on behalf of the Lessor is duly authorized
25 to do so and his or her signature on this Agreement legally binds the Lessor to
26 the terms of this Agreement.

27 14.23 **Electronic Signatures.** The parties agree that this Agreement may be executed by
28 electronic signature as provided in this section.

- 1 a) An “electronic signature” means any symbol or process intended by an individual
2 signing this Agreement to represent their signature, including but not limited to
3 (1) a digital signature; (2) a faxed version of an original handwritten signature; or
4 (3) an electronically scanned and transmitted (for example by PDF document)
5 version of an original handwritten signature.
- 6 b) Each electronic signature affixed or attached to this Agreement (1) is deemed
7 equivalent to a valid original handwritten signature of the person signing this
8 Agreement for all purposes, including but not limited to evidentiary proof in any
9 administrative or judicial proceeding, and (2) has the same force and effect as
10 the valid original handwritten signature of that person.
- 11 c) The provisions of this section satisfy the requirements of Civil Code section
12 1633.5, subdivision (b), in the Uniform Electronic Transaction Act (Civil Code,
13 Division 3, Part 2, Title 2.5, beginning with section 1633.1).
- 14 d) Each party using a digital signature represents that it has undertaken and
15 satisfied the requirements of Government Code section 16.5, subdivision (a),
16 paragraphs (1) through (5), and agrees that each other party may rely upon that
17 representation.
- 18 e) This Agreement is not conditioned upon the parties conducting the transactions
19 under it by electronic means and either party may sign this Agreement with an
20 original handwritten signature.

21 14.24 **Severability.** Each provision of this Agreement is severable from any and all other
22 provisions of this Agreement. Should any provision(s) of this Agreement be for any reason
23 unenforceable, the balance shall nonetheless be of full force and effect.

24 14.25 **Force Majeure.** In the event that either party hereto shall be delayed or hindered in
25 or prevented from the performance of any act required hereunder by reason of extraordinarily
26 adverse weather (including rain), failure of power, riots, insurrection, war, , then performance of
27 such act shall be excused for the period of the delay and the period from the performance of
28 any such act shall be extended for a period equivalent to the period of such delay (any such

1 delay is herein referred to as an “Force Majeure Delay”), provided, however, that Force Majeure
2 will in no event include acts, omissions, circumstances, or events caused by a third party that is
3 under contract with a Party where and to the extent that the acts, omissions, circumstances, or
4 events caused by the third party could have been avoided by commercially-reasonable, timely,
5 and diligent management or administration of the third party’s performance of its contractual
6 rights, obligations, and duties under its contract by the Party to such contract. During a Force
7 Majeure, the Party affected by the Force Majeure shall give to each other Party prompt written
8 notice of the Force Majeure with the reasons relating thereto. Upon giving such notice of Force
9 Majeure, the obligations of the Party giving such notice of Force Majeure, so far as they are
10 affected by the Force Majeure, shall be suspended during, but no longer than, the continuance
11 of the Force Majeure, except for a reasonable time thereafter required to resume performance.
12 The Party whose performance is excused due to the occurrence of a Force Majeure, during
13 such period, shall keep the other Party reasonably informed of the continuance of the Force
14 Majeure. In no event shall the Lessee’s inability to satisfy a monetary obligation hereunder
15 constitute or be subject to Force Majeure Delay.

16 14.26 **Counterparts.** This Agreement may be signed in counterparts, each of which is an
17 original, and all of which together constitute this Agreement.

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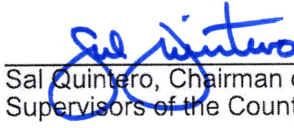
The parties are signing this Agreement on the date stated in the introductory clause.

Lessor:

Lessee:

JCM FARMING, INC.

COUNTY OF FRESNO

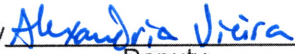


Marilena Marrelli, President

Sal Quintero, Chairman of the Board of Supervisors of the County of Fresno

3160 Lionshead Avenue, Unit 1
Carlsbad, CA 92010

Attest:
Bernice E. Seidel
Clerk of the Board of Supervisors
County of Fresno, State of California

By 
Deputy

For accounting use only:
Sheriff

Org No.: 3111
Account No.: 7340
Fund No.: 0001
Subclass No.: 10000

Exhibit A

Tenant Improvements

The maximum Tenant Improvements payable to the Lessor under this Agreement for the entire seven-year term is \$50,000.

Tenant Improvements	
\$	50,000.00

Tenant Improvements: Prior to Occupancy of Suite 304, the Lessor, at the Lessee's sole expense, amortized equally over the remaining Term of the Agreement starting after the first date of occupancy for Suite 304 shall have the following work/improvements completed in the Premises, as shown in the floor plan of this Exhibit A:

1. Construction and demolition of various doors, walls, sinks, etc.
2. Construction and installation of new walls, doors, reception window, cabinets, etc.
3. Electrical installation of additional outlets, wiring, etc.
4. Plumbing installation of new sink location, and the addition of a water fountain.
5. Paint wall and ceiling throughout.
6. Installation of carpet throughout.

Exhibit A

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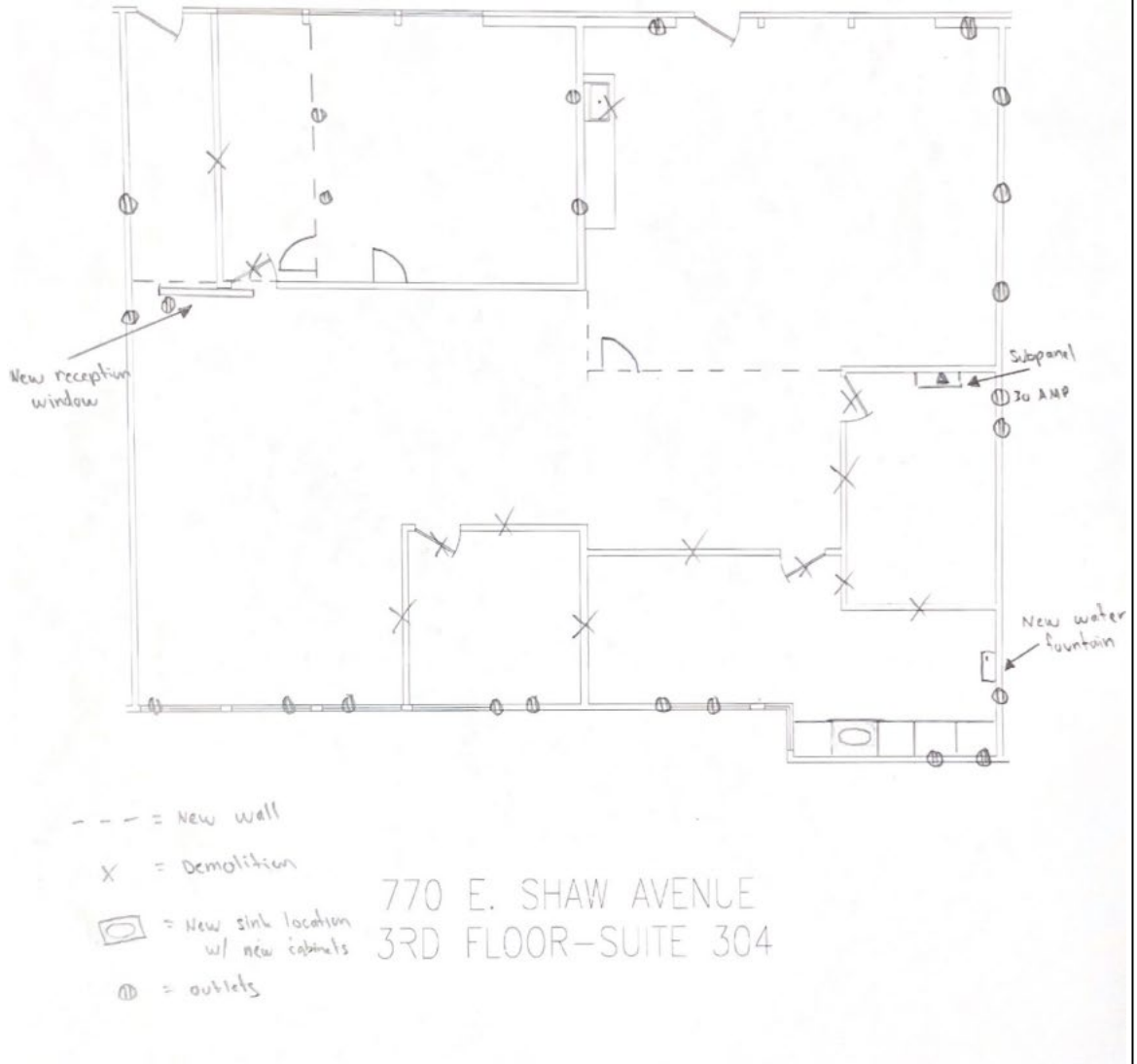


Exhibit B

Rent Schedule

The maximum Rent payable to the Lessor under this Agreement for the entire seven-year term is \$1,345,221.86

Suites 300-304	Cost per sf	Rentable sf	Monthly Rent	Annual Rent
Months 1-12	\$1.25	11704	\$14,630.00	\$175,560.00
Months 13-24	\$1.29	11704	\$15,068.90	\$180,826.80
Months 25-36	\$1.33	11704	\$15,520.97	\$186,251.60
Months 37-48	\$1.37	11704	\$15,986.60	\$191,839.15
Months 49-60	\$1.41	11704	\$16,466.19	\$197,594.33
Months 61-72	\$1.45	11704	\$16,960.18	\$203,522.16
Months 73-84	\$1.49	11704	\$17,468.99	\$209,627.82

Revised Rent Schedule

This Revised Rent Schedule will only take place if Tenant Improvements are not completed by July 17, 2023 and will remain in effect until Tenant Improvements are completed.

Suites 300-303	Cost per sf	Rentable sf	Monthly Rent	Annual Rent
Months 1-12	\$1.25	8265	\$10,331.25	\$123,975.00
Months 13-24	\$1.29	8265	\$10,641.19	\$127,694.25
Months 25-36	\$1.33	8265	\$10,960.42	\$131,525.08
Months 37-48	\$1.37	8265	\$11,289.24	\$135,470.83
Months 49-60	\$1.41	8265	\$11,627.91	\$139,534.95
Months 61-72	\$1.45	8265	\$11,976.75	\$143,721.00
Months 73-84	\$1.49	8265	\$12,336.05	\$148,032.63

Exhibit C

Utilities Schedule

The maximum charge for Utilities payable to the Lessor under this Agreement for the entire seven-year term is \$196,627.20.

Suite 300-304	Cost per square ft	Rentable Sf	Monthly Utilities	Annual Utilities
Months 1-84	\$0.20	11704	\$2,340.80	\$28,089.60

Revised Utilities Schedule

This Revised Utilities Schedule will only take place if Tenant Improvements are not completed by July 17, 2023 and will remain in effect until Tenant Improvements are completed.

Suite 300-303	Cost per square ft	Rentable Sf	Monthly Utilities	Annual Utilities
Months 1-84	\$0.20	8265	\$1,653.00	\$19,836.00

Exhibit D

Insurance Requirements

1. Required Policies

Without limiting the Lessee's right to obtain indemnification from the Lessor or any third parties, the Lessor, at its sole expense, shall maintain in full force and effect the following insurance policies throughout the term of this Agreement.

- (A) **Commercial General Liability.** Commercial general liability insurance with limits of not less than Two Million Dollars (\$2,000,000) per occurrence and an annual aggregate of Four Million Dollars (\$4,000,000). This policy must be issued on a per occurrence basis. Coverage must include products, completed operations, property damage, bodily injury, personal injury, and advertising injury. The Lessor shall obtain an endorsement to this policy naming the County of Fresno, its officers, agents, employees, and volunteers, individually and collectively, as additional insureds, but only insofar as the operations under this Agreement are concerned. Such coverage for additional insureds will apply as primary insurance and any other insurance, or self-insurance, maintained by the Lessee is excess only and not contributing with insurance provided under the Lessor's policy.
- (B) **Automobile Liability.** Automobile liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and for property damages. Coverage must include any auto used in connection with this Agreement.
- (C) **Workers Compensation.** Workers compensation insurance as required by the laws of the State of California with statutory limits.
- (D) **Employer's Liability.** Employer's liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and for disease.
- (E) **Acceptability of Insurers.** All insurance policies required under this Agreement must be issued by admitted insurers licensed to do business in the State of California and possessing at all times during the term of this Agreement an A.M. Best, Inc. rating of no less than A: VII.
- (F) **Notice of Cancellation or Change.** For each insurance policy required under this Agreement, the Lessor shall provide to the Lessee, or ensure that the policy requires the insurer to provide to the Lessee, written notice of any cancellation or change in the policy as required in this paragraph. For cancellation of the policy for nonpayment of premium, the Lessor shall, or shall cause the insurer to, provide written notice to the Lessee not less than 10 days in advance of cancellation. For cancellation of the policy for any other reason, and for any other change to the policy, the Lessor shall, or shall cause the insurer to, provide written notice to the Lessee not less than 30 days in advance of cancellation or change. The Lessee in its sole discretion may determine that the failure of the Lessor or its insurer to timely provide a written notice required by this paragraph is a breach of this Agreement.
- (G) **Lessee's Entitlement to Greater Coverage.** If the Lessor has or obtains insurance with broader coverage, higher limits, or both, than what is required under this Agreement, then the Lessee requires and is entitled to the broader coverage, higher limits, or both. To that end, the Lessor shall deliver, or cause its broker or producer to deliver, to the Lessee's Risk Manager certificates of insurance and endorsements for all of the

Exhibit D

coverages that have such broader coverage, higher limits, or both, as required under this Agreement.

- (H) **Waiver of Subrogation.** The Lessor waives any right to recover from the Lessee, its officers, agents, employees, and volunteers any amounts paid under the policy of worker's compensation insurance required by this Agreement. The Lessor is solely responsible to obtain any policy endorsement that may be necessary to accomplish that waiver, but the Lessor's waiver of subrogation under this paragraph is effective whether or not the Lessor obtains such an endorsement.
- (I) **Lessee's Remedy for Lessor's Failure to Maintain.** If the Lessor fails to keep in effect at all times any insurance coverage required under this Agreement, the Lessee may, in addition to any other remedies it may have, suspend or terminate this Agreement upon the occurrence of that failure, or purchase such insurance coverage, and charge the cost of that coverage to the Lessor. The Lessee may offset such charges against any amounts owed by the Lessee to the Lessor under this Agreement.
- (J) **Sub-Contractors.** The Lessor shall require and verify that all sub-contractors used by the Lessor to provide services under this Agreement maintain insurance meeting all insurance requirements provided in this Agreement. This paragraph does not authorize the Lessor to provide services under this Agreement using sub-contractors.

Exhibit E

Self-Dealing Transaction Disclosure Form

In order to conduct business with the County of Fresno ("Lessee"), members of a Lessor's board of directors ("Lessor"), must disclose any self-dealing transactions that they are a party to while providing goods, performing services, or both for the Lessee. A self-dealing transaction is defined below:

"A self-dealing transaction means a transaction to which the corporation is a party and in which one or more of its directors has a material financial interest."

The definition above will be used for purposes of completing this disclosure form.

Instructions

- (1) Enter board member's name, job title (if applicable), and date this disclosure is being made.
- (2) Enter the board member's company/agency name and address.
- (3) Describe in detail the nature of the self-dealing transaction that is being disclosed to the Lessee. At a minimum, include a description of the following:
 - a. The name of the agency/company with which the corporation has the transaction; and
 - b. The nature of the material financial interest in the Corporation's transaction that the board member has.
- (4) Describe in detail why the self-dealing transaction is appropriate based on applicable provisions of the Corporations Code.

The form must be signed by the board member that is involved in the self-dealing transaction described in Sections (3) and (4).

Exhibit E

(1) Company Board Member Information:			
Name:		Date:	
Job Title:			
(2) Company/Agency Name and Address:			
(3) Disclosure (Please describe the nature of the self-dealing transaction you are a party to)			
(4) Explain why this self-dealing transaction is consistent with the requirements of Corporations Code § 5233 (a)			
(5) Authorized Signature			
Signature:		Date:	

EXHIBIT F

<p>This document is recorded solely for the purposes of and benefit of the COUNTY OF FRESNO, a political subdivision of the State of California. See below for exemptions of this recorded document from recording fees and documentary transfer tax.</p> <p>AND WHEN RECORDED MAIL TO:</p> <p>County of Fresno Director of Internal Services/ Chief Information Officer 333 W. Pontiac Way Clovis, CA 93612</p>	<p>FOR RECORDER'S USE ONLY</p>
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EXEMPT FROM RECORDING FEES PURSUANT TO GOV'T. CODE SECTIONS 6103, 27383 AND 27388.1(a)(2)(D)(AB 110, SB 2) AND DOCUMENTARY TRANSFER TAX PURSUANT TO REVENUE AND TAXATION CODE SECTION 11922.

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE ("Memorandum") is made and entered into this ___ day of ___ 2023, by and JCM Farming, Inc., a California corporation ("Lessor") whose address as of the date hereof is at 3160 Lionshead Avenue, Unit 1, Carlsbad, CA 92010, and the County of Fresno, a political subdivision of the State of California ("Lessee");

A. Lessor represents that it is the majority (controlling interest) fee owner of that certain improved real property located in Fresno County, State of California, and having a street address of 770 E. Shaw Avenue, Suites 300, 301, 302, 303, and 304, Fresno, CA 93710 ("Premises");

B. Pursuant to that certain Lease Agreement of the same date as this Memorandum of Lease (the "Lease Agreement"), Lessor has leased to Lessee certain Premises (as defined in the Lease Agreement) located on and constituting a portion of the Real Property;

C. The Lease Agreement is effective on July 17, 2023, and its term is seven (7) years. In no event shall the term of this Agreement extend beyond seven years after the First Date of Occupancy by Lessee;

D. Pursuant to the terms and conditions of the Lease Agreement, this Memorandum is to be recorded in the Official Records of the Fresno County Recorder with respect to the Real Property, for the purpose of memorializing the existence of the Lease Agreement, and the terms and conditions of which inure to the benefit of, and bind

the Lessor, the Lessee, and their respective successors and assigns. Any third-party interested in obtaining information about the Lease Agreement may contact the parties at the above-referenced addresses;

E. A copy of the Lease Agreement may be obtained from the Clerk of the Fresno County Board of Supervisors, 2281 Tulare Street, Fresno, California 93721;

F. This Memorandum of Lease does not constitute the Lease Agreement, and is only an abbreviated form, containing a summary of only a few of the terms and conditions of the Lease Agreement. In the event that there is any inconsistency between this Memorandum of Lease and the Lease Agreement, the terms and conditions of the Lease Agreement shall prevail over this Memorandum of Lease.

IN WITNESS WHEREOF, this Memorandum of Lease has been executed as of the day and year first above written.

LESSOR:
JCM FARMING, INC.

LESSEE:
COUNTY OF FRESNO:

By: _____

By: _____
Robert W. Bash, Director of Internal Services/
Chief Information Officer

[Notary Attestation-Attached]

[Notary Attestation-Attached]

CALIFORNIA NOTARY ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____

On _____ before me, _____ (insert name and title of the officer), personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

CALIFORNIA NOTARY ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____

On _____ before me, _____ (insert name and title of the officer), personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)