

Steven & Laura Abel Nevada Family Trust

FIRST AMENDMENT TO OFFICE LEASE #576-L1311

THIS FIRST AMENDMENT to that Office Lease #576-L1311 made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "Lessee"), and Steven & Laura Abel Nevada Family Trust DATED 10/29/2009, a Trust duly qualified to conduct business in the State of California, whose principal place of business is 768 Pleasant Valley Road, Diamond Springs, California 95619, and whose mailing address is P.O. Box 1774 Diamond Springs, California 95619 (hereinafter referred to as "Lessor").

RECITALS

WHEREAS, on May 7, 2013, an Office Lease was entered into between Lessee and Lessor for that certain property known as approximately 13,770 rentable square feet of office space (the "Premises") in the building located at 768 Pleasant Valley Road, Diamond Springs, California (the "Property") for the El Dorado County Mental Health Facility pursuant to Office Lease #576-L1311, dated May 7, 2013, incorporated herein and made by reference a part hereof (hereinafter referred to as "Lease");

WHEREAS, the parties hereto desire to amend the Agreement to update **SECTION I: BASIC LEASE PROVISIONS** of the agreement to extend the term for an additional ten (10) years, amending **SECTION 1.5: TERM, SECTION 1.6: RENT**, and update **SECTION 1.10: EXHIBITS**, adding **Exhibit C-1, Extended Termination Fee Schedule**;

WHEREAS, the parties hereto desire to amend the Agreement to update Lessee's rent payment to be increased annually by four percent (4%) amending **SECTION 3, RENT**;

WHEREAS, the parties hereto desire to amend the Agreement to update Lessee's percentage of the current fair market rate for the premises, amending the first paragraph of **SECTION 4: OPTIONS TO EXTEND**;

WHEREAS, the parties hereto desire to update **SECTION 5: RIGHT OF FIRST OFFER**, by deleting the article in its entirety;

WHEREAS, the parties hereto desire to update **SECTION 7.1: ALTERATIONS AND IMPROVEMENT**, adding **EXHIBIT B-3, Repairs and Maintenance**;

WHEREAS, the parties hereto desire to update **SECTION 8: REPAIR AND MAINTENANCE**, adding **SUBSECTION 8.4, THE RIGHT TO SELF-PERFORM MAINTENANCE WORK**;

WHEREAS, the parties hereto desire to update **SECTION 16.2: Termination for Lack of Funding**, adding **EXHIBIT C-1, Extended Termination Fee Schedule**

WHEREAS, the parties hereto desire to fully-replace specific Articles and add new Articles to include updated contract provisions, adding **EXHIBIT F, California Levine Act Statement**;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants hereinafter contained, Lessee and Lessor mutually agree to amend the terms of the Agreement in this First Amendment to Office Lease #576-L1311 on the following terms and conditions:

- I. **SECTION I: BASIC LEASE PROVISIONS, SECTION 1.5: Term, SECTION 1.6: Rent, and SECTION 1.10: Exhibits** of the Lease are amended in their entirety to read as follows:

SECTION 1.5: TERM.

For the purposes hereof, for the period beginning with the effective date of this Lease and continuing until the day before the effective date of this First Amendment to the Lease, term shall be in accordance with the following:

1.5	<u>Term:</u>	<p>Ten (10) Years and Five (5) months from Commencement Date, plus any additional period in calendar year 2013 where Lessor provides free rent.</p> <p><u>Commencement Date:</u> The date of Lessor's delivery of the Premises to Lessee with the Tenant Improvements Substantially Completed, which date is anticipated to be <u>August 1st, 2013.</u></p> <p><u>Option to Extend:</u> Two (2) 5-year options, as more specifically described in Section 4.</p>
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For the period beginning with the effective date of this Amendment and continuing through the remaining term of the Lease, term shall be in accordance with the following:

1.5	<u>Term:</u>	<p>Ten (10) Years and Five (5) months from Commencement Date, plus any additional period in calendar year 2013 where Lessor provides free rent.</p> <p><u>Commencement Date:</u> The date of Lessor's delivery of the Premises to Lessee with the Tenant Improvements Substantially Completed, which date is anticipated to be <u>August 1st, 2013.</u></p> <p>Ten (10) years from Commencement Date (the first Amendment).</p> <p><u>Commencement Date:</u> <u>June 1, 2024</u></p> <p><u>Option to Extend:</u> Two (2) Five (5) year options, as more specifically described in Section 4.</p>
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SECTION 1.6: RENT.

For the purposes hereof, for the period beginning with the effective date of this Lease and continuing until the day before the effective date of this First Amendment to the Lease, rent shall be in accordance with the following:

1.6	<u>Rent:</u>	Monthly Rent \$18,589.50	Monthly PSF Rent, Modified Gross \$1.35
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For the period beginning with the effective date of this Amendment and continuing through the remaining term of the Lease, rent shall be in accordance with the following:

1.6	<u>Rent:</u>	June 1, 2024, through May 31, 2025,	Monthly Rent \$26,163.00
		Rent shall increase upon each anniversary of the Lease by a maximum of four percent (4%) during the term. This rent adjustment process described herein shall not change for the life of the Lease unless otherwise specified in a written amendment.	

SECTION 1.10: EXHIBITS.

1.10	<u>Exhibits:</u>	The following Exhibits are attached to this Lease and incorporated herein by this reference:
		Exhibit A: Premises Exhibit A-1: Bus Stop Preliminary Site Exhibit B: Tenant Improvement Work Exhibit B-1: Space Plan (Part 1) from DesignTech Dated January 7 th , 2013 and specification list (Part 2) Exhibit B-2: Tenant Improvement Construction Schedule Exhibit B-3: Repairs and Maintenance Exhibit C: Termination Fee Schedule Exhibit C-1: Extended Termination Fee Schedule Exhibit D: ADA Compliance Report Exhibit E: Rules and Regulations Exhibit F: California Levine Act Statement

II. SECTION 3: RENT of the Lease is amended in its entirety to read as follows:

Rent shall be paid in advance on or before the first day of each calendar month. If the Commencement Date is a day other than the first day of a month, then the first and last monthly installment of Lessee's monthly installment of rent shall be prorated on the basis of a thirty (30) day month. Rent to be paid to Lessor through the means of direct deposit (EFT).

For the purposes hereof, for the period beginning with the effective date of this Lease and continuing until the day before the effective date of this First Amendment to the Lease, the rent shall be in accordance with the following:

Commencement Date through December 31, 2013	\$0.00
January 2014	\$0.00
February 2014 through January 2015	\$18,589.50*
February 2015	\$0.00
March 2015 through February 2016	\$19,278.00
March 2016	\$0.00
April 2016 through March 2017	\$19,966.50
April 2017	\$0.00
May 2017 through April 2018	\$20,655.00
May 2018	\$0.00
June 2018 through May 2019	\$21,343.50
June 2019 through May 2020	\$22,032.00
June 2020 through May 2021	\$22,720.00
June 2021 through May 2022	\$23,409.00
June 2022 through May 2023	\$24,097.50
June 2023 through May 2024	\$24,786.00

*This amount is based on the assumption that Lessor will deliver possession of 13,770 rentable square feet of the Premises and is subject to adjustment as provided under Section 2.2 of the Lease. In the event Lessor delivers possession of less than the entire Premises, rent shall be abated and prorated on a square footage basis of rentable space until the entire Premises are delivered.

For the period beginning with the effective date of this Amendment and continuing through the remaining term of the Lease, the rent shall be in accordance with the following:

June 1, 2024, through May 31, 2025	\$26,163.00
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Rent shall increase upon each anniversary of the Lease by a maximum of four percent (4%) during the term. This rent adjustment process described herein shall not change for the life of the Lease unless otherwise specified in a written amendment.

III. **SECTION 4: OPTIONS TO EXTEND**, first paragraph of the Lease is amended as follows:

SECTION 4: OPTIONS TO EXTEND.

Provided Lessee is not in Default as of the date of exercise or the commencement of the renewal term, Lessee shall be entitled to two (2) options (each, an "Option") to extend the term of the Lease for a period of five (5) years (each, an "Option Term"), on the same terms and conditions of the Lease, except that the Rent at the beginning of each Option Term shall be adjusted according to Fair Market Value but the rent shall not be lower than four percent (4%) per square foot above the then currently monthly rental rate and on each anniversary thereof throughout each Option Term for the Building. Such Option shall be exercised (if at all) by Lessee giving irrevocable written notice to

Lessor at least six (6) months prior to the expiration of the Term, or the first Option Term, as applicable. The Options shall be personal to the Lessee signing this Lease ("Original Lessee").

IV. **SECTION 7: ALTERATIONS AND IMPROVEMENTS, SECTION 7.1 Lessor Improvements**, of the Lease is amended in its entirety to read as follows:

7.1 Lessor Improvements.

Lessor, at its sole cost and expense, shall construct and provide the Tenant Improvements as described in Exhibit B, Exhibit B-1, Exhibit B-3, Repairs and Maintenance, and ADA upgrades as described in Exhibit D. Lessor shall require all tenant improvement work to be performed at prevailing wage (where required) pursuant to Labor Code section 1720.2, as may be amended from time to time.

Lessor shall directly contract with a general contractor of its choice to perform Lessor's Improvement Work.

V. **SECTION 8: REPAIR AND MAINTENANCE**, of the Lease is amended to add **SUBSECTION 8.4**, as follows:

8.4 If Lessor has been notified in writing at least two (2) business days prior of repairs and/or maintenance required that is interrupting Lessee's business, and Lessor has not replied, Lessee shall have the right to self-perform maintenance work. Lessee shall be entitled to no more than \$1,500 per occurrence (for both labor and materials).

VI. **SECTION 5: RIGHT OF FIRST OFFER** of the Lease is fully removed from the agreement in its entirety

VII. **The following Articles of the Lease are fully replaced in their entirety to read as follows:**

SECTION 16: TERMINATION.

16.2 Termination for Lack of Funding.

Lessee's business operations are funded by federal, state; county, local, and/or private foundations ("Funding Sources"). Notwithstanding any provisions in this Lease, if during the Term of the Lease, the Funding Sources reduce, eliminate, withhold, or make unavailable to Lessee sufficient funds to meet the obligations of this Lease, Lessee shall have the right to terminate this Lease upon ninety (90) days written notice of such termination to Lessor.

If Lessee terminates the Lease due to lack of funding during the first sixty (60) months of the Lease, Lessee shall pay to Lessor a penalty equal to Lessor's unamortized out-of-pocket costs for free rent, Lessee's broker's leasing commissions, and a rent penalty equal to one hundred fifty thousand dollars (\$150,000.00) straight lined over the first sixty (60) months of the Lease ("Termination Penalty"). The termination penalty shall only apply if Lessee

terminates the Lease in the first sixty (60) months of the initial Lease Term. If Lessee terminates the Lease due to lack of funding after the first sixty (60) months of the Lease, there shall be no penalty or further financial obligations. The Termination Penalty schedule is attached to this Lease as Exhibit C.

If Lessee terminates the Lease due to lack of funding during the extension term of the Lease, Lessee shall pay to Lessor a penalty equal to three (3) months' current rent in addition to the amount outlined in Exhibit C-1. The termination schedule is attached to this Lease as Exhibit C-1.

SECTION 25: BROKERS.

Turton Commercial Real Estate ("Lessee's Broker") represents Lessee and Newmark ("Lessor's Broker") represents Lessor. Lessor shall pay to Lessor's Broker a commission equal one hundred thirty-six thousand -seven hundred forty-six and 91/100 dollars (\$136,746.91) ("Commission"). The Commission shall be paid directly to Lessor's Broker per a separate agreement and shall be split between Lessee's Broker and Lessor's Broker per a separate agreement between Lessee's Broker and Lessor's Broker. One half (1/2) of the Commission shall be paid upon execution of this First Amendment and one-half (1/2) of the Commission shall be paid on June 1, 2024.

In the event Lessor fails to pay the Commission due to Lessor's Broker as and when such Commission is due and payable, Lessee shall have the right to pay the Commission that Lessor fails to pay, in which event Lessee will be entitled to a base rent credit equal to the Commission thus paid by Lessee, plus 15% annual interest, which shall be applied against the first installments of base rent due under the extended term of the Lease until the obligation is fully satisfied.

VIII. The following Articles of the Lease are added to read as follows:

SECTION 43: CONFLICT OF INTEREST.

The parties to this Lease have read and are aware of the provisions of Government Code section 1090, et seq. and the Political Reform Act of 1974 (Section 87100 et seq.), relating to conflict of interest of public officers and employees. Individuals who are working for Lessor and performing work for Lessee and who are considered to be consultant within the meaning of 2 California Code of Regulations section 18700.3, as it now reads or may thereafter be amended, are required to file a statement of economic interest in accordance with Lessee's Conflict of Interest Code. Lessee's Contract Administrator shall at the time this Lease is executed make an initial determination whether or not the individuals who will provide services or perform work pursuant to this Lease are consultants within the meaning of the Political Reform Act and County's Conflict of Interest Code. Statements of economic interests are public records subject to disclosure under the California Public Records Act.

Lessor covenants that during the term of this Lease neither it, nor any officer or employee of Lessor, has or shall acquire any interest, directly or indirectly, in any of the following:

1. Any other contract connected with, or directly affected by, the services to be performed by this Lease.
2. Any other entities connected with, or directly affected by, the services to be performed by this Lease.
3. Any officer or employee of Lessee that are involved in this Lease.

If Lessor becomes aware of a conflict of interest related to this Lease, Lessor shall promptly notify Lessee of the existence of that conflict, and Lessee may, in its sole discretion, immediately terminate this Lease by giving written notice of termination specified in **SECTION 16: TERMINATION**.

Pursuant to Government Code section 84308 (SB 1439, the Levine Act), Lessor shall complete and sign the attached Exhibit F, marked "California Levine Act Statement," incorporated herein and made by reference a part hereof, regarding campaign contributions by Lessor, if any, to any officer of Lessee.

SECTION 44: CONTRACT ADMINISTRATOR.

The County Officer or employee with responsibility for administering this Lease is Charles Harrell, Facilities Division Manager, Chief Administrative Office, or successor.

SECTION 45: ELECTRONIC SIGNATURES.

Each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this Lease, are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic Signature means any electronic visual symbol or signature attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or email electronic signatures, pursuant to the California Uniform Electronic Transactions Act (Civil Code sections 1633.1 to 1633.17) as amended from time to time.

Except as herein amended, all other parts and sections of Office Lease #576-L1311 shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Office Lease #576-L1311 on the dates indicated below.

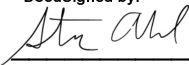
-- COUNTY OF EL DORADO --

By: _____

Dated: _____

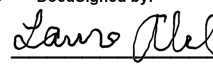
Purchasing Agent
Chief Administrative Office
"Lessee"

**-- STEVE & LAURA ABEL NEVADA
FAMILY TRUST --**

DocuSigned by:
By:  _____
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Dated: 4/18/2024 _____

Steve Abel
Trustee
"Lessor"

DocuSigned by:
By:  _____
99EB7A850EF5453...

Dated: 4/18/2024 _____

Laura Abel
Trustee

Steve & Laura Abel Nevada Family Trust

Exhibit B-3

Repairs and Maintenance

1. Lower Level “Wellness Center”

- a. Replace all flooring (stained worn carpet and old damaged vinyl plank) for new high traffic Luxury Vinyl Plank (LVP).
- b. Replace malfunctioning twenty-four (24) inch dishwasher with new unit (Americans with Disabilities Act (ADA) compliant)).
- c. Replace malfunctioning thirty (30) inch slide-in five (5) element front control electric range.
- d. Complete drywall patching, texture (where necessary) and touch up painting.
- e. Repair/replace all damaged exterior columns along American Disabilities Act (ADA) and other parking.

2. Electrical – “Tahoe Room”

- a. Replace damaged ceiling fan.

3. Hot Water – Room # 103 and Room #116

- a. Replace broken Eemax Brand instant hot water system which supplies hot water for room #103 and room #116.

4. Countertop-Room #103

- a. Replace delaminated countertop.

5. Water Leak – Cubicle Area #150

- a. Verify where stained ceiling and Concrete Masonry Unit (CMU) wall show signs of water leak are repaired. Clean CMU wall and replace ceiling tiles.

6. Thermostat – Room #125 and Rooms #130-148

- a. Thermostat in Room #125 controls heating and cooling in adjacent closed off area Rooms #130-148. The temperatures in Rooms #130-148 are not satisfactory. Additional thermostat needs to be added to control Rooms #130-148 due to it being closed off.

7. Air Supply and Return in Room #141

- a. Installation of an air return and supply.

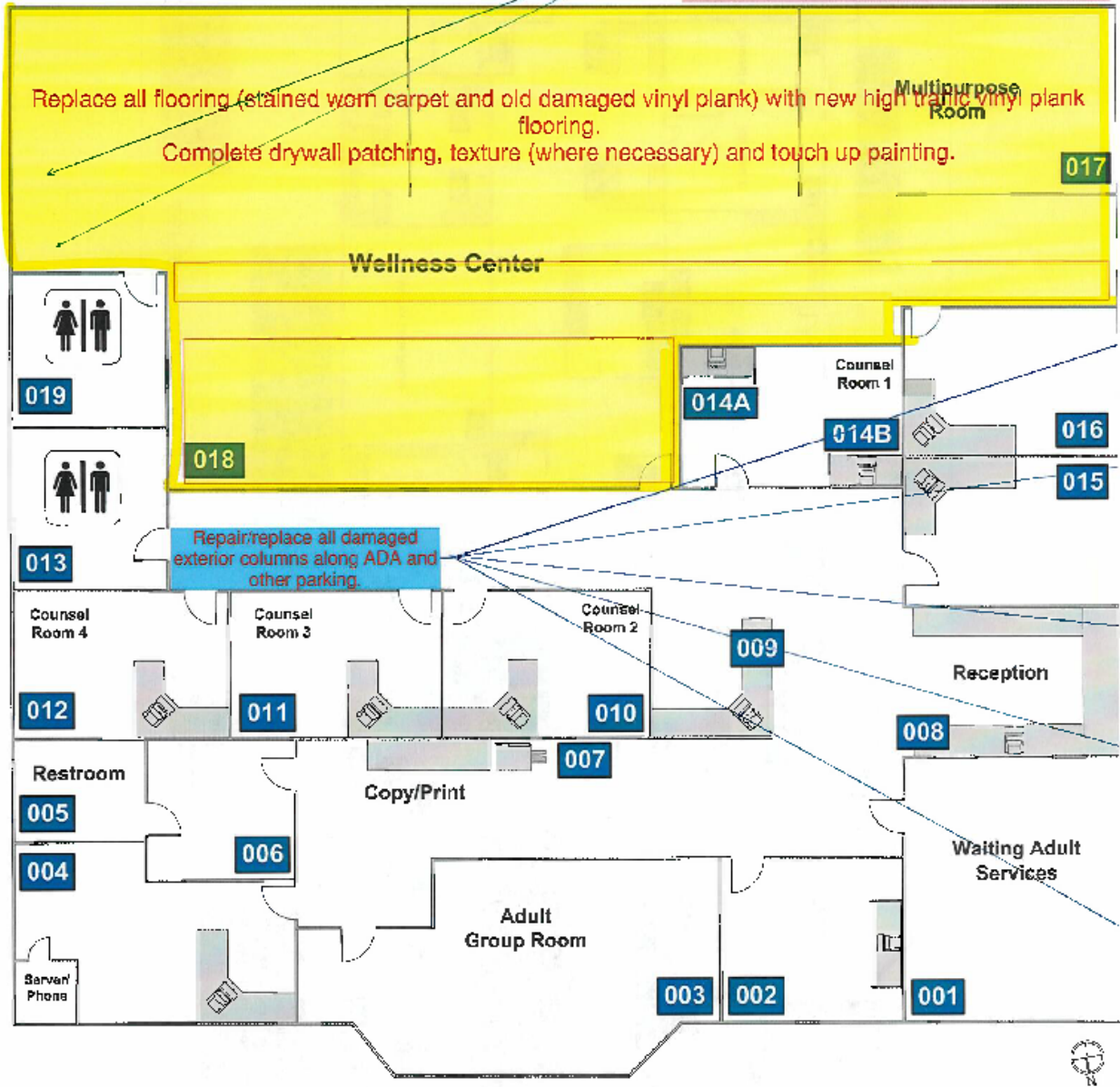
8. Carpet – Hallway in front of Rooms #128-133

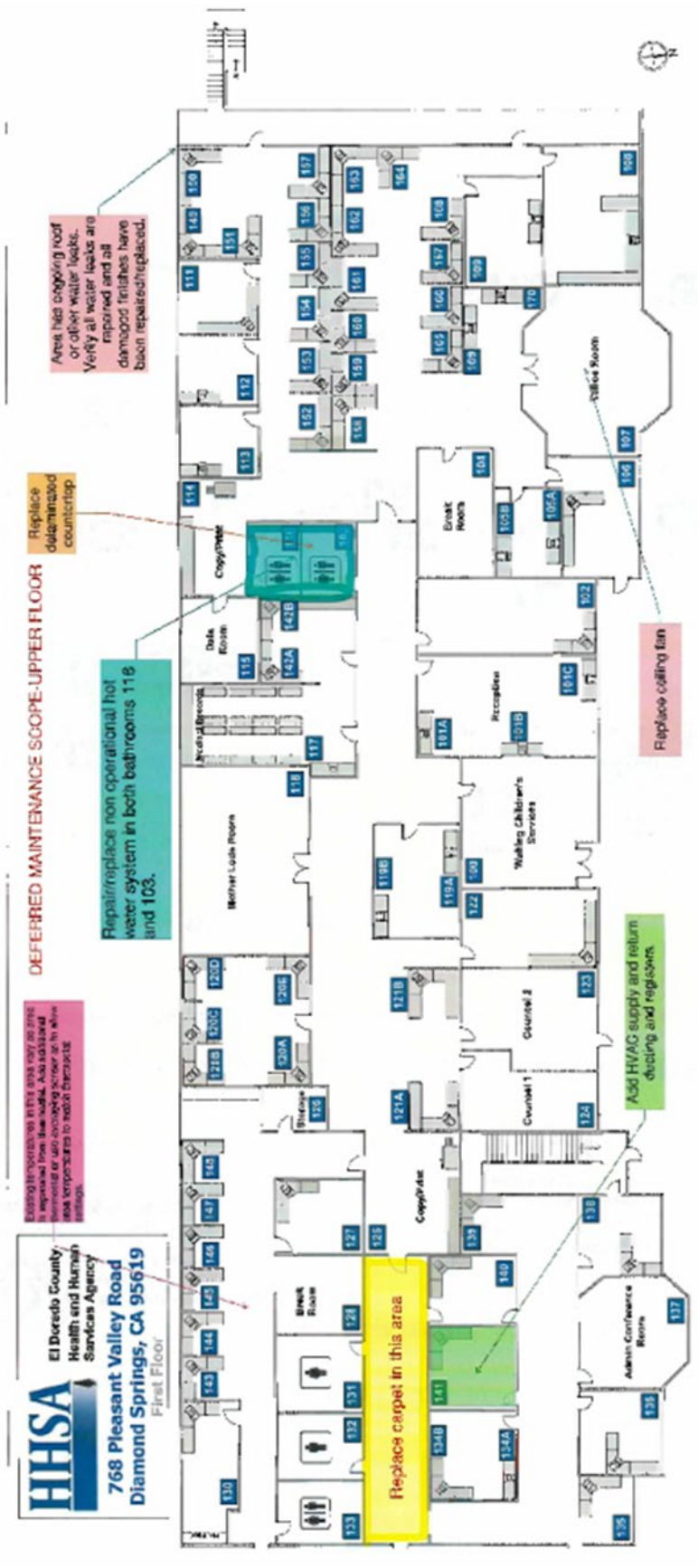
- a. Carpet to be replaced with carpet tiles of Lessee's selection.

HHSA
El Dorado County
Health and Human
Services Agency
**768 Pleasant Valley Road
Diamond Springs, CA 95619**
Ground Floor

DEFERRED MAINTENANCE SCOPE - LOWER FLOOR

Replace malfunctioning 24" dishwasher with new unit.
Replace malfunctioning 30" slide-in 5 element front control electric range.





Steve & Laura Abel Nevada Family Trust

Exhibit C-1

Extended Termination Fee Schedule

For the period beginning June 1, 2024, through the remaining term of the Lease, Lessee's Termination Fee shall be equal to the unamortized Commissions as described in **VI, SECTION 25: BROKERS** of this First Amendment. The Termination Fee shall total \$132,627.03. Each month, the termination fee shall be reduced by 1/120th, or \$1,105.23.*

Month	Termination Fee	Month	Termination Fee	Month	Termination Fee	Month	Termination Fee
1	\$132,627.03	31	\$99,470.13	61	\$66,313.23	91	\$33,156.33
2	\$131,521.80	32	\$98,364.90	62	\$65,208.00	92	\$32,051.10
3	\$130,416.57	33	\$97,259.67	63	\$64,102.77	93	\$30,945.87
4	\$129,311.34	34	\$96,154.44	64	\$62,997.54	94	\$29,840.64
5	\$128,206.11	35	\$95,049.21	65	\$61,892.31	95	\$28,735.41
6	\$127,100.88	36	\$93,943.98	66	\$60,787.08	96	\$27,630.18
7	\$125,995.65	37	\$92,838.75	67	\$59,681.85	97	\$26,524.95
8	\$124,890.42	38	\$91,733.52	68	\$58,576.62	98	\$25,419.72
9	\$123,785.19	39	\$90,628.29	69	\$57,471.39	99	\$24,314.49
10	\$122,679.96	40	\$89,523.06	70	\$56,366.16	100	\$23,209.26
11	\$121,574.73	41	\$88,417.83	71	\$55,260.93	101	\$22,104.03
12	\$120,469.50	42	\$87,312.60	72	\$54,155.70	102	\$20,998.80
13	\$119,364.27	43	\$86,207.37	73	\$53,050.47	103	\$19,893.57
14	\$118,259.04	44	\$85,102.14	74	\$51,945.24	104	\$18,788.34
15	\$117,153.81	45	\$83,996.91	75	\$50,840.01	105	\$17,683.11
16	\$116,048.58	46	\$82,891.68	76	\$49,734.78	106	\$16,577.88
17	\$114,943.35	47	\$81,786.45	77	\$48,629.55	107	\$15,472.65
18	\$113,838.12	48	\$80,681.22	78	\$47,524.32	108	\$14,367.42
19	\$112,732.89	49	\$79,575.99	79	\$46,419.09	109	\$13,262.19
20	\$111,627.66	50	\$78,470.76	80	\$45,313.86	110	\$12,156.96
21	\$110,522.43	51	\$77,365.53	81	\$44,208.63	111	\$11,051.73
22	\$109,417.20	52	\$76,260.30	82	\$43,103.40	112	\$9,946.50
23	\$108,311.97	53	\$75,155.07	83	\$41,998.17	113	\$8,841.27
24	\$107,206.74	54	\$74,049.84	84	\$40,892.94	114	\$7,736.04
25	\$106,101.51	55	\$72,944.61	85	\$39,787.71	115	\$6,630.81
26	\$104,996.28	56	\$71,839.38	86	\$38,682.48	116	\$5,525.58
27	\$103,891.05	57	\$70,734.15	87	\$37,577.25	117	\$4,420.35
28	\$102,785.82	58	\$69,628.92	88	\$36,472.02	118	\$3,315.12
29	\$101,680.59	59	\$68,523.69	89	\$35,366.79	119	\$2,209.89
30	\$100,575.36	60	\$67,418.46	90	\$34,261.56	120	\$1,104.66

*Rounded to nearest cent.

Steve & Laura Abel Nevada Family Trust

Exhibit F

California Levine Act Statement

California Levine Act Statement

California Government Code section 84308, commonly referred to as the "Levine Act," prohibits any officer of El Dorado County from participating in any action related to a contract if he or she accepts, solicits, or directs any political contributions totaling more than two hundred and fifty dollars (\$250) within the previous twelve (12) months, and for twelve (12) months following the date a final decision concerning the contract has been made, from the person or company awarded the contract. The Levine Act also requires disclosure of such contribution by a party to be awarded a specific contract. An officer of El Dorado County includes the Board of Supervisors, any elected official, and the chief administrative officer (collectively "Officer"). It is the Lessor's responsibility to confirm the appropriate "Officer" and name the individual(s) in their disclosure.

Have you or your company, or any agent on behalf of you or your company, made any political contribution(s), or been solicited to make a contribution by an Officer or had an Officer direct you to make a contribution of more than \$250 to an Officer of the County of El Dorado in the twelve months preceding the date of the submission of your proposals or the anticipated date of any Officer action related to this contract?

 YES x NO

If yes, please identify the person(s) by name:

Do you or your company, or any agency on behalf of you or your company, anticipate or plan to make any political contribution(s) of more than \$250 to an Officer of the County of El Dorado in the twelve months following any Officer action related to this contract?

 YES x NO

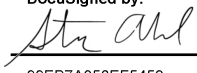
If yes, please identify the person(s) by name:

Answering YES to either of the two questions above does not preclude the County of El Dorado from awarding a contract to your firm or any taking any subsequent action related to the contract. It does, however, preclude the identified Officer(s) from participating in any actions related to this contract.

4/18/2024

Date

Steven & Laura Abel Nevada Family Trust
Type or write name of company

DocuSigned by:


99EB7A850EF5453...
Signature of authorized individual

Steve Abel

Type or write name of authorized individual