

**NAPA COUNTY AGREEMENT NO. 170069B
AMENDMENT NO. 3**

LEASE AGREEMENT

THIS AMENDMENT NO 3 TO NAPA COUNTY AGREEMENT NO. 170069B is made and entered into as of this ___ day of _____, 2024, by and between **MKD SOSCOL PARTNERS, LP**, a California Limited Partnership, hereinafter referred to as "Lessor," and **NAPA COUNTY**, a political subdivision of the State of California, hereinafter referred to as "Lessee," as follows:

RECITALS

WHEREAS, on or about July 1, 2013, Lessor and Lessee entered into Napa County Agreement No. 7905, renumbered 170069B on June 14, 2022 ("Agreement"), whereby Lessor leased to Lessee the premises located at 1710 Soscol Avenue, Suites 1, 3, & 4, in the City of Napa, State of California; and

WHEREAS, on May 24, 2016, Lessor and Lessee entered into Amendment No. 1 to extend the term of the Agreement to June 30, 2019, and to allow for the option to extend for an additional three-year term ending June 30, 2022: and

WHEREAS, on June 14, 2022, Lessor and Lessee entered into Amendment No. 2 to extend the term through June 30, 2025, and to allow for the option to extend for an additional three-year term to June 30, 2028, increase the rental amount accordingly and adjust the terms slightly; and

WHEREAS, the foregoing lease agreement with the option to extend for an additional three-year term shall expire on or before June 30, 2025, and Lessor and Lessee now mutually wish to extend the term of the Agreement to June 30, 2028, update the cancellation provision, expand the area of the leased premises available to the Lessee, update insurance provisions, and adjust other terms.

TERMS

NOW, THEREFORE, Lessor and Lessee hereby amend Napa County Agreement No. 170069B as follows:

1. Paragraphs 1, 2, 3, 7, 9, 12, 14 and 15 are amended to read in full as follows:

1. **DESCRIPTION OF LEASED PREMISES**: Lessor hereby leases to Lessee, and Lessee hires from Lessor, on the terms and conditions hereinafter set forth, those certain premises with appurtenances thereto (collectively referred to as "the Leased Premises"), commonly known as Soscol Professional Plaza and situated in the City of Napa, County of Napa, State of California, which is more specifically described as follows:

Two portions of Lessor's building and premises identified as Assessor's Parcel

Number 044-242-003, in the County of Napa, State of California, situated at 1710 Soscol Avenue, within Building B on the site plan attached hereto as Exhibit "A-1" consisting of:

The portion commonly known as Suites 1, 3, and 4 and having a total leased area of approximately 11,173 square feet, which is delineated by stripes on the floor plans attached hereto as Exhibits "A-2" and "A-3", such portion to be used by Lessee to house the Napa County Agricultural Commissioner, the Glassy-Winged Sharpshooter Program and the University of California Cooperative Extension. Lessee may also occupy a portion of the parking area, as illustrated in Exhibit "A-4".

2. **TERM:** Unless terminated earlier in accordance with Paragraph 16, the term of this Agreement shall commence on July 1, 2013, and shall expire on June 30, 2028.

3. **RENTAL:** The monthly rent for the Leased Premises shall be in the amounts set forth below, payable in advance on the first day of each month without any further demand therefore by Lessor to Lessee:

<u>Period</u>	<u>Monthly Rental</u>
July 1, 2013 through June 30, 2014	\$23,114.20
July 1, 2014 through June 30, 2015	\$23,807.63
July 1, 2015 through June 30, 2016	\$24,521.86
July 1, 2016 through June 30, 2017	\$25,809.63
July 1, 2017 through June 30, 2018	\$26,583.92
July 1, 2018 through June 30, 2019	\$27,381.44
July 1, 2019 through June 30, 2020	\$28,202.88
July 1, 2020 through June 30, 2021	\$29,048.97
July 1, 2021 through June 30, 2022	\$29,920.43
July 1, 2022 through June 30, 2023	\$30,818.04
July 1, 2023 through June 30, 2024	\$31,742.58
July 1, 2024 through June 30, 2025	\$32,694.86
July 1, 2025 through June 30, 2026	\$33,675.71
July 1, 2026 through June 30, 2027	\$34,685.98
July 1, 2027 through June 30, 2028	\$35,726.56

7. **ALTERATIONS:**

(a) Lessee shall not alter, change or modify the Leased Premises in any manner or permit any alterations without the written consent of Lessor except for nonstructural alterations to the interior of the Leased Premises which Lessee requires in order to conduct its business on the Leased Premises, for which no prior consent of the Lessor shall be required. For the purpose of this Paragraph, all interior walls shall be considered structural improvements. In either event, any alteration or additions shall become the property of Lessor with the exception of personal property that can be removed without injury to the Leased Premises, which shall remain the property of Lessee.

(b) Lessor agrees to construct a secure enclosure around the parking area, as illustrated in Exhibit "A-4". Lessor agrees to obtain any necessary permits for the

construction of the parking enclosure and to use best efforts to complete construction within three weeks following issuance of the required permits. Lessor commits to completing the work within 6 months of execution of this Amendment, and in no event later than April 29, 2025. The parties agree that if construction is not completed by the date identified above, Lessee shall provide written notice to Lessor of the deficiency and of Lessee's intent to terminate this Agreement, unless the deficiency is cured within 30 days from the date of the notice. If Lessor fails to cure the deficiency, or fails to provide reasonable assurance to Lessee that the deficiency will be cured within 30 days, Lessee shall have to option to terminate the Lease.

9. **MAINTENANCE:** Lessor agrees to maintain in good condition the exterior of the Leased Premises, including walls, roof, glass windows, paving, secure parking enclosure, walks and halls as well as interior common areas. Lessor agrees to provide and properly care for and maintain all walkways and all grounds landscaping. Lessee agrees to maintain the interior of the Leased Premises in good condition and repair, subject to reasonable use and wear thereof.

(a) Lessor agrees to install a rollover curb near the UC Cooperative Extension Conference room door.

12. **HOLD HARMLESS AND INSURANCE:**

(a) **Hold Harmless.** Lessee shall hold Lessor harmless from all damages arising out of damage to any person or property occurring in, on, or about the Leased Premises, except that Lessor shall hold harmless Lessee for any damage resulting from the acts or omissions of Lessor or its authorized representatives.

(b) **Liability Insurance.** Lessor and Lessee each agree to maintain general liability insurance in the amount of one million dollars (\$1,000,000) during the term of this Agreement covering liability for acts or omissions by each respective party or its officers, agents or employees in relation to the portions of the Leased Premises then being leased which cause personal injury (including death) or property damage to any person. Notwithstanding the foregoing, Lessor recognizes that Lessee is self-insured for general liability up to \$500,000 and agrees that such self-insurance satisfies Lessee's obligations under this subsection up to that amount. Upon written request from Lessor, Lessee shall name Lessor as an additional insured and provide a Certificate of Coverage for the insurance coverage obtained by Lessee above this self-insurance amount.

14. **NOTICES:** Except as otherwise expressly provided herein, all communications between the parties required under this Agreement shall be deemed given when made in writing and delivered or deposited in the mail to such party at the address as follows:

LESSEE: Napa County Director of Public Works
Attn: Leases and Rents
1195 Third Street, Suite 101
Napa, California 94559

LESSOR: MKD SOSCOL PARTNERS, LP
c/o Veritas Property

625 Imperial Way, Suite 5
Napa, CA 94559

15. **CANCELLATION:** In consideration for the Lessor's agreement to construct the improvements identified in Paragraph 7, above, the Parties agree that the Agreement shall not be cancelled or terminated, except as may be provided in the Agreement for a party's failure to comply with the terms of the Agreement.

3. **COUNTERPARTS:** This Amendment No. 3 and any future amendments to the Agreement may be executed in counterparts, which when taken together, shall constitute a single signed original as though all parties had executed the same page.

4. **ELECTRONIC SIGNATURES:** This Amendment No. 3 and any future amendments to this Agreement may be executed by electronic signature(s) and transmitted in a portable document format ("PDF") version by email and such electronic signature(s) shall be deemed original for purposes of this and any future amendments and shall have the same force and effect as a manually executed original.

5. This Amendment No. 3 shall be effective as of the first date above written.

6. This Amendment No. 3 represents all the changes to the Agreement and prior amendments agreed to by Licensor and Licensee. No enforceable oral representations or other agreements have been made by the parties except as specifically stated herein. All other provisions of the Agreement and prior amendments not addressed in Amendment No. 3 shall remain in full force and effect.

7. Except as provided in 1 through 6 above, the terms and provisions of the Agreement shall remain in full force and effect as originally written.

[Remainder of page left blank intentionally, signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 3 of Napa County Agreement No. 170069B as of the date first above written.

MKD SOSCOL PARTNERS, L.P.
a California limited partnership

By: Soscol Partners GP, LLC
A Delaware limited liability company, its General Partner

BY: 
DARLA FLANAGAN, its Manager

"LESSOR"

NAPA COUNTY, a political subdivision of the State of California

BY: _____
JOELLE GALLAGHER, Chair
Board of Supervisors

"LESSEE"

<p>APPROVED AS TO FORM Office of County Counsel</p> <p>By: <u>Jason M. Dooley</u> Deputy County Counsel</p> <p>Date: <u>October 9, 2024</u></p>	<p>APPROVED BY THE NAPA COUNTY BOARD OF SUPERVISORS</p> <p>Date: _____ Processed By: _____ Deputy Clerk of the Board</p>	<p>ATTEST: NEHA HOSKINS Clerk of the Board of Supervisors</p> <p>By: _____</p>
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EXHIBIT "A-4"
PARKING AREA

