



TO: Mayor and Councilmembers

SUBMITTED BY: Matthew R. Fore, General Services Director

PREPARED BY: Janet Batchelor, Management Analyst

SUBJECT: Commercial Lease Agreements with Current Long-Term Goleta Community Center Tenants

RECOMMENDATIONS:

- A. Adopt Resolution No. 25-___, entitled, "A Resolution of the City Council of the City of Goleta, California, Authorizing Execution of: (1) A Commercial Lease Agreement between the City of Goleta and Community Action Commission of Santa Barbara County; (2) A Commercial Lease Agreement between the City of Goleta and Rainbow Childhood Education, Inc; and (3) A Commercial Lease Agreement between the City of Goleta and Kevin Long Resilience Personal Training"; and
- B. Authorize the City Manager to enter into a Commercial Lease Agreement at 5681 Hollister Avenue in the amount of \$8,086.00 per month with Community Action Commission of Santa Barbara County (DBA CommUnify) for a term expiring June 30, 2026; and
- C. Authorize the City Manager to enter into a Commercial Lease Agreement at 5689 Hollister Avenue in the amount of \$12,332.00 per month with Rainbow Childhood Education, Inc. for a term expiring June 30, 2026; and
- D. Authorize the City Manager to enter into a Commercial Lease Agreement at 5681 Hollister Avenue in the amount of \$939.00 per month with Kevin Long Resilience Personal Training for a term expiring June 30, 2026.

BACKGROUND:

On February 24, 2022, City Council approved a Management Plan for the City to assume direct management of the Goleta Community Center effective January 1, 2023. The City Council then authorized the City Manager to negotiate lease agreements with the Goleta Community Center (GVCC) organization's current long-term tenants on the same substantive terms they had with the GVCC.

On December 20, 2022, City Council approved Commercial Lease Agreements with Community Action Commission, (DBA CommUnify), Rainbow Childhood Education (Rainbow School), and Kevin Long Resilience Personal Training. The Lease Agreements terms were from January 1, 2023, to June 30, 2024, with an automatic twelve-month renewal unless either party provided written notice of termination.

On July 1, 2024, the Lease Agreements were automatically extended for an additional twelve months with a term ending June 30, 2025.

On June 5, 2025, the City published a notice in accordance with Goleta Municipal Code Section 12.08.030 declaring the City's intention to hold this public hearing to consider a resolution authorizing three separate leases for portions of the Goleta Community Center with CommUnify, Rainbow School, and Kevin Long Resilience Personal Training.

DISCUSSION:

The tenants have requested to continue leasing their respective spaces to continue providing services to the Community. The organizations and services provided are listed below:

- Community Action Commission, (DBA CommUnify) provides Head Start and Early Head Start Programs.
- Rainbow Childhood Education, Inc. (Rainbow School) provides early childhood education
- Kevin Long Resilience Personal Training provides fitness training.

The Table below provides additional information on the proposed lease agreements.

| Tenant | Leased Premises | Square Footage | Monthly Rent | Annual Rent |
|----------------|----------------------------------------------------------------------|-----------------------------------------|---------------------|--------------------|
| CommUnify | Building B Rooms 9, 10, 11, 12, kitchen area and adjacent play areas | 4,933 + Play Areas and 7 Parking Spaces | \$8,086 | \$97,032 |
| Rainbow School | Building C Rooms 6, 7, 8, 9, 10, 11, 12, 13 and adjacent play areas | 7,195 + Play areas | \$12,332 | \$147,984 |
| Kevin Long | Building B Room 14b | 707 | \$939 | \$11,268 |

Other key terms of the lease agreements include the following:

- Term: Commencing on July 1, 2025, and expiring on June 30, 2026. The lease shall automatically renew for another 12 months unless either party provides written notice of termination 60 days prior to the expiration of the term.
- Annual Rent Adjustment: Rent shall increase annually by any increase in the Consumer Price Index, a common adjustment method in many public and private lease agreements.
- Utilities: Tenants shall pay their proportional share of utilities on the premises. Utility charges are apportioned based upon the square footage of each tenant's leased premises. Council approved this cost allocation approach at its September 19, 2023 meeting.

FISCAL IMPACT:

The Commercial Lease Agreements will generate \$256,284 in annual revenue.

ALTERNATIVES:

The City Council could elect not to approve the leases and direct staff to renegotiate the lease terms with the existing tenants or to solicit interest from other potential tenants.

LEGAL REVIEW BY: Isaac Rosen, City Attorney

APPROVED BY: Robert Nisbet, City Manager

ATTACHMENTS:

1. Draft Commercial Lease Agreement of 5681 Hollister Avenue with CommUnify
2. Draft Commercial Lease Agreement of 5689 Hollister Avenue with Rainbow Childhood Education, Inc.
3. Draft Commercial Lease Agreement of 5681 Hollister Avenue with Kevin Long Resilience Personal Training
4. Resolution No. 25-__, entitled, "A Resolution of the City Council of the City of Goleta, California, Authorizing Execution of: (1) A Commercial Lease Agreement between the City of Goleta and Community Action Commission of Santa Barbara County; (2) A Commercial Lease Agreement between the City of Goleta and Rainbow Childhood Education, Inc; and (3) A Commercial Lease Agreement between the City of Goleta and Kevin Long Resilience Personal Training".

ATTACHMENT 1

Draft Commercial Lease Agreement of 5681 Hollister Avenue with CommUnify

COMMERCIAL LEASE AGREEMENT

THIS COMMERCIAL LEASE AGREEMENT (the “**Lease**”) is made and entered into by and between CITY OF GOLETA, a California municipal corporation (“**Landlord**”) and COMMUNITY ACTION COMMISSION OF SANTA BARBARA COUNTY (DBA CommUnify) (“**Tenant**”), under the following terms and conditions:

1. Description of the Leased Premises. Landlord owns the commercial property located at 5681 Hollister Avenue, Goleta, CA (the “**Property**”). Landlord hereby leases to Tenant and Tenant hereby leases from Landlord a portion of the Property know as Building B, play areas, associated with Building B, and parking spaces in the main parking lot associated with the main building, commonly known as Building A, all of which shall be referred to as “Premises” as shown in **Exhibit A** (the “**Premises**”).

Premises 1: Exclusive use of Rooms 9, 10, 11, 12, kitchen area, janitor’s closet and laundry room in the building commonly known as Building B, at 5681 Hollister Avenue, Goleta, CA (4,933 square feet). The telecom room located within Building B, which houses the building’s fire panel and other critical infrastructure, is designated as a utility room and common area and is not included as part of the Tenant’s exclusive leased Premises. As such, Tenant shall not make any alterations, additions, or modifications to this room without the prior written consent of Landlord. Access to this room shall be limited to approved personnel and for purposes consistent with building operations, safety compliance, and utility access.

Premises 2: Play areas associated with Building B at 5681 Hollister Avenue, Goleta, CA bounded by chain link fencing and Building B.

Premises 3: Exclusive use of three (3) parking spaces at the Goleta Community Center parking lot identified as CommUnify “Pool Vehicles” parking spaces and one (1) additional parking space for the Head Start Program Van. Tenant shall have the exclusive use of three (3) additional parking spaces located adjacent to the classrooms identified as “Head Start,” Monday through Friday, between the hours of 7:00 AM and 5:30 PM. Outside of these designated hours, the parking spaces shall be available to the public on a first-come, first-served basis. Landlord agrees to furnish and install appropriate signage to reflect this arrangement.

2. Term, Occupancy, and Renewal.

a. Term. The term shall commence on July 1, 2025 and expire on June 30, 2026 but the Lease shall automatically renew for another 12 months unless either party provides written notice of termination 60 days prior to the expiration of the term (“Term”).

3. Rent. The rent during the Term of this Lease shall be \$6,162 per month for Premises 1, \$1,385 per month for Premise 2 and \$539 a month for Premises 3 for a total of \$8,086 per month subject to increase as provided in Section 3C. Tenant shall, commencing on July 1, 2025 and continuing thereafter on the first (1st) day of each and every month during the Term of this Lease, pay to Landlord, in advance, Rent, without setoff, deduction or demand.

a. Late Charge. Tenant acknowledges that late payment by Tenant to Landlord of Rent will cause Landlord to incur costs not contemplated by this Lease. If any payment of Rent or utilities due from Tenant is not received by Landlord within five (5) days after it becomes due, in addition to Rent and utilities, Tenant shall pay to Landlord the greater of \$100 or 5% of the overdue rent as a late charge.

b. Interest on Unpaid Rent. Rent or other charges as provided in this Lease not paid within five (5) days of the date due shall, in addition to any late charges under Section 3A, bear interest at the lesser of the maximum legal rate or 5% per annum from the date due until paid.

c. Annual Adjustment. Beginning on July 1, 2026, Rent shall increase annually at the end of each 12-month period by any increase in the Consumer Price Index (“CPI”) as determined by the U.S. Bureau of Labor Statistics for all Urban Consumers for the Los Angeles Area over the previous calendar year. Should the CPI be discontinued, the index used for comparison shall be a comparable index as designated by the Bureau. It is recognized by both parties that the Index for any month is not published for approximately two months. Tenant shall, therefore, continue to pay the current Rent by Tenant until such time as the new Rent is calculated and, at that time, Tenant shall, within ten (10) days of notice of Rent that has been adjusted for CPI, pay the CPI adjusted Rent. In no event shall Rent ever decrease below the prior year’s Rent even if the CPI is negative. In years when CPI is negative, the Rent shall remain the same as the prior year’s Rent.

d. Tenant may lease additional space from Landlord on an “as available” basis, for which Tenant will be charged the current commercial rental rates.

4. Place of Payment of Rent. Rent, utilities, and all other sums which shall become due under this Lease, including but not limited to late charges and additional rent, shall be payable to the City of Goleta and delivered or mailed to 130 Cremona Drive, Goleta, CA 93117, Attn: Finance Director, or at such other place as Landlord may designate in writing. Mailed payments must be received (not postmarked) by Landlord by the date due.

5. Parking

a. Pool Vehicles”. Tenant’s employees that leave a private vehicle on the main parking lot while using a Tenant Pool Vehicle, must park their private vehicle in the parking stall of the Pool Vehicle they are using. Private vehicle must also display a window sticker (CAC Parking Pass), so that Landlord knows the vehicle is authorized to park in the main parking lot.

6. Condition of, and Improvements to, Premises.

a. Maintenance of Premises. Premises shall be maintained as provided in Exhibit B. The Tenant is responsible for the routine maintenance and general upkeep of the exterior patio areas to include the exterior playground equipment within their leased space. The Landlord retains responsibility for ensuring the patio structures meet applicable building codes and safety regulations, and for addressing any repairs required for code compliance.

b. Improvements. Under this Lease, Landlord shall have no obligation or responsibility, actual or implied, to install, construct, accommodate, or make any improvements to

the Premises prior to, or as a condition of, Tenant's occupation of the Premises, except as described in **Exhibit B**, if any. Any alterations or improvements made by the Tenant shall be subject to the prior written approval of Landlord and shall comply with all applicable building codes, licensing requirements, and permitting processes.

c. As-Is Condition. Tenant warrants and agrees that Tenant has inspected the Premises. Tenant agrees to take possession of the Premises in an AS-IS condition (which exists on the date this Lease is signed) and Tenant further agrees that, except as expressly contained in **Exhibit B** (if at all), Landlord shall have no responsibility for any repairs or improvements to the Premises, prior to, or as a condition of, Tenant's occupation of the Premises. Landlord makes no representations regarding the condition, status, compliance with laws or suitability for a particular purpose for Tenant's use.

d. Condition Upon Surrender. Upon termination of this Lease, Tenant shall surrender the Premises to Landlord in as good condition as when received, ordinary wear and tear and damage by fire, earthquake, or act of God excepted, and including any repairs or improvements made by Tenant. If Tenant fails to maintain the Premises in good order and repair in accordance with Exhibit B, after thirty (30) days' prior written notice, Landlord may, at its option, make such maintenance and repairs in accordance with Exhibit B, and Tenant shall pay the reasonable cost thereof as additional rent hereunder within ten (10) days after receipt of a written statement therefor. In the event the giving of thirty (30) days' prior notice may, in Landlord's sole discretion, result in additional damage to the Premises, Landlord may make such maintenance and repairs in accordance with Exhibit B, at Tenant's expense, without thirty days' prior written notice and Tenant shall pay for such reasonable costs within 10 days after receipt of written statement therefor.

7. Use. The Premises shall be used only for the operation of early childhood education, classrooms, offices, play yards and kitchen space. Tenant shall not use any portion of the Premises for purposes other than those specified without first obtaining the written consent of Landlord. Tenant shall not do, bring, or keep anything in, on, or about the Premises which will in any way increase the premium rate or cause the cancellation of any fire or other insurance upon the Premises, the building in which the Premises are located, or any of its contents.

8. Uses Prohibited. In addition to uses prohibited pursuant to Paragraph 6, Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein which is not within the permitted use of the Premises which will in any way increase the existing rate of or affect any fire or other insurance upon the Property or any of its contents, or cause a cancellation of any insurance policy covering the Property or any part thereof or any of its contents. Tenant shall not use the Premises for any cannabis related uses, dispensary, manufacture, assembly, the sale of cannabis or accessories related to cannabis products. Tenant shall not do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other tenants or occupants of the Property or injure or annoy them or use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose; nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises. Tenant shall not commit or allow to be committed any waste in or upon the Premises. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to sell or solicit in any manner or store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Landlord or Landlord's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then

Landlord shall have the right, without notice, in addition to any other rights and remedies that it may have, to remove the property and charge the cost to Tenant, which cost shall be payable as additional rent immediately upon demand by Landlord.

9. Compliance with Laws/Hazardous Materials.

a. Tenant, at Tenant's expense, shall comply with and cause all of Tenant's agents to comply with all applicable laws, ordinances, rules and regulations of governmental authorities applicable to the Premises or the use or occupancy thereof, including, without limitation, the law commonly known as the Americans With Disabilities Act and California Code of Regulations Title 8, Sections 3281 through 3299 (collectively, "**Laws**").

b. Tenant shall not cause or permit any Hazardous Materials, as defined under the California Health and Safety Code, to be brought upon, kept, used, discharged, deposited or leaked in or about the Premises or the building by Tenant or any of Tenant's agents or by anyone in the Premises (other than Landlord or its agents, employees or contractors), and shall indemnify Landlord against same.

c. Tenant shall ensure all emergency and fire safety systems are tested and maintained as required by licensing regulations and shall keep documentation of such compliance.

d. Inspection by Certified Access Specialist. Landlord discloses that the Premises have not undergone inspection by a Certified Access Specialist as referenced in California Civil Code Section 1938 subsection (e) which provides: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." Pursuant to the foregoing Section 1938(e), Tenant acknowledges and agrees that, if Tenant wishes to have the Premises inspected by a CASp: (i) Tenant must notify Landlord on or before the date when Tenant executes this Lease pursuant to the election below; (ii) the inspection will be at Tenant's sole cost and expense; (iii) the inspection must be scheduled through Landlord and in coordination with the Landlord or the building's property manager; (iv) any repairs or modifications necessary to correct any violation of construction-related accessibility standards that is noted in the CASp report shall be Tenant's responsibility; and (v) Tenant must provide a copy of the CASp report to Landlord on completion. By initialing below, Tenant represents that:

Tenant wishes to have a CASp inspection of the Premises Initials: _____

Tenant hereby waives its right to have a CASp inspection of the Premises Initials: _____

10. Waste; Nuisance; Quiet Enjoyment. Tenant shall not suffer or commit any waste or nuisance on the Premises, nor shall Tenant interfere with or obstruct the rights of or disturb the quiet enjoyment of any other tenant or occupant of the building or injure or annoy them. Tenant

shall not use or allow the Premises to be used for any improper, immoral, or objectionable purposes, to be determined Landlord's sole and absolute judgment.

11. Utilities. Tenant shall pay its proportional share, as determined by Landlord, of all electrical, gas service, and water charges for the Premises. Tenant shall be invoiced for such charges and such invoices shall be paid together with Rent in the month following receipt. Landlord reserves the right to invoice Tenant for any additional utilities and services furnished to or used by Tenant upon the Premises, including, without limitation, trash, janitorial, cable service, telephone services, security or alarm system and all connection charges. Landlord shall not be responsible for any interruptions or disturbance of service regardless of whether Tenant is paying directly for such services or if such services are being contracted for by Landlord, nor shall there be any abatement of Rent resulting from any cessation or interruption of utility service or other service contemplated by this section. Tenant shall deposit all trash only in designated areas. Tenant hereby waives the provisions of California Civil Code Section 1932(1) or any other applicable existing or future law, ordinance or governmental regulation permitting the termination of this Lease due to the interruption or failure of any services to be provided under this Lease.

12. Alterations. Tenant shall not make or cause to be made any alterations, additions, new or improvements to or of the Premises or any part thereof without the prior written consent of Landlord. Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. Structural walls are the responsibility of the Landlord, including maintenance, repairs, and modifications that impact the building's integrity or Code Compliance. Tenant must obtain written Landlord approval before making any modifications that affect the structure.

13. Assignment and Subletting. Tenant shall not either voluntarily, or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, and shall not sublet the said Premises or any part thereof, or any right or privilege appurtenant thereto, or allow any other person (the employees, agents, servants and invitees of Tenant excepted) to occupy or use the said Premises, or any portion thereof, without first obtaining the written consent of Landlord which shall not be unreasonably withheld. If an assignment or subletting involves a use other than that permitted in Paragraph 6 above, Tenant must comply with said Paragraph 6. Consent to one assignment, subletting, occupation or use by another person shall not be deemed to be consent to any subsequent assignment, subletting, occupation or use by another person. Consent to any such assignment or subletting shall in no way relieve Tenant of any liability under this Lease. Any such assignment or subletting without such consent shall be void, and shall, at the option of the Landlord, constitute a default under the terms of this Lease. No sublease or assignment shall release Tenant from continuing liability hereunder. In the event that Landlord shall consent to a sublease or assignment hereunder, Tenant shall pay Landlord reasonable attorney fees and costs incurred in connection with the processing of documents necessary to giving of such consent. Any excess consideration above the rental rate provided in this Lease Tenant is entitled to as a result of any assignment or sublease shall be divided and paid 50% to Tenant and 50% to Landlord; provided, however, that if Tenant is in default under this Lease, Landlord shall be entitled to all such excess consideration.

14. Standard for Consent. Tenant agrees that Landlord may refuse its consent to the proposed transfer on any reasonable grounds, and (by way of example and without limitation) Tenant agrees that it shall be reasonable for Landlord to withhold its consent if any of the following situations

exist or may exist: (a) the proposed assignee, subtenant or transferee (each a "**Transferee**") proposes to change the use of the Premises from the permitted use pursuant to Section 6, and the new proposed use of the Premises (i) would result in a violation of local, state, or federal law or a violation of the policies of the Goleta Community Center, as amended from time to time; or (ii) is a use which would breach any exclusive use rights granted in writing to another tenant in the Property; or (iii) is a use which would interfere with the primary use of any other tenant or occupant in the Property; or (iv) in Landlord's reasonable opinion, is inconsistent with the tenant mix in the Property at the time of the request for Landlord's consent (excepting the use specified in Section 6 above); (b) the proposed Transferee's financial condition, net worth or liquidity is inadequate, based upon Landlord's reasonable business judgment, to support all of the financial and other obligations of Tenant under this Lease; (c) the proposed Transferee is not likely to conduct on the Premises a business of a quality substantially equal to that conducted by Tenant; (d) the proposed Transferee is a person with whom Landlord is, or recently has been, within the past three (3) months, negotiating to lease space in property owned by Landlord, including the Property; (e) Tenant is in default under the Lease, or has defaulted hereunder on more than three (3) occasions during the twelve (12) months preceding the request by Tenant.

15. Entry by Landlord. The Landlord may enter at any time to respond to or address emergencies such as fire, water intrusion, dangers to public health and safety, and the like. , Landlord and its agents shall have the right to enter the Premises at reasonable times to inspect and examine the same and to make such repairs to the Premises as the Landlord shall deem advisable, and to show the Premises to prospective tenants, buyers or lenders.

16. Indemnification.

a. Waiver of Claims. To the extent permitted by law, Tenant waives all claims against Landlord for damage to person or property arising for any reason. Tenant assumes all such risks for Tenant and any employees, licensees, invitees, agents, or contractors.

b. General Indemnity. Tenant agrees, as an independent unsecured obligation, separate from any of its promises or covenants in this Lease, to indemnify, defend (with counsel selected by Landlord at Tenant's expense), protect and hold harmless Landlord, its public officials, its employees, agents, officers, wardens, officiants, legal counsel, assigns, any successor or successors to Landlord's interest in the Premises and any future owners of the Premises to whom this Lease is assigned (hereinafter collectively referred to as the "**Indemnitees**") from and against all claims, actual damages (including but not limited to special and consequential damages), punitive damages, injuries, costs, response costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties and expenses arising out of any damage to any person or property occurring in, on, or about the Premises, except for any acts of gross negligence or willful misconduct by Landlord. Tenant's obligation under this paragraph to indemnify and hold the Indemnitees harmless shall be limited to the sum that exceeds the amount of insurance proceeds, if any, received by the party being indemnified. Landlord shall not be liable to Tenant for any damage by or resulting from any act or negligence of any other tenant of property adjoining the Premises or by the owner or occupant of any adjoining or contiguous property.

c. Exemption of Landlord from Liability. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to the Premises and its property

including, but not limited to, Tenant's fixtures, equipment, furniture and alterations, or illness or injury to persons in, upon or about the Premises, arising from any cause, and Tenant hereby expressly releases Landlord and waives all claims in respect thereof against Landlord, except only such claims as are caused solely by Landlord's gross negligence or willful misconduct. Tenant hereby agrees that Landlord shall not be liable for injury to Tenant's business or any loss of income therefrom or for damage to the property of Tenant, or injury to or illness or death of Tenant or any Tenant Party or any other person in or about the Premises, whether such damage, illness or injury is caused by fire, steam, electricity, gas, water or rain, or from the breakage, leakage or other defects of sprinklers, wires, appliances, ventilation, plumbing, air conditioning or lighting fixtures, or from any other cause, and whether said damage, illness or injury results from conditions arising upon the Premises, upon other portions of the Property or from other sources or places, and regardless of whether the cause of such damage, illness or injury or the means of repairing the same is inaccessible to Tenant, except only damage, illness or injury caused solely by Landlord's gross negligence or willful misconduct.

17. Insurance.

a. Liability Insurance. Tenant shall carry, during the term hereof, public liability and property damage insurance with a single combined liability limit of not less than \$1 million per occurrence, \$2 million in aggregate, property damage limits of not less than \$1 million insuring against all liability of Tenant and its authorized representatives arising out of and in connection with Tenant's use and occupancy of the Premises, and statutory worker's compensation Insurance for any employees. Landlord shall be named as an additional insured on each such policy. Tenant shall provide proof of such insurance in the form of a certificate of insurance prior to taking occupancy of the Premises.

b. Waiver of Subrogation. The parties release each other, and their respective authorized representatives, from any claims that are caused by or result from risks which are insured against under any insurance policies carried by the parties and in force at the time of any such damage and to the full extent of any proceeds paid under said policies.

c. Primary/noncontributing. Coverages provided by Tenant shall be primary and any insurance or self-insurance procured or maintained by Landlord shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of Landlord before the Landlord's own insurance or self-insurance shall be called upon to protect it as a named insured.

18. Destruction of Premises.

a. Destruction Due to Risk Covered by Insurance. If, during the term of this Lease and any renewal term, the Premises or other improvements in which the Premises are located are totally or partially destroyed from a risk covered by insurance carried by either Tenant or Landlord for the Premises rendering the Premises totally or partially inaccessible or unusable, Landlord shall restore the Premises, and other improvements in which the Premises are located, to substantially the same condition as they were immediately before destruction if they can be repaired within 270 days from date of destruction. Landlord can elect to terminate this Lease by giving notice to

Tenant within fifteen (15) days after determining that the restoration cost will exceed the insurance proceeds.

b. Destruction Due to Risk Not Covered by Insurance. If, during the term of this Lease and any renewal term, the Premises or other improvements in which the Premises are located are totally or partially destroyed by a risk not covered by the insurance, rendering the Premises totally or partially inaccessible or unusable, Landlord can elect to terminate this Lease by giving notice to Tenant within fifteen (15) days after determining the restoration cost and replacement value.

c. Abatement or Reduction of Rent. In case of destruction, there shall be an abatement or reduction of rent between the date of destruction and the date of substantial completion of restoration based on the extent to which the destruction interferes with Tenant's use of the Premises.

d. Waiver of Civil Code Sections. Tenant waives the provisions of California Civil Code Section 1932(2) and California Civil Code Section 1933(4) with respect to any destruction of the Premises.

19. Default and Landlord's Remedies.

a. Default. The occurrence of any of the following shall constitute a default by Tenant:

(1) Tenant shall fail to pay when due any rent or any other monetary sum payable under this Lease.

(2) Tenant shall fail to observe, keep or perform any of the other terms, covenants, agreements or conditions contained in this Lease.

(3) Tenant shall become bankrupt or insolvent or make a transfer in fraud of creditors, or make an assignment for the benefit of creditors, or take or have taken against Tenant any proceedings of any kind under any provision of the Federal Bankruptcy Act or under any other insolvency, bankruptcy or reorganization act and, in the event any such proceedings are involuntary, Tenant is not discharged from the same within thirty (30) days thereafter.

(4) A receiver is appointed for a substantial part of the assets of Tenant, and such receivership is not released within thirty (30) days.

(5) The abandonment of the Premises by Tenant, or the vacation (hereby defined to be ten (10) or more consecutive days of continual absence from the Premises) of the Premises by Tenant.

(6) This Lease or any estate of Tenant hereunder shall be levied upon by any attachment or execution and such levy is not released within thirty (30) days.

b. Landlord's Remedies. If any default by Tenant shall occur, and following notice of default as required by this Lease (for the period applicable to the default under the applicable provision of this Lease), Landlord shall have the following remedies in addition to all other rights

and remedies provided by law or equity, to which Landlord may resort cumulatively or in the alternative.

(1) Landlord shall have the immediate option to terminate this Lease and all rights of Tenant hereunder by giving written notice of such intention to terminate. In the event that Landlord shall so elect to terminate this Lease, then Landlord may recover from Tenant:

(a) The worth at the time of award of any unpaid rent which had been earned at the time of such termination; plus

(b) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss Tenant proves could have been reasonably avoided; plus

(c) The worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; plus

(d) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom; and

(e) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

As used in Subparagraphs (a) and (b) above of this section, the "worth at the time of award" is computed by allowing interest at the maximum rate an individual is permitted by law to charge. As used in subparagraph (c) above, the "worth at the time of award" is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

(2) In the event of the vacation or abandonment of the Premises by Tenant, or in the event that Landlord shall elect to reenter as provided herein or shall take possession of the Premises pursuant to legal proceeding or pursuant to any notice provided by law, then Landlord shall have the remedy specified by Civil Code Section 1951.4, in which Landlord may from time to time recover all rental as it becomes due or relet the Premises or any part thereof for the account of Tenant on such term or terms and at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable, with the right to make alterations and repairs to the Premises.

(3) No reentry or taking possession of the Premises by Landlord pursuant to this section shall be construed as an election to terminate this Lease unless a written notice of such intention be given to Tenant or unless the termination thereof be decreed by a court of competent jurisdiction.

20. Estoppel Certificate. Tenant shall execute and deliver to Landlord within ten (10) days of request a commercially reasonable estoppel statement. Landlord and Tenant intend that any estoppel statement delivered pursuant to this Section may be relied upon by any mortgagee,

beneficiary, purchaser or prospective purchaser of the building or any interest therein and failure to execute and return such estoppel shall be a material breach of the Lease.

21. Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Lease, the prevailing party shall be entitled to have and recover from the losing party reasonable attorney's fees and costs of suit.

22. Notices. Any notice required or permitted to be given hereunder must be given by personal delivery or by United States certified mail, postage prepaid, addressed to the corresponding addresses listed below.

TO LANDLORD:

Attention: City Manager
City of Goleta
130 Cremona Drive
Goleta, CA 93117

TO TENANT:

Attention: Patricia Keelean
CommUnify Central Administration
602 Anacapa Street
Santa Barbara, CA 93101

23. Waiver; Accord and Satisfaction. No delay or omission in the exercise of any right or remedy of Landlord on any default by Tenant shall impair such right or be construed as a waiver. The receipt and acceptance by Landlord of delinquent rent shall not constitute a waiver of any other default; it shall constitute only a waiver of timely payment for the particular rent payment involved. Time is of the essence of this Lease as to the performance of all terms, covenants, and conditions stated herein.

24. Successors and Assigns. Except as otherwise provided herein, all of the terms and conditions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. In the event of any transfer, assignment or other conveyance or transfers of any such title or tenant, Landlord herein named (and in case of any subsequent transfers or conveyances, the then grantor) shall be automatically freed and relieved from and after the date of such transfer. Landlord may transfer its interest in the Premises without the consent of Tenant and such transfer or subsequent transfer shall not be deemed a violation on Landlord's part of any of the terms and conditions of this Lease.

25. Qualified Commercial Tenant Status/SB 1103 Compliance. Tenant hereby represents and warrants that, as of the date of Lease execution, it is not deemed a "qualified commercial tenant" defined in California Civil Code section 827(b)(7)(D)(as amended from time to time) as follows:

- (a) A sole proprietorship, partnership, limited liability company, or corporation that (i) has 5 or fewer employees, including the owner, and (ii) generally lacks sufficient access to loans, equity, or other financial capital (a "microenterprise," as defined in California Business and Professions Code section 18000),
- (b) A restaurant with fewer than 10 employees, or

(c) A nonprofit organization with fewer than 20 employees.

If Tenant's status changes to a "qualified commercial tenant" at any time during the Lease Term, Tenant shall provide notice to Landlord within 10 business days of such change in status.

26. Lease Negotiated in English. The parties acknowledge and agree that this Lease was negotiated and executed in the English language. If a translation of this Lease is provided to any party, it is for convenience only, and the English version shall control in the event of any conflict or discrepancy between the English version and the translated version.

27. Titles and Definitions. The titles of paragraphs herein are for identification only. They shall not be considered to be a part of this Lease and shall have no effect upon the construction or interpretation thereof. The words "Landlord" and "Tenant" as used in this Lease shall include both singular, plural, masculine, feminine, and neuter as the context shall require.

28. Entire Agreement/Amendment. This Lease contains the entire agreement of the parties and supersedes all prior negotiations, drafts, and other understandings which the parties may have concerning the subject matter hereof. This Lease may not be modified except by written instrument duly executed by the parties hereto or their successors in interest.

29. Choice of Laws; Interpretation. This Lease shall be governed by and construed pursuant to the laws of the State of California. The provisions of this Lease shall be construed in accordance with the fair meaning of the language used and shall not be strictly construed against either party.

30. Revenue & Taxation Code Section 107.6. Possessory Interest Tax. Tenant recognizes and understands that this Lease may create a possessory interest subject to property taxes and that, in the event that a possessory interest is created, Tenant shall be responsible for payment of any taxes levied against such possessory interest.

31. Authority/Consents & Approvals. Each of the persons executing this Lease on behalf of Tenant warrants and represents that Tenant is a duly organized and validly existing entity, that Tenant has full right and authority to enter into this Lease and that the persons signing on behalf of Tenant are authorized to do so and have the power to bind Tenant to this Lease. Tenant shall provide Landlord upon request with evidence reasonably satisfactory to Landlord confirming the foregoing representations. The approval of Landlord, wherever required in this Lease, shall mean the approval of the City Manager.

32. No Merger. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Landlord, operate as an assignment to it of any or all subleases or subtenancies.

33. Recordation. Tenant shall not record this Lease or a short form memorandum hereof without Landlord's prior written approval.

34. No Third Party Benefit. This Lease is a contract between Landlord and Tenant and nothing herein is intended to create any third party benefit.

35. Severability. If, for any reason whatsoever, any of the provisions hereof shall be unenforceable or ineffective, all of the other provisions shall be and remain in full force and effect.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease on the day and year set forth below.

LANDLORD:

CITY OF GOLETA, a California municipal corporation

Dated: _____

By: _____

Name: Robert Nisbet

Its: City Manager

Approved as to Form

ISAAC ROSEN, CITY ATTORNEY

Signed by:

4365248AE5424CE...

Scott Shapses, Deputy City Attorney

TENANT:

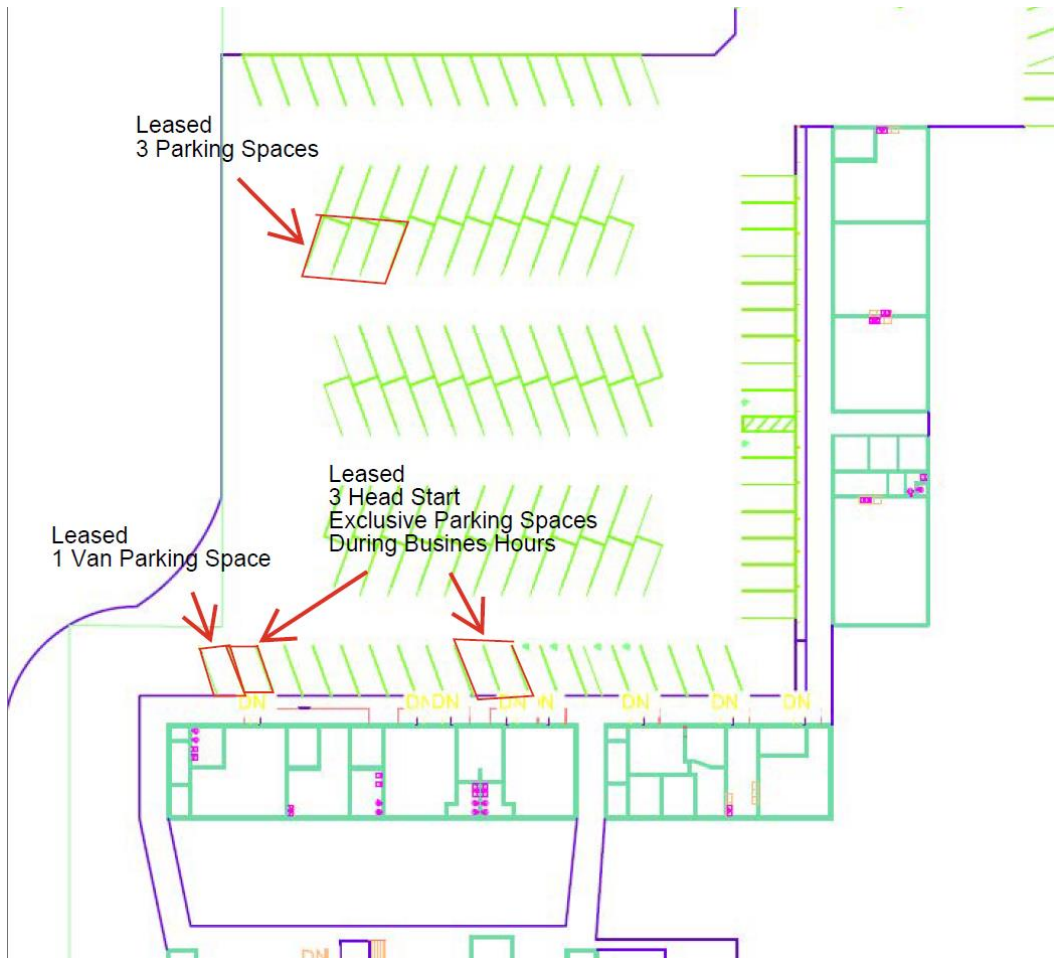
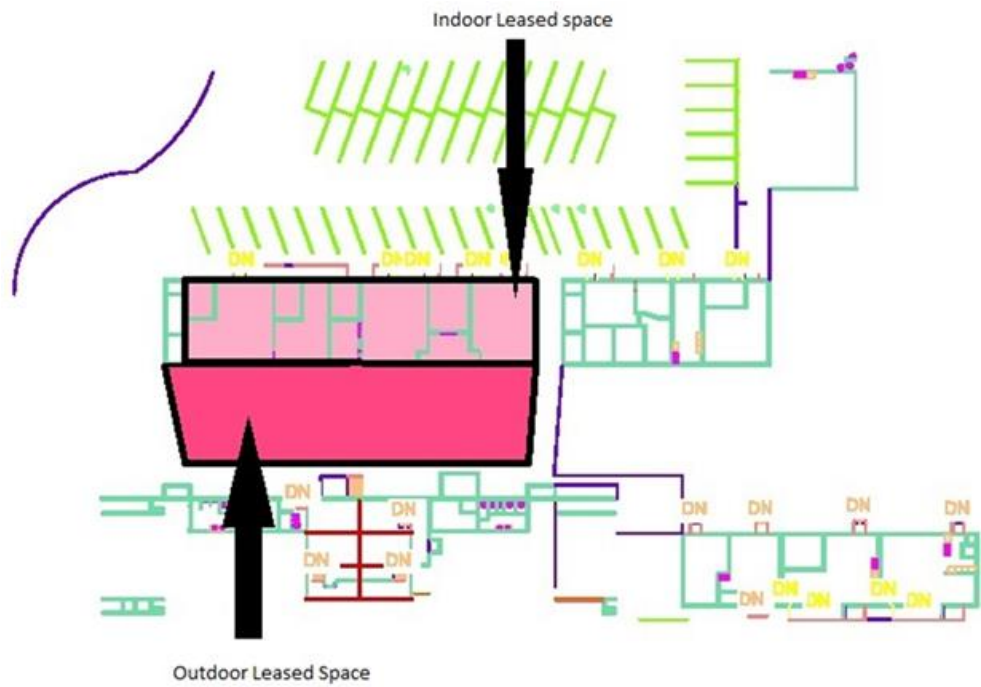
**COMMUNITY ACTION COMMISSION of
SANTA BARBARA COUNTY (DBA
CommUnify)**

Dated: _____

By: _____

Name: Patrica Keelean

Its: Chief Executive Officer



| |
|-------------------------------------------------------------|
| EXHIBIT B- BUILDING AND MAINTENANCE RESPONSIBILITIES |
|-------------------------------------------------------------|

| ITEM | RESPONSIBILITY | | Comments |
|-------------------------------------------------|----------------------|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Tenant CommUnify | Landlord CITY OF GOLETA | |
| Facility Upgrades | | | |
| Capital Project Planning | | X | |
| Capital Project Execution | | X | |
| Furniture Purchases and Upgrades | X | | |
| 1 Building Exterior (Leased space) | | | |
| Repair Walls | | X | |
| Painted Surfaces | | X | |
| Door and Window Trim | | X | |
| Doors, Hardware | | X | |
| Windows: Hardware and Screens | | X | |
| Locks | | X | |
| Roof | | X | |
| Rain gutters | | X | |
| Flashing | | X | |
| Down spouts | | X | |
| <u>Rodent</u> /Pest Control | X | | |
| Lighting | | | |
| Bulbs | | X | |
| Fixtures | | X | |
| Transformers | | X | |
| Fluorescent Lights | | X | |
| Ballast | | X | |
| Handrails | | X | |
| Signs (identification, directional, ADA) | X (removable) | X (fixed) | Removable such as temporary banners, sandwich boards, or non-permanent signs placed near the entrance or within their designated area, subject to City approval. Fixed signage, including permanent building identification signs, directional signage, and required ADA-compliant signage affixed to the exterior of the structure or in shared/common areas. |
| Timers (lighting, landscaping) | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| Sewer Pipes | | X | |
| Decking | X | | |

| | | | | |
|--|-----------------------------------------------|----------|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Exterior Patios | X | X | The Tenant is responsible for the routine maintenance and general upkeep of the exterior patio areas within their leased space. The Landlord retains responsibility for ensuring the patio structures meet applicable building codes and safety regulations, and for addressing any repairs required for code compliance. |
| | Playground Equipment | X | X | The Tenant is responsible for the routine maintenance and general upkeep of the exterior playground equipment within their leased space. The Landlord retains responsibility for ensuring the equipment meet applicable building codes and safety regulations, and for addressing any repairs required for code compliance. |
| | Water Softener, Filter and Conditioner | X | | |
| | Stairs | X | | |
| | Roof Drains | | X | |
| | Drinking Fountains | X | | |
| | Gates | X | | |
| | Gas/Water pipe lines | | X | |
| | Electrical Lines | | X | |
| | Janitorial Service | X | | |
| | Phone/Computer/Cable Lines | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | 2 Building Interior (Leased Space) | | | |
| | Walls (structural) | | X | Structural walls are the responsibility of the Landlord, including maintenance, repairs, and modifications that impact the building's integrity or code compliance. Tenant must obtain written Landlord approval before making any modifications that affect the structure. |
| | Painted Surfaces | X | | |
| | Door Hardware | X | | |
| | Locks | X | | |
| | General Cleaning | X | | |
| | Floor, Sweeping and Cleaning | X | | |
| | Carpet, Vacuum | X | | |
| | Carpet, Cleaning/Shampoo | X | | |
| | Carpet, Replacement | X | | |
| | Window Coverings | X | | |
| | Trash | X | | |
| | Lighting | | | |
| | Bulbs | X | | |
| | Fixtures | X | | |
| | Transformers | | X | |
| | Fluorescent Lights | X | | |
| | Ballast | X | | |
| | Emergency Lights | X | | |

| | | | | |
|--|----------------------------------------------------------------|----------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Handrails (ADA) | X | | |
| | Signs (identification, directional, ADA, in-window) | X | | |
| | Timers (Lights, HVAC, except Bldg Access) | X | | |
| | Bldg. Access Alarms/Timers | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Drinking Fountains | X | | |
| | Ceiling | X | | |
| | Showers | X | | |
| | Toilet/Urinals (Replacement) | X | | |
| | Toilet/Urinals (Maintenance) | X | | |
| | Sink & Faucets-Bathrooms and Kitchens (Replacement) | X | | |
| | Sink & Faucets-Bathrooms and Kitchens (Maintenance) | X | | |
| | Gas Pipe Lines | X | X | The City is responsible for the repair of gas lines due to normal wear and tear, as well as replacement in the event of failure. The Tenant is responsible for any damage to gas lines resulting from Tenant actions, such as the replacement of water heaters or furnaces, relocation of appliances, or installation of new appliances or fixtures. |
| | Water Pipe Lines | X | X | The City is responsible for the repair of water lines due to normal wear and tear, as well as replacement in the event of failure. The Tenant is responsible for any damage to water lines resulting from Tenant actions, such as flushing improper materials and installation of new water piping for fixtures. |
| | Sewer Pipe Lines/Drains | X | | The Tenant is responsible for any damage to water lines resulting from Tenant actions, such as flushing improper materials and installation of new water piping for fixtures. |
| | Phone Lines & Jacks | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Computer Lines & Jacks | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | TV Cable & Jacks | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Phones | X | | |
| | Towel Racks | X | | |
| | Garbage Disposal | X | | The Tenant is responsible for any damage to water lines resulting from Tenant actions, such as disposing of food waste through garbage disposal. |
| | Refrigerator/microwave | X | | |
| | Stove | X | | |
| | Counter Tops, replacement | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Cabinets, replacement | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Dish Washer | X | | |

| | | | | |
|--|----------------------------------------------------|----------|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Janitorial Service | X | | Tenant's janitorial services must comply with sanitation and hygiene standards required by childcare licensing regulations, including restroom, classroom, and food prep areas. |
| | Rodent/Pest Control | X | | |
| | Trash Compactor | X | | |
| | 3 Grounds - Outside of the Leased Space | | | |
| | Drinking Fountains | | X | |
| | Mail Boxes | | X | |
| | Fences | | X | |
| | Trash bins | | X | |
| | Trash enclosures | | X | |
| | Bike Racks | | X | |
| | Signs | | X | |
| | Litter Pick-Up | | X | |
| | Lighting | | X | |
| | Parking Lot | | X | |
| | Driveways | | X | |
| | Walkways | | X | |
| | Timers (external) | | X | |
| | Timers (internal) | | X | |
| | Signs | | X | |
| | Landscaping | | X | |
| | Rodent/Pest Control | | X | |
| | Cleaning, Sidewalks, Walkways, Parking Lots | | X | |
| | 4 Landscaping (Leased Area) | | | |
| | Trees | | X | Landlord is responsible for tree maintenance and trimming within the leased area. Tenant shall notify the Landlord in writing of any tree care concerns, hazards, or service requests. The Landlord will provide the Tenant with at least 48 hours' advance notice prior to performing any routine tree maintenance within the leased area, except in the case of emergency work where immediate action is required for safety. |
| | Shrubs | X | | |
| | Flowers | X | | |
| | Lawn | X | | |
| | Watering | X | | |
| | Sprinkler, Repair and Replace | X | | |
| | Headers | X | | |

| | | | | |
|---------------------------------------------------------|-------------------------------------------|---|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Rodent/Pest Control | X | | |
| | Seeding | X | | |
| | Fertilizer | X | | |
| | Plant Trimmings | X | | |
| | Plant Replacement | X | | |
| | Tree Care & Trimming | | X | Landlord is responsible for tree maintenance and trimming within the leased area. Tenant shall notify the Landlord in writing of any tree care concerns, hazards, or service requests. The Landlord will provide the Tenant with at least 48 hours' advance notice prior to performing any routine tree maintenance within the leased area, except in the case of emergency work where immediate action is required for safety. |
| 5 Mechanical Systems | | | | |
| | Electrical Panels, Breaker, Interior | | X | |
| | Electrical Fuses, Interior | | X | |
| | Electrical Receptacle, Switches, Interior | | X | |
| | Electrical Central Switches | | X | |
| | Elevator | | X | |
| | Heating | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Air Conditioning | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Water Heater | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| 6 Roadways/Parking Lots Repair & Maintenance | | | | |
| | Striping | | X | |
| | ADA Accessibility Signage | | X | |
| | Asphalt Surface, Curbing | | X | |
| | Cement Surface, Curbing | | X | |
| | Wheel Stops | | X | |
| | Drainage | | X | |
| | Signs | | X | |
| 7 Fire Equipment (Leased Space) | | | | |
| | Sprinklers | | X | |
| | Hoses | | X | |
| | Extinguisher (interior) | X | | Tenant must ensure all emergency and fire safety systems are tested and maintained as required by licensing regulations and shall keep documentation of such compliance. |
| | Alarm Systems | X | | Tenant must ensure all emergency and fire safety systems are tested and maintained as required by licensing regulations and shall keep documentation of such compliance. |

| | | | | |
|--|------------------------------------------------|---|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Smoke Detectors | X | | Tenant must ensure all emergency and fire safety systems are tested and maintained as required by licensing regulations and shall keep documentation of such compliance. |
| | 8 Other Items | | | |
| | Interior Floor Waxing, Sweeping | X | | |
| | Window Washing (interior & exterior) | X | | |
| | Exterior sweeping entry, sidewalk and walkways | X | | |
| | Broken window glass or door glass | | X | |
| | Cleaning Storage Rooms, Utility Rooms | X | | |
| | Building Foundation | | X | |

ATTACHMENT 2

Draft Commercial Lease Agreement of 5689 Hollister Avenue
with Rainbow Childhood Education, Inc.

COMMERCIAL LEASE AGREEMENT

THIS COMMERCIAL LEASE AGREEMENT (the “**Lease**”) is made and entered into by and between CITY OF GOLETA, a California municipal corporation (“**Landlord**”) and **RAINBOW CHILDHOOD EDUCATION, INC., a California Corporation**(“**Tenant**”), under the following terms and conditions:

1. Description of the Leased Premises. Landlord owns the commercial property located at 5689 Hollister Avenue, Goleta, CA (the “**Property**”). Landlord hereby leases to Tenant and Tenant hereby leases from Landlord a portion of the Property commonly known as Building C, and play area associated with Building C, all of which shall be referred to as “Premises”, as shown in **Exhibit A** (the “**Premises**”). The Premises are more specifically described as follows:

Premises 1: Exclusive use of Rooms 8,10,11,12, and 13, in Building C and adjacent play area bounded by chain link fencing, at 5689 Hollister Avenue, Goleta, CA (5,195 square feet). Exclusive use of the children’s restroom in the main building, commonly known as Building A, except when Landlord closes the restroom in main building during construction.

Premises 2: Exclusive use of Rooms 6 and 7 in Building C and adjacent play areas at 5689 Hollister Avenue, Goleta, CA (2,000 square feet).

2. Term, Occupancy, and Renewal.

a. Term. The term shall commence on July 1, 2025 and expire on June 30, 2026 but the Lease shall automatically renew for another 12 months unless either party provides written notice of termination 60 days prior to the expiration of the term (“Term”).

3. Rent. The rent during the Term of this Lease shall be \$8,904 per month for Premises 1, (“Premises 1 Rent”) and \$3,428 per month for Premises 2 (“Premise 2 Rent”), for a total of \$12,332 per month, subject to increase as provided in Section 3C. (Premises 1 Rent and Premises 2 Rent shall collectively be referred to as “Rent”). For Premises 1 Rent, Tenant shall, commencing on July 1, 2025 and continuing thereafter on the first (1st) day of each and every month during the Term of this Lease, pay to Landlord, in advance, Premise 1 Rent without setoff, deduction or demand. For Premise 2, Tenant shall, commencing on July 1, 2025 and continuing thereafter on the fifteenth (15th) day of each and every month during the Term of this Lease, pay to Landlord, in advance, Rent, without setoff, deduction or demand.

a. Late Charge. Tenant acknowledges that late payment by Tenant to Landlord of Rent will cause Landlord to incur costs not contemplated by this Lease. If any payment of Rent or utilities due from Tenant is not received by Landlord within five (5) days after it becomes due, in addition to Rent and utilities, Tenant shall pay to Landlord the greater of \$100 or 5% of the overdue rent as a late charge.

b. Interest on Unpaid Rent. Rent or other charges as provided in this Lease not paid within five (5) days of the date due shall, in addition to any late charges under Section 3A, bear interest at the lesser of the maximum legal rate or 5% per annum from the date due until paid.

c. Annual Adjustment. Beginning on July 1, 2026, Rent shall increase annually at the end of each 12-month period by any increase in the Consumer Price Index (“CPI”) as determined by the U.S. Bureau of Labor Statistics for all Urban Consumers for the Los Angeles Area over the previous calendar year. Should the CPI be discontinued, the index used for comparison shall be a comparable index as designated by the Bureau. It is recognized by both parties that the Index for any month is not published for approximately two months. Tenant shall, therefore, continue to pay the current Rent by Tenant until such time as the new Rent is calculated and, at that time, Tenant shall, within ten (10) days of notice of Rent that has been adjusted for CPI, pay the CPI adjusted Rent. In no event shall Rent ever decrease below the prior year’s Rent even if the CPI is negative. In years when CPI is negative, the Rent shall remain the same as the prior year’s Rent.

d. Tenant may lease additional space from Landlord on an “as available” basis, for which Tenant will be charged the current commercial rental rates.

4. Place of Payment of Rent. Rent, utilities, and all other sums which shall become due under this Lease, including but not limited to late charges and additional rent, shall be payable to the City of Goleta and delivered or mailed to 130 Cremona Drive, Goleta, CA 93117, Attn: Finance Director, or at such other place as Landlord may designate in writing. Mailed payments must be received (not postmarked) by Landlord by the date due.

5. Condition of, and Improvements to, Premises.

a. Maintenance of Premises. Premises shall be maintained as provided in Exhibit B. The Tenant is responsible for the routine maintenance and general upkeep of the exterior patio areas to include the exterior playground equipment within their leased space. The Landlord retains responsibility for ensuring the patio structures meet applicable building codes and safety regulations, and for addressing any repairs required for code compliance.

b. Improvements. Under this Lease, Landlord shall have no obligation or responsibility, actual or implied, to install, construct, accommodate, or make any improvements to the Premises prior to, or as a condition of, Tenant's occupation of the Premises, except as described in **Exhibit B**, if any. Any alterations or improvements made by the Tenant shall be subject to the prior written approval of Landlord and shall comply with all applicable building codes, licensing requirements, and permitting processes.

c. As-Is Condition. Tenant warrants and agrees that Tenant has inspected the Premises. Tenant agrees to take possession of the Premises in an AS-IS condition (which exists on the date this Lease is signed) and Tenant further agrees that, except as expressly contained in **Exhibit B** (if at all), Landlord shall have no responsibility for any repairs or improvements to the Premises, prior to, or as a condition of, Tenant's occupation of the Premises. Landlord makes no representations regarding the condition, status, compliance with laws or suitability for a particular purpose for Tenant's use.

d. Condition Upon Surrender. Upon termination of this Lease, Tenant shall surrender the Premises to Landlord in as good condition as when received, ordinary wear and tear and damage by fire, earthquake, or act of God excepted, and including any repairs or improvements made by Tenant. If Tenant fails to maintain the Premises in good order and repair in accordance with Exhibit B, after thirty (30) days' prior written notice, Landlord may, at its option, make such

maintenance and repairs in accordance with Exhibit B, and Tenant shall pay the reasonable cost thereof as additional rent hereunder within ten (10) days after receipt of a written statement therefor. In the event the giving of thirty (30) days' prior notice may, in Landlord's sole discretion, result in additional damage to the Premises, Landlord may make such maintenance and repairs in accordance with Exhibit B, at Tenant's expense, without thirty days' prior written notice and Tenant shall pay for such reasonable costs within 10 days after receipt of written statement therefor.

6. Use. The Premises shall be used only for the operation of childhood education, classrooms offices, and play yards. Tenant shall not use any portion of the Premises for purposes other than those specified without first obtaining the written consent of Landlord. Tenant shall not do, bring, or keep anything in, on, or about the Premises which will in any way increase the premium rate or cause the cancellation of any fire or other insurance upon the Premises, the building in which the Premises are located, or any of its contents.

7. Uses Prohibited. In addition to uses prohibited pursuant to Paragraph 6, Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein which is not within the permitted use of the Premises which will in any way increase the existing rate of or affect any fire or other insurance upon the Property or any of its contents, or cause a cancellation of any insurance policy covering the Property or any part thereof or any of its contents. Tenant shall not use the Premises for any cannabis related uses, dispensary, manufacture, assembly, the sale of cannabis or accessories related to cannabis products. Tenant shall not do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other tenants or occupants of the Property or injure or annoy them or use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose; nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises. Tenant shall not commit or allow to be committed any waste in or upon the Premises. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to sell or solicit in any manner or store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Landlord or Landlord's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Landlord shall have the right, without notice, in addition to any other rights and remedies that it may have, to remove the property and charge the cost to Tenant, which cost shall be payable as additional rent immediately upon demand by Landlord.

8. Compliance with Laws/Hazardous Materials.

a. Tenant, at Tenant's expense, shall comply with and cause all of Tenant's agents to comply with all applicable laws, ordinances, rules and regulations of governmental authorities applicable to the Premises or the use or occupancy thereof, including, without limitation, the law commonly known as the Americans With Disabilities Act and California Code of Regulations Title 8, Sections 3281 through 3299 (collectively, "**Laws**").

b. Tenant shall not cause or permit any Hazardous Materials, as defined under the California Health and Safety Code, to be brought upon, kept, used, discharged, deposited or leaked in or about the Premises or the building by Tenant or any of Tenant's agents or by anyone in the Premises (other than Landlord or its agents, employees or contractors), and shall indemnify Landlord against same.

c. Tenant shall ensure all emergency and fire safety systems are tested and maintained as required by licensing regulations and shall keep documentation of such compliance.

d. Inspection by Certified Access Specialist. Landlord discloses that the Premises have not undergone inspection by a Certified Access Specialist as referenced in California Civil Code Section 1938 subsection (e) which provides: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." Pursuant to the foregoing Section 1938(e), Tenant acknowledges and agrees that, if Tenant wishes to have the Premises inspected by a CASp: (i) Tenant must notify Landlord on or before the date when Tenant executes this Lease pursuant to the election below; (ii) the inspection will be at Tenant's sole cost and expense; (iii) the inspection must be scheduled through Landlord and in coordination with the Landlord or the building's property manager; (iv) any repairs or modifications necessary to correct any violation of construction-related accessibility standards that is noted in the CASp report shall be Tenant's responsibility; and (v) Tenant must provide a copy of the CASp report to Landlord on completion. By initialing below, Tenant represents that:

Tenant wishes to have a CASp inspection of the Premises Initials: _____

Tenant hereby waives its right to have a CASp inspection of the Premises Initials: _____

9. Waste; Nuisance; Quiet Enjoyment. Tenant shall not suffer or commit any waste or nuisance on the Premises, nor shall Tenant interfere with or obstruct the rights of or disturb the quiet enjoyment of any other tenant or occupant of the building or injure or annoy them. Tenant shall not use or allow the Premises to be used for any improper, immoral, or objectionable purposes, to be determined Landlord's sole and absolute judgment.

10. Utilities. Tenant shall pay its proportional share, as determined by Landlord, of all electrical, gas service, and water charges for the Premises. Tenant shall be invoiced for such charges and such invoices shall be paid together with Rent in the month following receipt. Landlord reserves the right to invoice Tenant for any additional utilities and services furnished to or used by Tenant upon the Premises, including, without limitation, trash, janitorial, cable service, telephone services, security or alarm system and all connection charges. Landlord shall not be responsible for any interruptions or disturbance of service regardless of whether Tenant is paying directly for such services or if such services are being contracted for by Landlord, nor shall there be any abatement of Rent resulting from any cessation or interruption of utility service or other service contemplated by this section. Tenant shall deposit all trash only in designated areas. Tenant hereby waives the provisions of California Civil Code Section 1932(1) or any other applicable existing or future law, ordinance or governmental regulation permitting the termination of this Lease due to the interruption or failure of any services to be provided under this Lease.

11. Alterations. Tenant shall not make or cause to be made any alterations, additions, new or improvements to or of the Premises or any part thereof without the prior written consent of Landlord. Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. Structural walls are the responsibility of the Landlord, including maintenance, repairs, and modifications that impact the building's integrity or Code Compliance. Tenant must obtain written Landlord approval before making any modifications that affect the structure.

12. Assignment and Subletting. Tenant shall not either voluntarily, or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, and shall not sublet the said Premises or any part thereof, or any right or privilege appurtenant thereto, or allow any other person (the employees, agents, servants and invitees of Tenant excepted) to occupy or use the said Premises, or any portion thereof, without first obtaining the written consent of Landlord which shall not be unreasonably withheld. If an assignment or subletting involves a use other than that permitted in Paragraph 6 above, Tenant must comply with said Paragraph 6. Consent to one assignment, subletting, occupation or use by another person shall not be deemed to be consent to any subsequent assignment, subletting, occupation or use by another person. Consent to any such assignment or subletting shall in no way relieve Tenant of any liability under this Lease. Any such assignment or subletting without such consent shall be void, and shall, at the option of the Landlord, constitute a default under the terms of this Lease. No sublease or assignment shall release Tenant from continuing liability hereunder. In the event that Landlord shall consent to a sublease or assignment hereunder, Tenant shall pay Landlord reasonable attorney fees and costs incurred in connection with the processing of documents necessary to giving of such consent. Any excess consideration above the rental rate provided in this Lease Tenant is entitled to as a result of any assignment or sublease shall be divided and paid 50% to Tenant and 50% to Landlord; provided, however, that if Tenant is in default under this Lease, Landlord shall be entitled to all such excess consideration.

13. Standard for Consent. Tenant agrees that Landlord may refuse its consent to the proposed transfer on any reasonable grounds, and (by way of example and without limitation) Tenant agrees that it shall be reasonable for Landlord to withhold its consent if any of the following situations exist or may exist: (a) the proposed assignee, subtenant or transferee (each a "**Transferee**") proposes to change the use of the Premises from the permitted use pursuant to Section 6, and the new proposed use of the Premises (i) would result in a violation of local, state, or federal law or a violation of the policies of the Goleta Community Center, as amended from time to time; or (ii) is a use which would breach any exclusive use rights granted in writing to another tenant in the Property; or (iii) is a use which would interfere with the primary use of any other tenant or occupant in the Property; or (iv) in Landlord's reasonable opinion, is inconsistent with the tenant mix in the Property at the time of the request for Landlord's consent (excepting the use specified in Section 6 above); (b) the proposed Transferee's financial condition, net worth or liquidity is inadequate, based upon Landlord's reasonable business judgment, to support all of the financial and other obligations of Tenant under this Lease; (c) the proposed Transferee is not likely to conduct on the Premises a business of a quality substantially equal to that conducted by Tenant; (d) the proposed Transferee is a person with whom Landlord is, or recently has been, within the past three (3) months, negotiating to lease space in property owned by Landlord, including the Property; (e) Tenant is in default under the Lease, or has defaulted hereunder on more than three (3) occasions during the twelve (12) months preceding the request by Tenant.

14. Entry by Landlord. The Landlord may enter at any time to respond to or address emergencies such as fire, water intrusion, dangers to public health and safety, and the like. , Landlord and its agents shall have the right to enter the Premises at reasonable times to inspect and examine the same and to make such repairs to the Premises as the Landlord shall deem advisable, and to show the Premises to prospective tenants, buyers or lenders.

15. Indemnification.

a. Waiver of Claims. To the extent permitted by law, Tenant waives all claims against Landlord for damage to person or property arising for any reason. Tenant assumes all such risks for Tenant and any employees, licensees, invitees, agents, or contractors.

b. General Indemnity. Tenant agrees, as an independent unsecured obligation, separate from any of its promises or covenants in this Lease, to indemnify, defend (with counsel selected by Landlord at Tenant's expense), protect and hold harmless Landlord, its public officials, its employees, agents, officers, wardens, officiants, legal counsel, assigns, any successor or successors to Landlord's interest in the Premises and any future owners of the Premises to whom this Lease is assigned (hereinafter collectively referred to as the “**Indemnitees**”) from and against all claims, actual damages (including but not limited to special and consequential damages), punitive damages, injuries, costs, response costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties and expenses arising out of any damage to any person or property occurring in, on, or about the Premises, except for any acts of gross negligence or willful misconduct by Landlord. Tenant's obligation under this paragraph to indemnify and hold the Indemnitees harmless shall be limited to the sum that exceeds the amount of insurance proceeds, if any, received by the party being indemnified. Landlord shall not be liable to Tenant for any damage by or resulting from any act or negligence of any other tenant of property adjoining the Premises or by the owner or occupant of any adjoining or contiguous property.

c. Exemption of Landlord from Liability. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to the Premises and its property including, but not limited to, Tenant's fixtures, equipment, furniture and alterations, or illness or injury to persons in, upon or about the Premises, arising from any cause, and Tenant hereby expressly releases Landlord and waives all claims in respect thereof against Landlord, except only such claims as are caused solely by Landlord's gross negligence or willful misconduct. Tenant hereby agrees that Landlord shall not be liable for injury to Tenant's business or any loss of income therefrom or for damage to the property of Tenant, or injury to or illness or death of Tenant or any Tenant Party or any other person in or about the Premises, whether such damage, illness or injury is caused by fire, steam, electricity, gas, water or rain, or from the breakage, leakage or other defects of sprinklers, wires, appliances, ventilation, plumbing, air conditioning or lighting fixtures, or from any other cause, and whether said damage, illness or injury results from conditions arising upon the Premises, upon other portions of the Property or from other sources or places, and regardless of whether the cause of such damage, illness or injury or the means of repairing the same is inaccessible to Tenant, except only damage, illness or injury caused solely by Landlord's gross negligence or willful misconduct.

16. Insurance.

a. Liability Insurance. Tenant shall carry, during the term hereof, public liability and property damage insurance with a single combined liability limit of not less than \$1 million per occurrence, \$2 million in aggregate, property damage limits of not less than \$1 million insuring against all liability of Tenant and its authorized representatives arising out of and in connection with Tenant's use and occupancy of the Premises, and statutory worker's compensation Insurance for any employees. Landlord shall be named as an additional insured on each such policy. Tenant shall provide proof of such insurance in the form of a certificate of insurance prior to taking occupancy of the Premises.

b. Waiver of Subrogation. The parties release each other, and their respective authorized representatives, from any claims that are caused by or result from risks which are insured against under any insurance policies carried by the parties and in force at the time of any such damage and to the full extent of any proceeds paid under said policies.

c. Primary/noncontributing. Coverages provided by Tenant shall be primary and any insurance or self-insurance procured or maintained by Landlord shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of Landlord before the Landlord's own insurance or self-insurance shall be called upon to protect it as a named insured.

17. Destruction of Premises.

a. Destruction Due to Risk Covered by Insurance. If, during the term of this Lease and any renewal term, the Premises or other improvements in which the Premises are located are totally or partially destroyed from a risk covered by insurance carried by either Tenant or Landlord for the Premises rendering the Premises totally or partially inaccessible or unusable, Landlord shall restore the Premises, and other improvements in which the Premises are located, to substantially the same condition as they were immediately before destruction if they can be repaired within 270 days from date of destruction. Landlord can elect to terminate this Lease by giving notice to Tenant within fifteen (15) days after determining that the restoration cost will exceed the insurance proceeds.

b. Destruction Due to Risk Not Covered by Insurance. If, during the term of this Lease and any renewal term, the Premises or other improvements in which the Premises are located are totally or partially destroyed by a risk not covered by the insurance, rendering the Premises totally or partially inaccessible or unusable, Landlord can elect to terminate this Lease by giving notice to Tenant within fifteen (15) days after determining the restoration cost and replacement value.

c. Abatement or Reduction of Rent. In case of destruction, there shall be an abatement or reduction of rent between the date of destruction and the date of substantial completion of restoration based on the extent to which the destruction interferes with Tenant's use of the Premises.

d. Waiver of Civil Code Sections. Tenant waives the provisions of California Civil Code Section 1932(2) and California Civil Code Section 1933(4) with respect to any destruction of the Premises.

18. Default and Landlord's Remedies.

a. Default. The occurrence of any of the following shall constitute a default by Tenant:

(1) Tenant shall fail to pay when due any rent or any other monetary sum payable under this Lease.

(2) Tenant shall fail to observe, keep or perform any of the other terms, covenants, agreements or conditions contained in this Lease.

(3) Tenant shall become bankrupt or insolvent or make a transfer in fraud of creditors, or make an assignment for the benefit of creditors, or take or have taken against Tenant any proceedings of any kind under any provision of the Federal Bankruptcy Act or under any other insolvency, bankruptcy or reorganization act and, in the event any such proceedings are involuntary, Tenant is not discharged from the same within thirty (30) days thereafter.

(4) A receiver is appointed for a substantial part of the assets of Tenant, and such receivership is not released within thirty (30) days.

(5) The abandonment of the Premises by Tenant, or the vacation (hereby defined to be ten (10) or more consecutive days of continual absence from the Premises) of the Premises by Tenant.

(6) This Lease or any estate of Tenant hereunder shall be levied upon by any attachment or execution and such levy is not released within thirty (30) days.

b. Landlord's Remedies. If any default by Tenant shall occur, and following notice of default as required by this Lease (for the period applicable to the default under the applicable provision of this Lease), Landlord shall have the following remedies in addition to all other rights and remedies provided by law or equity, to which Landlord may resort cumulatively or in the alternative.

(1) Landlord shall have the immediate option to terminate this Lease and all rights of Tenant hereunder by giving written notice of such intention to terminate. In the event that Landlord shall so elect to terminate this Lease, then Landlord may recover from Tenant:

(a) The worth at the time of award of any unpaid rent which had been earned at the time of such termination; plus

(b) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss Tenant proves could have been reasonably avoided; plus

(c) The worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; plus

(d) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom; and

(e) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

As used in Subparagraphs (a) and (b) above of this section, the "worth at the time of award" is computed by allowing interest at the maximum rate an individual is permitted by law to charge. As used in subparagraph (c) above, the "worth at the time of award" is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

(2) In the event of the vacation or abandonment of the Premises by Tenant, or in the event that Landlord shall elect to reenter as provided herein or shall take possession of the Premises pursuant to legal proceeding or pursuant to any notice provided by law, then Landlord shall have the remedy specified by Civil Code Section 1951.4, in which Landlord may from time to time recover all rental as it becomes due or relet the Premises or any part thereof for the account of Tenant on such term or terms and at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable, with the right to make alterations and repairs to the Premises.

(3) No reentry or taking possession of the Premises by Landlord pursuant to this section shall be construed as an election to terminate this Lease unless a written notice of such intention be given to Tenant or unless the termination thereof be decreed by a court of competent jurisdiction.

19. Estoppel Certificate. Tenant shall execute and deliver to Landlord within ten (10) days of request a commercially reasonable estoppel statement. Landlord and Tenant intend that any estoppel statement delivered pursuant to this Section may be relied upon by any mortgagee, beneficiary, purchaser or prospective purchaser of the building or any interest therein and failure to execute and return such estoppel shall be a material breach of the Lease.

20. Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Lease, the prevailing party shall be entitled to have and recover from the losing party reasonable attorney's fees and costs of suit.

21. Notices. Any notice required or permitted to be given hereunder must be given by personal delivery or by United States certified mail, postage prepaid, addressed to the corresponding addresses listed below.

TO LANDLORD:

Attention: City Manager
City of Goleta
130 Cremona Drive
Goleta, CA 93117

TO TENANT:

Attention: Julie Summer
Rainbow Childhood Education, Inc.
5689 Hollister Avenue, Suite C
Goleta, CA 93117

22. Waiver, Accord and Satisfaction. No delay or omission in the exercise of any right or remedy of Landlord on any default by Tenant shall impair such right or be construed as a waiver. The receipt and acceptance by Landlord of delinquent rent shall not constitute a waiver of any other default; it shall constitute only a waiver of timely payment for the particular rent payment involved. Time is of the essence of this Lease as to the performance of all terms, covenants, and conditions stated herein.

23. Successors and Assigns. Except as otherwise provided herein, all of the terms and conditions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. In the event of any transfer, assignment or other conveyance or transfers of any such title or tenant, Landlord herein named (and in case of any subsequent transfers or conveyances, the then grantor) shall be automatically freed and relieved from and after the date of such transfer. Landlord may transfer its interest in the Premises without the consent of Tenant and such transfer or subsequent transfer shall not be deemed a violation on Landlord's part of any of the terms and conditions of this Lease.

24. Qualified Commercial Tenant Status/SB 1103 Compliance. Tenant hereby represents and warrants that, as of the date of Lease execution, it is not deemed a "qualified commercial tenant" defined in California Civil Code section 827(b)(7)(D)(as amended from time to time) as follows:

- (a) A sole proprietorship, partnership, limited liability company, or corporation that (i) has 5 or fewer employees, including the owner, and (ii) generally lacks sufficient access to loans, equity, or other financial capital (a "microenterprise," as defined in California Business and Professions Code section 18000),
- (b) A restaurant with fewer than 10 employees, or
- (c) A nonprofit organization with fewer than 20 employees.

If Tenant's status changes to a "qualified commercial tenant" at any time during the Lease Term, Tenant shall provide notice to Landlord within 10 business days of such change in status.

25. Lease Negotiated in English. The parties acknowledge and agree that this Lease was negotiated and executed in the English language. If a translation of this Lease is provided to any party, it is for convenience only, and the English version shall control in the event of any conflict or discrepancy between the English version and the translated version.

26. Titles and Definitions. The titles of paragraphs herein are for identification only. They shall not be considered to be a part of this Lease and shall have no effect upon the construction or interpretation thereof. The words "Landlord" and "Tenant" as used in this Lease shall include both singular, plural, masculine, feminine, and neuter as the context shall require.
27. Entire Agreement/Amendment. This Lease contains the entire agreement of the parties and supersedes all prior negotiations, drafts, and other understandings which the parties may have concerning the subject matter hereof. This Lease may not be modified except by written instrument duly executed by the parties hereto or their successors in interest.
28. Choice of Laws; Interpretation. This Lease shall be governed by and construed pursuant to the laws of the State of California. The provisions of this Lease shall be construed in accordance with the fair meaning of the language used and shall not be strictly construed against either party.
29. Revenue & Taxation Code Section 107.6. Possessory Interest Tax. Tenant recognizes and understands that this Lease may create a possessory interest subject to property taxes and that, in the event that a possessory interest is created, Tenant shall be responsible for payment of any taxes levied against such possessory interest.
30. Authority/Consents & Approvals. Each of the persons executing this Lease on behalf of Tenant warrants and represents that Tenant is a duly organized and validly existing entity, that Tenant has full right and authority to enter into this Lease and that the persons signing on behalf of Tenant are authorized to do so and have the power to bind Tenant to this Lease. Tenant shall provide Landlord upon request with evidence reasonably satisfactory to Landlord confirming the foregoing representations. The approval of Landlord, wherever required in this Lease, shall mean the approval of the City Manager.
31. No Merger. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Landlord, operate as an assignment to it of any or all subleases or subtenancies.
32. Recordation. Tenant shall not record this Lease or a short form memorandum hereof without Landlord's prior written approval.
33. No Third Party Benefit. This Lease is a contract between Landlord and Tenant and nothing herein is intended to create any third party benefit.
34. Severability. If, for any reason whatsoever, any of the provisions hereof shall be unenforceable or ineffective, all of the other provisions shall be and remain in full force and effect.

[Signatures on Following Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease on the day and year set forth below.

LANDLORD:

CITY OF GOLETA, a California municipal corporation

Dated: _____

By: _____

Name: Robert Nisbet

Its: City Manager

Approved as to Form

ISAAC ROSEN, CITY ATTORNEY

Signed by:

4305240AE3424CE...

Scott Shapses, Deputy City Attorney

TENANT:

**RAINBOW CHILDHOOD EDUCATION, INC.,
a California corporation**

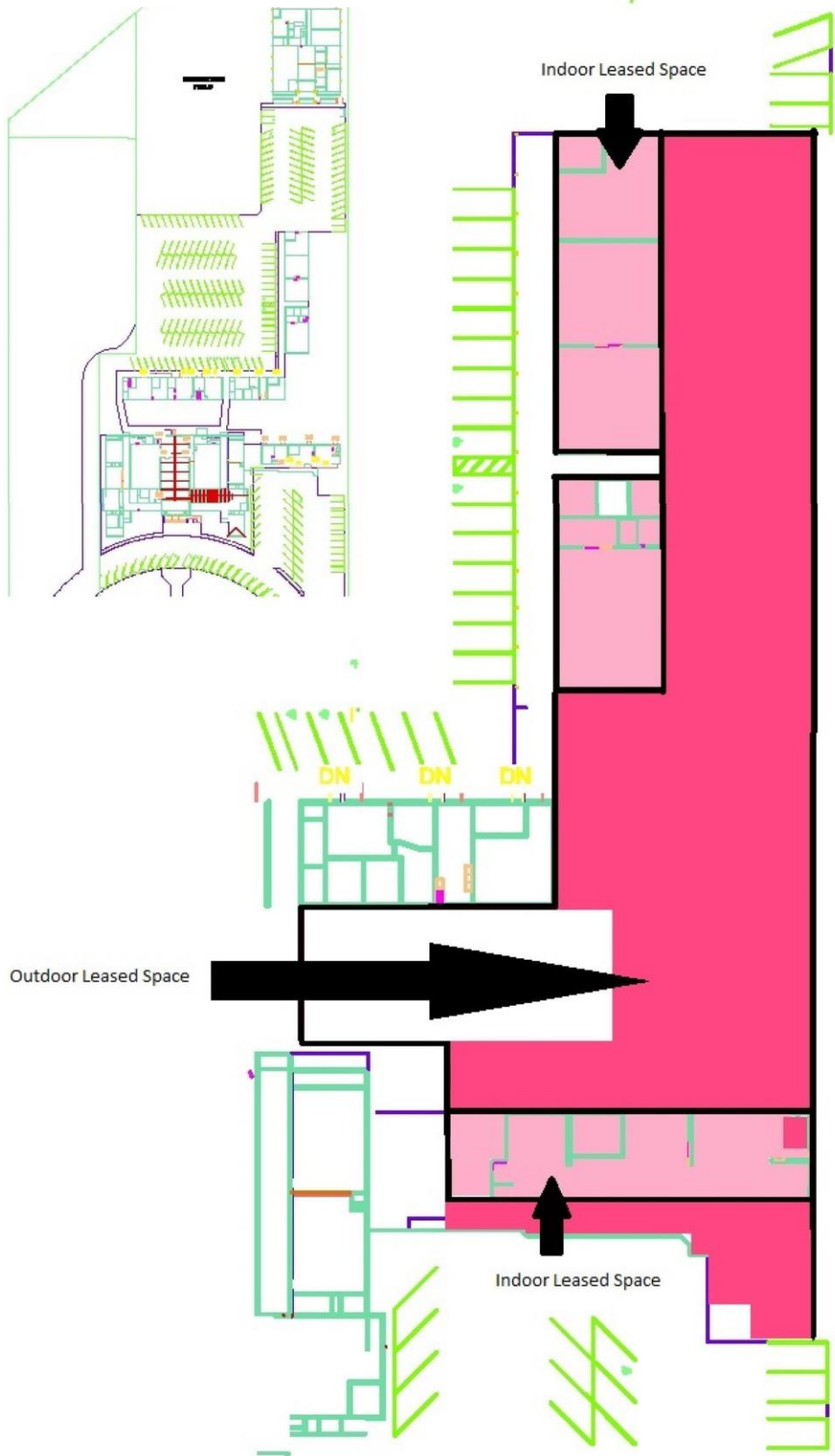
Dated: _____

By: _____

Name: Julie Summer

Its: President

**EXHIBIT “A”
Map of Property**



| |
|-------------------------------------------------------------|
| EXHIBIT B- BUILDING AND MAINTENANCE RESPONSIBILITIES |
|-------------------------------------------------------------|

| | | RESPONSIBILITY | | |
|-------------------------------------------|-------------------------------------------------|-----------------------------|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ITEM | | Tenant RAINBOW SCHOOL | Landlord CITY OF GOLETA | Comments |
| Facility Upgrades | | | | |
| | Capital Project Planning | | X | |
| | Capital Project Execution | | X | |
| | Furniture Purchases and Upgrades | X | | |
| 1 Building Exterior (Leased space) | | | | |
| | Repair Walls | | X | |
| | Painted Surfaces | | X | |
| | Door and Window Trim | | X | |
| | Doors, Hardware | | X | |
| | Windows: Hardware and Screens | | X | |
| | Locks | | X | |
| | Roof | | X | |
| | Rain gutters | | X | |
| | Flashing | | X | |
| | Down spouts | | X | |
| | <u>Rodent</u> /Pest Control | X | | |
| Lighting | | | | |
| | Bulbs | | X | |
| | Fixtures | | X | |
| | Transformers | | X | |
| | Fluorescent Lights | | X | |
| | Ballast | | X | |
| | Handrails | | X | |
| | Signs (identification, directional, ADA) | X (removable) | X (fixed) | Removable such as temporary banners, sandwich boards, or non-permanent signs placed near the entrance or within their designated area, subject to City approval. Fixed signage, including permanent building identification signs, directional signage, and required ADA-compliant signage affixed to the exterior of the structure or in shared/common areas. |
| | Timers (lighting, landscaping) | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Sewer Pipes | | X | |

| | | | | |
|--|-----------------------------------------------|----------|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Decking | X | | |
| | Exterior Patios | X | X | The Tenant is responsible for the routine maintenance and general upkeep of the exterior patio areas within their leased space. The Landlord retains responsibility for ensuring the patio structures meet applicable building codes and safety regulations, and for addressing any repairs required for code compliance. |
| | Playground Equipment | X | X | The Tenant is responsible for the routine maintenance and general upkeep of the exterior playground equipment within their leased space. The Landlord retains responsibility for ensuring the equipment meet applicable building codes and safety regulations, and for addressing any repairs required for code compliance. |
| | Water Softener, Filter and Conditioner | X | | |
| | Stairs | X | | |
| | Roof Drains | | X | |
| | Drinking Fountains | X | | |
| | Gates | X | | |
| | Gas/Water pipe lines | | X | |
| | Electrical Lines | | X | |
| | Janitorial Service | X | | |
| | Phone/Computer/Cable Lines | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | 2 Building Interior (Leased Space) | | | |
| | Walls (structural) | | X | Structural walls are the responsibility of the Landlord, including maintenance, repairs, and modifications that impact the building's integrity or code compliance. Tenant must obtain written Landlord approval before making any modifications that affect the structure. |
| | Painted Surfaces | X | | |
| | Door Hardware | X | | |
| | Locks | X | | |
| | General Cleaning | X | | |
| | Floor, Sweeping and Cleaning | X | | |
| | Carpet, Vacuum | X | | |
| | Carpet, Cleaning/Shampoo | X | | |
| | Carpet, Replacement | X | | |
| | Window Coverings | X | | |
| | Trash | X | | |
| | Lighting | | | |
| | Bulbs | X | | |
| | Fixtures | X | | |
| | Transformers | | X | |
| | Fluorescent Lights | X | | |
| | Ballast | X | | |

| | | | | |
|--|-----------------------------------------------------|---|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Emergency Lights | X | | |
| | Handrails (ADA) | X | | |
| | Signs (identification, directional, ADA, in-window) | X | | |
| | Timers (Lights, HVAC, except Bldg Access) | X | | |
| | Bldg. Access Alarms/Timers | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Drinking Fountains | X | | |
| | Ceiling | X | | |
| | Showers | X | | |
| | Toilet/Urinals (Replacement) | X | | |
| | Toilet/Urinals (Maintenance) | X | | |
| | Sink & Faucets-Bathrooms and Kitchens (Replacement) | X | | |
| | Sink & Faucets-Bathrooms and Kitchens (Maintenance) | X | | |
| | Gas Pipe Lines | X | X | The City is responsible for the repair of gas lines due to normal wear and tear, as well as replacement in the event of failure. The Tenant is responsible for any damage to gas lines resulting from Tenant actions, such as the replacement of water heaters or furnaces, relocation of appliances, or installation of new appliances or fixtures. |
| | Water Pipe Lines | X | X | The City is responsible for the repair of water lines due to normal wear and tear, as well as replacement in the event of failure. The Tenant is responsible for any damage to water lines resulting from Tenant actions, such as flushing improper materials and installation of new water piping for fixtures. |
| | Sewer Pipe Lines/Drains | X | | The Tenant is responsible for any damage to water lines resulting from Tenant actions, such as flushing improper materials and installation of new water piping for fixtures. |
| | Phone Lines & Jacks | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Computer Lines & Jacks | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | TV Cable & Jacks | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Phones | X | | |
| | Towel Racks | X | | |
| | Garbage Disposal | X | | The Tenant is responsible for any damage to water lines resulting from Tenant actions, such as disposing of food waste through garbage disposal. |
| | Refrigerator/microwave | X | | |
| | Stove | X | | |
| | Counter Tops, replacement | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Cabinets, replacement | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Dish Washer | X | | |

| | | | | |
|--|----------------------------------------------------|----------|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Janitorial Service | X | | Tenant's janitorial services must comply with sanitation and hygiene standards required by childcare licensing regulations, including restroom, classroom, and food prep areas. |
| | Rodent/Pest Control | X | | |
| | Trash Compactor | X | | |
| | 3 Grounds - Outside of the Leased Space | | | |
| | Drinking Fountains | | X | |
| | Mail Boxes | | X | |
| | Fences | | X | |
| | Trash bins | | X | |
| | Trash enclosures | | X | |
| | Bike Racks | | X | |
| | Signs | | X | |
| | Litter Pick-Up | | X | |
| | Lighting | | X | |
| | Parking Lot | | X | |
| | Driveways | | X | |
| | Walkways | | X | |
| | Timers (external) | | X | |
| | Timers (internal) | | X | |
| | Signs | | X | |
| | Landscaping | | X | |
| | Rodent/Pest Control | | X | |
| | Cleaning, Sidewalks, Walkways, Parking Lots | | X | |
| | 4 Landscaping (Leased Area) | | | |
| | Trees | | X | Landlord is responsible for tree maintenance and trimming within the leased area. Tenant shall notify the Landlord in writing of any tree care concerns, hazards, or service requests. The Landlord will provide the Tenant with at least 48 hours' advance notice prior to performing any routine tree maintenance within the leased area, except in the case of emergency work where immediate action is required for safety. |
| | Shrubs | X | | |
| | Flowers | X | | |
| | Lawn | X | | |
| | Watering | X | | |
| | Sprinkler, Repair and Replace | X | | |
| | Headers | X | | |

| | | | | |
|---------------------------------------------------------|-------------------------------------------|---|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Rodent/Pest Control | X | | |
| | Seeding | X | | |
| | Fertilizer | X | | |
| | Plant Trimmings | X | | |
| | Plant Replacement | X | | |
| | Tree Care & Trimming | | X | Landlord is responsible for tree maintenance and trimming within the leased area. Tenant shall notify the Landlord in writing of any tree care concerns, hazards, or service requests. The Landlord will provide the Tenant with at least 48 hours' advance notice prior to performing any routine tree maintenance within the leased area, except in the case of emergency work where immediate action is required for safety. |
| 5 Mechanical Systems | | | | |
| | Electrical Panels, Breaker, Interior | | X | |
| | Electrical Fuses, Interior | | X | |
| | Electrical Receptacle, Switches, Interior | | X | |
| | Electrical Central Switches | | X | |
| | Elevator | | X | |
| | Heating | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Air Conditioning | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Water Heater | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| 6 Roadways/Parking Lots Repair & Maintenance | | | | |
| | Striping | | X | |
| | ADA Accessibility Signage | | X | |
| | Asphalt Surface, Curbing | | X | |
| | Cement Surface, Curbing | | X | |
| | Wheel Stops | | X | |
| | Drainage | | X | |
| | Signs | | X | |
| 7 Fire Equipment (Leased Space) | | | | |
| | Sprinklers | | X | |
| | Hoses | | X | |
| | Extinguisher (interior) | X | | Tenant must ensure all emergency and fire safety systems are tested and maintained as required by licensing regulations and shall keep documentation of such compliance. |
| | Alarm Systems | X | | Tenant must ensure all emergency and fire safety systems are tested and maintained as required by licensing regulations and shall keep documentation of such compliance. |

| | | | | |
|--|------------------------------------------------|---|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Smoke Detectors | X | | Tenant must ensure all emergency and fire safety systems are tested and maintained as required by licensing regulations and shall keep documentation of such compliance. |
| | 8 Other Items | | | |
| | Interior Floor Waxing, Sweeping | X | | |
| | Window Washing (interior & exterior) | X | | |
| | Exterior sweeping entry, sidewalk and walkways | X | | |
| | Broken window glass or door glass | | X | |
| | Cleaning Storage Rooms, Utility Rooms | X | | |
| | Building Foundation | | X | |

ATTACHMENT 3

Draft Commercial Lease Agreement of 5681 Hollister Avenue
with Kevin Long Resilience Personal Training

COMMERCIAL LEASE AGREEMENT

THIS COMMERCIAL LEASE AGREEMENT (the “**Lease**”) is made and entered into by and between CITY OF GOLETA, a California municipal corporation (“**Landlord**”) and **KEVIN LONG – RESILIENCE PERSONAL TRAINING** (“**Tenant**”), under the following terms and conditions:

1. Description of the Leased Premises. Landlord owns the commercial property located at 5681 Hollister Avenue, Goleta, CA (the “**Property**”). Landlord hereby leases to Tenant and Tenant hereby leases from Landlord a portion of the Property consisting of approximately 707 square feet, known as Room 14b in the building commonly known as Building B, as shown in **Exhibit A** (the “**Premises**”).

2. Term, Occupancy, and Renewal.

a. Term. The term shall commence on July 1, 2025 and expire on June 30, 2026 but the Lease shall automatically renew for another 12 months unless either party provides written notice of termination 60 days prior to the expiration of the term (“**Term**”).

3. Rent. The rent during the Term of this Lease shall be \$939.00 per month for Premises, subject to increase as provided in Section 3C. Tenant shall, commencing on July 1, 2025 and continuing thereafter on the first (1st) day of each and every month during the Term of this Lease, pay to Landlord, in advance, Rent, without setoff, deduction or demand.

a. Late Charge. Tenant acknowledges that late payment by Tenant to Landlord of Rent will cause Landlord to incur costs not contemplated by this Lease. If any payment of Rent or utilities due from Tenant is not received by Landlord within five (5) days after it becomes due, in addition to Rent and utilities, Tenant shall pay to Landlord the greater of \$100 or 5% of the overdue rent as a late charge.

b. Interest on Unpaid Rent. Rent or other charges as provided in this Lease not paid within five (5) days of the date due shall, in addition to any late charges under Section 3A, bear interest at the lesser of the maximum legal rate or 5% per annum from the date due until paid.

c. Annual Adjustment. Beginning on July 1, 2026, Rent shall increase annually at the end of each 12-month period by any increase in the Consumer Price Index (“**CPI**”) as determined by the U.S. Bureau of Labor Statistics for all Urban Consumers for the Los Angeles Area over the previous calendar year. Should the CPI be discontinued, the index used for comparison shall be a comparable index as designated by the Bureau. It is recognized by both parties that the Index for any month is not published for approximately two months. Tenant shall, therefore, continue to pay the current Rent by Tenant until such time as the new Rent is calculated and, at that time, Tenant shall, within ten (10) days of notice of Rent that has been adjusted for CPI, pay the CPI adjusted Rent. In no event shall Rent ever decrease below the prior year’s Rent even if the CPI is negative. In years when CPI is negative, the Rent shall remain the same as the prior year’s Rent.

d. Tenant may lease additional space from Landlord on an “as available” basis, for which Tenant will be charged the current commercial rental rates.

4. Place of Payment of Rent. Rent, utilities, and all other sums which shall become due under this Lease, including but not limited to late charges and additional rent, shall be payable to the City of Goleta and delivered or mailed to 130 Cremona Drive, Goleta, CA 93117, Attn: Finance Director, or at such other place as Landlord may designate in writing. Mailed payments must be received (not postmarked) by Landlord by the date due.

5. Condition of, and Improvements to, Premises.

a. Maintenance of Premises. Premises shall be maintained as provided in Exhibit B. The Tenant is responsible for the routine maintenance and general upkeep of the exterior patio areas to include the exterior playground equipment within their leased space. The Landlord retains responsibility for ensuring the patio structures meet applicable building codes and safety regulations, and for addressing any repairs required for code compliance.

b. Improvements. Under this Lease, Landlord shall have no obligation or responsibility, actual or implied, to install, construct, accommodate, or make any improvements to the Premises prior to, or as a condition of, Tenant's occupation of the Premises, except as described in **Exhibit B**, if any. Any alterations or improvements made by the Tenant shall be subject to the prior written approval of Landlord and shall comply with all applicable building codes, licensing requirements, and permitting processes.

c. As-Is Condition. Tenant warrants and agrees that Tenant has inspected the Premises. Tenant agrees to take possession of the Premises in an AS-IS condition (which exists on the date this Lease is signed) and Tenant further agrees that, except as expressly contained in **Exhibit B** (if at all), Landlord shall have no responsibility for any repairs or improvements to the Premises, prior to, or as a condition of, Tenant's occupation of the Premises. Landlord makes no representations regarding the condition, status, compliance with laws or suitability for a particular purpose for Tenant's use.

d. Condition Upon Surrender. Upon termination of this Lease, Tenant shall surrender the Premises to Landlord in as good condition as when received, ordinary wear and tear and damage by fire, earthquake, or act of God excepted, and including any repairs or improvements made by Tenant. If Tenant fails to maintain the Premises in good order and repair in accordance with Exhibit B, after thirty (30) days' prior written notice, Landlord may, at its option, make such maintenance and repairs in accordance with Exhibit B, and Tenant shall pay the reasonable cost thereof as additional rent hereunder within ten (10) days after receipt of a written statement therefor. In the event the giving of thirty (30) days' prior notice may, in Landlord's sole discretion, result in additional damage to the Premises, Landlord may make such maintenance and repairs in accordance with Exhibit B, at Tenant's expense, without thirty days' prior written notice and Tenant shall pay for such reasonable costs within 10 days after receipt of written statement therefor.

6. Use. The Premises shall be used only for the operation of fitness training, classrooms and offices. Tenant shall not use any portion of the Premises for purposes other than those specified without first obtaining the written consent of Landlord. Tenant shall not do, bring, or keep anything in, on, or about the Premises which will in any way increase the premium rate or cause

the cancellation of any fire or other insurance upon the Premises, the building in which the Premises are located, or any of its contents.

7. Uses Prohibited. In addition to uses prohibited pursuant to Paragraph 6, Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein which is not within the permitted use of the Premises which will in any way increase the existing rate of or affect any fire or other insurance upon the Property or any of its contents, or cause a cancellation of any insurance policy covering the Property or any part thereof or any of its contents. Tenant shall not use the Premises for any cannabis related uses, dispensary, manufacture, assembly, the sale of cannabis or accessories related to cannabis products. Tenant shall not do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other tenants or occupants of the Property or injure or annoy them or use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose; nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises. Tenant shall not commit or allow to be committed any waste in or upon the Premises. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to sell or solicit in any manner or store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Landlord or Landlord's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Landlord shall have the right, without notice, in addition to any other rights and remedies that it may have, to remove the property and charge the cost to Tenant, which cost shall be payable as additional rent immediately upon demand by Landlord.

8. Compliance with Laws/Hazardous Materials.

a. Tenant, at Tenant's expense, shall comply with and cause all of Tenant's agents to comply with all applicable laws, ordinances, rules and regulations of governmental authorities applicable to the Premises or the use or occupancy thereof, including, without limitation, the law commonly known as the Americans With Disabilities Act and California Code of Regulations Title 8, Sections 3281 through 3299 (collectively, "**Laws**").

b. Tenant shall not cause or permit any Hazardous Materials, as defined under the California Health and Safety Code, to be brought upon, kept, used, discharged, deposited or leaked in or about the Premises or the building by Tenant or any of Tenant's agents or by anyone in the Premises (other than Landlord or its agents, employees or contractors), and shall indemnify Landlord against same.

c. Tenant shall ensure all emergency and fire safety systems are tested and maintained as required by licensing regulations and shall keep documentation of such compliance.

d. Inspection by Certified Access Specialist. Landlord discloses that the Premises have not undergone inspection by a Certified Access Specialist as referenced in California Civil Code Section 1938 subsection (e) which provides: "A Certified Access Specialist (CAsp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CAsp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CAsp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant.

The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.” Pursuant to the foregoing Section 1938(e), Tenant acknowledges and agrees that, if Tenant wishes to have the Premises inspected by a CASp: (i) Tenant must notify Landlord on or before the date when Tenant executes this Lease pursuant to the election below; (ii) the inspection will be at Tenant's sole cost and expense; (iii) the inspection must be scheduled through Landlord and in coordination with the Landlord or the building's property manager; (iv) any repairs or modifications necessary to correct any violation of construction-related accessibility standards that is noted in the CASp report shall be Tenant's responsibility; and (v) Tenant must provide a copy of the CASp report to Landlord on completion. By initialing below, Tenant represents that:

Tenant wishes to have a CASp inspection of the Premises Initials: _____

Tenant hereby waives its right to have a CASp inspection of the Premises Initials: _____

9. Waste; Nuisance; Quiet Enjoyment. Tenant shall not suffer or commit any waste or nuisance on the Premises, nor shall Tenant interfere with or obstruct the rights of or disturb the quiet enjoyment of any other tenant or occupant of the building or injure or annoy them. Tenant shall not use or allow the Premises to be used for any improper, immoral, or objectionable purposes, to be determined Landlord's sole and absolute judgment.

10. Utilities. Tenant shall pay its proportional share, as determined by Landlord, of all electrical, gas service, and water charges for the Premises. Tenant shall be invoiced for such charges and such invoices shall be paid together with Rent in the month following receipt. Landlord reserves the right to invoice Tenant for any additional utilities and services furnished to or used by Tenant upon the Premises, including, without limitation, trash, janitorial, cable service, telephone services, security or alarm system and all connection charges. Landlord shall not be responsible for any interruptions or disturbance of service regardless of whether Tenant is paying directly for such services or if such services are being contracted for by Landlord, nor shall there be any abatement of Rent resulting from any cessation or interruption of utility service or other service contemplated by this section. Tenant shall deposit all trash only in designated areas. Tenant hereby waives the provisions of California Civil Code Section 1932(1) or any other applicable existing or future law, ordinance or governmental regulation permitting the termination of this Lease due to the interruption or failure of any services to be provided under this Lease.

11. Alterations. Tenant shall not make or cause to be made any alterations, additions, new or improvements to or of the Premises or any part thereof without the prior written consent of Landlord. Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. Structural walls are the responsibility of the Landlord, including maintenance, repairs, and modifications that impact the building's integrity or Code Compliance. Tenant must obtain written Landlord approval before making any modifications that affect the structure.

12. Assignment and Subletting. Tenant shall not either voluntarily, or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, and shall not sublet the said Premises or any part thereof, or any right or privilege appurtenant thereto, or allow any other person (the employees, agents, servants and invitees of Tenant excepted) to

occupy or use the said Premises, or any portion thereof, without first obtaining the written consent of Landlord which shall not be unreasonably withheld. If an assignment or subletting involves a use other than that permitted in Paragraph 6 above, Tenant must comply with said Paragraph 6. Consent to one assignment, subletting, occupation or use by another person shall not be deemed to be consent to any subsequent assignment, subletting, occupation or use by another person. Consent to any such assignment or subletting shall in no way relieve Tenant of any liability under this Lease. Any such assignment or subletting without such consent shall be void, and shall, at the option of the Landlord, constitute a default under the terms of this Lease. No sublease or assignment shall release Tenant from continuing liability hereunder. In the event that Landlord shall consent to a sublease or assignment hereunder, Tenant shall pay Landlord reasonable attorney fees and costs incurred in connection with the processing of documents necessary to giving of such consent. Any excess consideration above the rental rate provided in this Lease Tenant is entitled to as a result of any assignment or sublease shall be divided and paid 50% to Tenant and 50% to Landlord; provided, however, that if Tenant is in default under this Lease, Landlord shall be entitled to all such excess consideration.

13. Standard for Consent. Tenant agrees that Landlord may refuse its consent to the proposed transfer on any reasonable grounds, and (by way of example and without limitation) Tenant agrees that it shall be reasonable for Landlord to withhold its consent if any of the following situations exist or may exist: (a) the proposed assignee, subtenant or transferee (each a "**Transferee**") proposes to change the use of the Premises from the permitted use pursuant to Section 6, and the new proposed use of the Premises (i) would result in a violation of local, state, or federal law or a violation of the policies of the Goleta Community Center, as amended from time to time; or (ii) is a use which would breach any exclusive use rights granted in writing to another tenant in the Property; or (iii) is a use which would interfere with the primary use of any other tenant or occupant in the Property; or (iv) in Landlord's reasonable opinion, is inconsistent with the tenant mix in the Property at the time of the request for Landlord's consent (excepting the use specified in Section 6 above); (b) the proposed Transferee's financial condition, net worth or liquidity is inadequate, based upon Landlord's reasonable business judgment, to support all of the financial and other obligations of Tenant under this Lease; (c) the proposed Transferee is not likely to conduct on the Premises a business of a quality substantially equal to that conducted by Tenant; (d) the proposed Transferee is a person with whom Landlord is, or recently has been, within the past three (3) months, negotiating to lease space in property owned by Landlord, including the Property; (e) Tenant is in default under the Lease, or has defaulted hereunder on more than three (3) occasions during the twelve (12) months preceding the request by Tenant.

14. Entry by Landlord. The Landlord may enter at any time to respond to or address emergencies such as fire, water intrusion, dangers to public health and safety, and the like. , Landlord and its agents shall have the right to enter the Premises at reasonable times to inspect and examine the same and to make such repairs to the Premises as the Landlord shall deem advisable, and to show the Premises to prospective tenants, buyers or lenders.

15. Indemnification.

a. Waiver of Claims. To the extent permitted by law, Tenant waives all claims against Landlord for damage to person or property arising for any reason. Tenant assumes all such risks for Tenant and any employees, licensees, invitees, agents, or contractors.

b. General Indemnity. Tenant agrees, as an independent unsecured obligation, separate from any of its promises or covenants in this Lease, to indemnify, defend (with counsel selected by Landlord at Tenant's expense), protect and hold harmless Landlord, its public officials, its employees, agents, officers, wardens, officiants, legal counsel, assigns, any successor or successors to Landlord's interest in the Premises and any future owners of the Premises to whom this Lease is assigned (hereinafter collectively referred to as the "**Indemnitees**") from and against all claims, actual damages (including but not limited to special and consequential damages), punitive damages, injuries, costs, response costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties and expenses arising out of any damage to any person or property occurring in, on, or about the Premises, except for any acts of gross negligence or willful misconduct by Landlord. Tenant's obligation under this paragraph to indemnify and hold the Indemnitees harmless shall be limited to the sum that exceeds the amount of insurance proceeds, if any, received by the party being indemnified. Landlord shall not be liable to Tenant for any damage by or resulting from any act or negligence of any other tenant of property adjoining the Premises or by the owner or occupant of any adjoining or contiguous property.

c. Exemption of Landlord from Liability. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to the Premises and its property including, but not limited to, Tenant's fixtures, equipment, furniture and alterations, or illness or injury to persons in, upon or about the Premises, arising from any cause, and Tenant hereby expressly releases Landlord and waives all claims in respect thereof against Landlord, except only such claims as are caused solely by Landlord's gross negligence or willful misconduct. Tenant hereby agrees that Landlord shall not be liable for injury to Tenant's business or any loss of income therefrom or for damage to the property of Tenant, or injury to or illness or death of Tenant or any Tenant Party or any other person in or about the Premises, whether such damage, illness or injury is caused by fire, steam, electricity, gas, water or rain, or from the breakage, leakage or other defects of sprinklers, wires, appliances, ventilation, plumbing, air conditioning or lighting fixtures, or from any other cause, and whether said damage, illness or injury results from conditions arising upon the Premises, upon other portions of the Property or from other sources or places, and regardless of whether the cause of such damage, illness or injury or the means of repairing the same is inaccessible to Tenant, except only damage, illness or injury caused solely by Landlord's gross negligence or willful misconduct.

16. Insurance.

a. Liability Insurance. Tenant shall carry, during the term hereof, public liability and property damage insurance with a single combined liability limit of not less than \$1 million per occurrence, \$2 million in aggregate, property damage limits of not less than \$1 million insuring against all liability of Tenant and its authorized representatives arising out of and in connection with Tenant's use and occupancy of the Premises, and statutory worker's compensation Insurance for any employees. Landlord shall be named as an additional insured on each such policy. Tenant shall provide proof of such insurance in the form of a certificate of insurance prior to taking occupancy of the Premises.

b. Waiver of Subrogation. The parties release each other, and their respective authorized representatives, from any claims that are caused by or result from risks which are

insured against under any insurance policies carried by the parties and in force at the time of any such damage and to the full extent of any proceeds paid under said policies.

c. Primary/noncontributing. Coverages provided by Tenant shall be primary and any insurance or self-insurance procured or maintained by Landlord shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of Landlord before the Landlord's own insurance or self-insurance shall be called upon to protect it as a named insured.

17. Destruction of Premises.

a. Destruction Due to Risk Covered by Insurance. If, during the term of this Lease and any renewal term, the Premises or other improvements in which the Premises are located are totally or partially destroyed from a risk covered by insurance carried by either Tenant or Landlord for the Premises rendering the Premises totally or partially inaccessible or unusable, Landlord shall restore the Premises, and other improvements in which the Premises are located, to substantially the same condition as they were immediately before destruction if they can be repaired within 270 days from date of destruction. Landlord can elect to terminate this Lease by giving notice to Tenant within fifteen (15) days after determining that the restoration cost will exceed the insurance proceeds.

b. Destruction Due to Risk Not Covered by Insurance. If, during the term of this Lease and any renewal term, the Premises or other improvements in which the Premises are located are totally or partially destroyed by a risk not covered by the insurance, rendering the Premises totally or partially inaccessible or unusable, Landlord can elect to terminate this Lease by giving notice to Tenant within fifteen (15) days after determining the restoration cost and replacement value.

c. Abatement or Reduction of Rent. In case of destruction, there shall be an abatement or reduction of rent between the date of destruction and the date of substantial completion of restoration based on the extent to which the destruction interferes with Tenant's use of the Premises.

d. Waiver of Civil Code Sections. Tenant waives the provisions of California Civil Code Section 1932(2) and California Civil Code Section 1933(4) with respect to any destruction of the Premises.

18. Default and Landlord's Remedies.

a. Default. The occurrence of any of the following shall constitute a default by Tenant:

(1) Tenant shall fail to pay when due any rent or any other monetary sum payable under this Lease.

(2) Tenant shall fail to observe, keep or perform any of the other terms, covenants, agreements or conditions contained in this Lease.

(3) Tenant shall become bankrupt or insolvent or make a transfer in fraud of creditors, or make an assignment for the benefit of creditors, or take or have taken against Tenant any proceedings of any kind under any provision of the Federal Bankruptcy Act or under any other insolvency, bankruptcy or reorganization act and, in the event any such proceedings are involuntary, Tenant is not discharged from the same within thirty (30) days thereafter.

(4) A receiver is appointed for a substantial part of the assets of Tenant, and such receivership is not released within thirty (30) days.

(5) The abandonment of the Premises by Tenant, or the vacation (hereby defined to be ten (10) or more consecutive days of continual absence from the Premises) of the Premises by Tenant.

(6) This Lease or any estate of Tenant hereunder shall be levied upon by any attachment or execution and such levy is not released within thirty (30) days.

b. Landlord's Remedies. If any default by Tenant shall occur, and following notice of default as required by this Lease (for the period applicable to the default under the applicable provision of this Lease), Landlord shall have the following remedies in addition to all other rights and remedies provided by law or equity, to which Landlord may resort cumulatively or in the alternative.

(1) Landlord shall have the immediate option to terminate this Lease and all rights of Tenant hereunder by giving written notice of such intention to terminate. In the event that Landlord shall so elect to terminate this Lease, then Landlord may recover from Tenant:

(a) The worth at the time of award of any unpaid rent which had been earned at the time of such termination; plus

(b) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss Tenant proves could have been reasonably avoided; plus

(c) The worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; plus

(d) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom; and

(e) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

As used in Subparagraphs (a) and (b) above of this section, the "worth at the time of award" is computed by allowing interest at the maximum rate an individual is permitted by law

to charge. As used in subparagraph (c) above, the “worth at the time of award” is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

(2) In the event of the vacation or abandonment of the Premises by Tenant, or in the event that Landlord shall elect to reenter as provided herein or shall take possession of the Premises pursuant to legal proceeding or pursuant to any notice provided by law, then Landlord shall have the remedy specified by Civil Code Section 1951.4, in which Landlord may from time to time recover all rental as it becomes due or relet the Premises or any part thereof for the account of Tenant on such term or terms and at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable, with the right to make alterations and repairs to the Premises.

(3) No reentry or taking possession of the Premises by Landlord pursuant to this section shall be construed as an election to terminate this Lease unless a written notice of such intention be given to Tenant or unless the termination thereof be decreed by a court of competent jurisdiction.

19. Estoppel Certificate. Tenant shall execute and deliver to Landlord within ten (10) days of request a commercially reasonable estoppel statement. Landlord and Tenant intend that any estoppel statement delivered pursuant to this Section may be relied upon by any mortgagee, beneficiary, purchaser or prospective purchaser of the building or any interest therein and failure to execute and return such estoppel shall be a material breach of the Lease.

20. Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Lease, the prevailing party shall be entitled to have and recover from the losing party reasonable attorney's fees and costs of suit.

21. Notices. Any notice required or permitted to be given hereunder must be given by personal delivery or by United States certified mail, postage prepaid, addressed to the corresponding addresses listed below.

TO LANDLORD:

Attention: City Manager
City of Goleta
130 Cremona Drive
Goleta, CA 93117

TO TENANT:

Attention: Kevin Long
Resilience Personal Training
5681 Hollister Ave. Rm 14B
Goleta, CA 93117

22. Waiver; Accord and Satisfaction. No delay or omission in the exercise of any right or remedy of Landlord on any default by Tenant shall impair such right or be construed as a waiver. The receipt and acceptance by Landlord of delinquent rent shall not constitute a waiver of any other default; it shall constitute only a waiver of timely payment for the particular rent payment involved. Time is of the essence of this Lease as to the performance of all terms, covenants, and conditions stated herein.

23. Successors and Assigns. Except as otherwise provided herein, all of the terms and conditions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. In the event of any transfer, assignment or other conveyance or transfers of any such title or tenant, Landlord herein named (and in case of any subsequent transfers or conveyances, the then grantor) shall be automatically freed and relieved from and after the date of such transfer. Landlord may transfer its interest in the Premises without the consent of Tenant and such transfer or subsequent transfer shall not be deemed a violation on Landlord's part of any of the terms and conditions of this Lease.

24. Qualified Commercial Tenant Status/SB 1103 Compliance. Tenant hereby represents and warrants that, as of the date of Lease execution, it is not deemed a "qualified commercial tenant" defined in California Civil Code section 827(b)(7)(D)(as amended from time to time) as follows:

- (a) A sole proprietorship, partnership, limited liability company, or corporation that (i) has 5 or fewer employees, including the owner, and (ii) generally lacks sufficient access to loans, equity, or other financial capital (a "microenterprise," as defined in California Business and Professions Code section 18000),
- (b) A restaurant with fewer than 10 employees, or
- (c) A nonprofit organization with fewer than 20 employees.

If Tenant's status changes to a "qualified commercial tenant" at any time during the Lease Term, Tenant shall provide notice to Landlord within 10 business days of such change in status.

25. Lease Negotiated in English. The parties acknowledge and agree that this Lease was negotiated and executed in the English language. If a translation of this Lease is provided to any party, it is for convenience only, and the English version shall control in the event of any conflict or discrepancy between the English version and the translated version.

26. Titles and Definitions. The titles of paragraphs herein are for identification only. They shall not be considered to be a part of this Lease and shall have no effect upon the construction or interpretation thereof. The words "Landlord" and "Tenant" as used in this Lease shall include both singular, plural, masculine, feminine, and neuter as the context shall require.

27. Entire Agreement/Amendment. This Lease contains the entire agreement of the parties and supersedes all prior negotiations, drafts, and other understandings which the parties may have concerning the subject matter hereof. This Lease may not be modified except by written instrument duly executed by the parties hereto or their successors in interest.

28. Choice of Laws; Interpretation. This Lease shall be governed by and construed pursuant to the laws of the State of California. The provisions of this Lease shall be construed in accordance with the fair meaning of the language used and shall not be strictly construed against either party.

29. Revenue & Taxation Code Section 107.6. Possessory Interest Tax. Tenant recognizes and understands that this Lease may create a possessory interest subject to property taxes and that, in the event that a possessory interest is created, Tenant shall be responsible for payment of any taxes levied against such possessory interest.

30. Authority/Consents & Approvals. Each of the persons executing this Lease on behalf of Tenant warrants and represents that Tenant is a duly organized and validly existing entity, that Tenant has full right and authority to enter into this Lease and that the persons signing on behalf of Tenant are authorized to do so and have the power to bind Tenant to this Lease. Tenant shall provide Landlord upon request with evidence reasonably satisfactory to Landlord confirming the foregoing representations. The approval of Landlord, wherever required in this Lease, shall mean the approval of the City Manager.

31. No Merger. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Landlord, operate as an assignment to it of any or all subleases or subtenancies.

32. Recordation. Tenant shall not record this Lease or a short form memorandum hereof without Landlord's prior written approval.

33. No Third Party Benefit. This Lease is a contract between Landlord and Tenant and nothing herein is intended to create any third party benefit.

34. Severability. If, for any reason whatsoever, any of the provisions hereof shall be unenforceable or ineffective, all of the other provisions shall be and remain in full force and effect.

[Signatures on Following Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease on the day and year set forth below.

LANDLORD:

CITY OF GOLETA, a California municipal corporation

Dated: _____

By: _____

Name: Robert Nisbet

Its: City Manager

Approved as to Form

ISAAC ROSEN, CITY ATTORNEY

Signed by:

4305240AE3424CE...

Scott Shapses, Deputy City Attorney

TENANT:

KEVIN LONG – RESILIENCE PERSONAL TRAINING

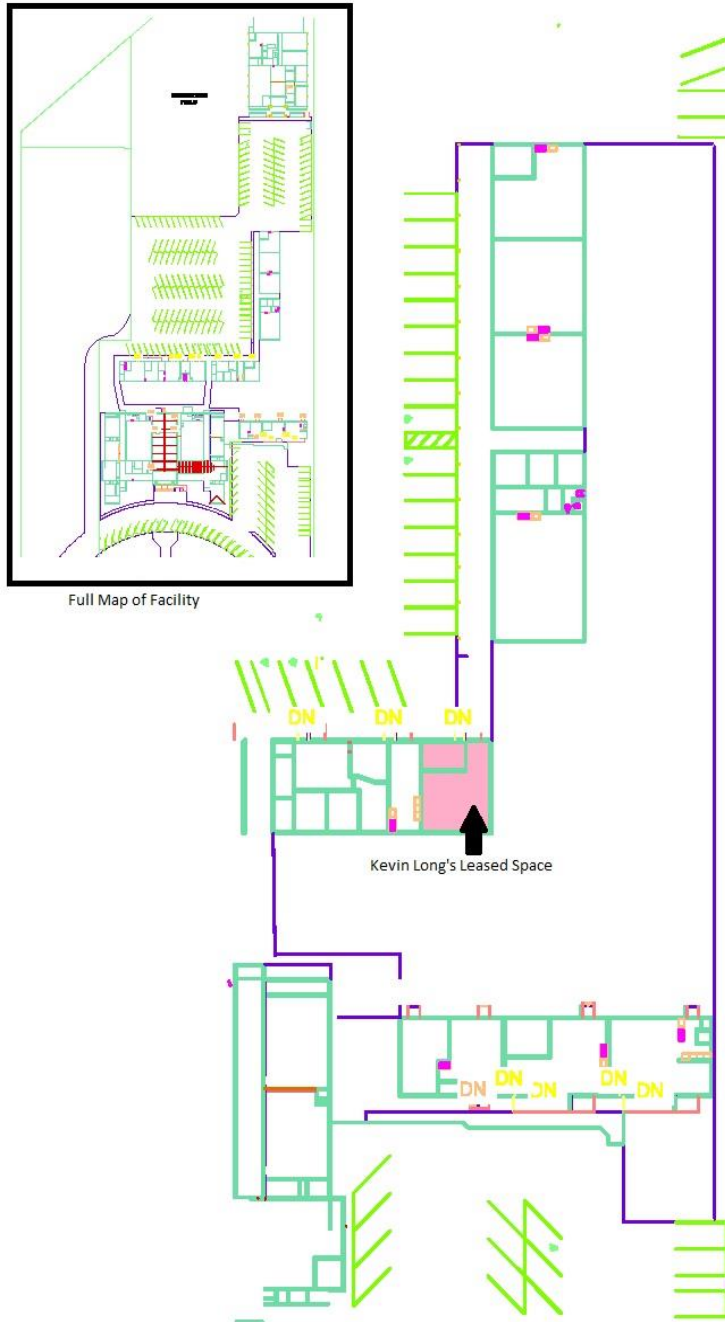
Dated: _____

By: _____

Name: Kevin Long

Its: Owner

EXHIBIT "A" Map of Property



| |
|-------------------------------------------------------------|
| EXHIBIT B- BUILDING AND MAINTENANCE RESPONSIBILITIES |
|-------------------------------------------------------------|

| | | RESPONSIBILITY | | |
|-------------------------------------------|-------------------------------------------------|----------------------|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ITEM | | Tenant KEVIN LONG | Landlord CITY OF GOLETA | Comments |
| Facility Upgrades | | | | |
| | Capital Project Planning | | X | |
| | Capital Project Execution | | X | |
| | Furniture Purchases and Upgrades | X | | |
| 1 Building Exterior (Leased space) | | | | |
| | Repair Walls | | X | |
| | Painted Surfaces | | X | |
| | Door and Window Trim | | X | |
| | Doors, Hardware | | X | |
| | Windows: Hardware and Screens | | X | |
| | Locks | | X | |
| | Roof | | X | |
| | Rain gutters | | X | |
| | Flashing | | X | |
| | Down spouts | | X | |
| | <u>Rodent</u> /Pest Control | X | | |
| Lighting | | | | |
| | Bulbs | | X | |
| | Fixtures | | X | |
| | Transformers | | X | |
| | Fluorescent Lights | | X | |
| | Ballast | | X | |
| | Handrails | | X | |
| | Signs (identification, directional, ADA) | X (removable) | X (fixed) | Removable such as temporary banners, sandwich boards, or non-permanent signs placed near the entrance or within their designated area, subject to City approval. Fixed signage , including permanent building identification signs, directional signage, and required ADA-compliant signage affixed to the exterior of the structure or in shared/common areas. |
| | Timers (lighting, landscaping) | X | | Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space. |
| | Sewer Pipes | | X | |

| | | | | |
|--|-------------------------------------------|---|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Decking | X | | |
| | Exterior Patios | X | X | The Tenant is responsible for the routine maintenance and general upkeep of the exterior patio areas within their leased space. The Landlord retains responsibility for ensuring the patio structures meet applicable building codes and safety regulations, and for addressing any repairs required for code compliance. |
| | Playground Equipment | X | X | The Tenant is responsible for the routine maintenance and general upkeep of the exterior playground equipment within their leased space. The Landlord retains responsibility for ensuring the equipment meet applicable building codes and safety regulations, and for addressing any repairs required for code compliance. |
| | Water Softener, Filter and Conditioner | X | | |
| | Stairs | X | | |
| | Roof Drains | | X | |
| | Drinking Fountains | X | | |
| | Gates | X | | |
| | Gas/Water pipe lines | | X | |
| | Electrical Lines | | X | |
| | Janitorial Service | X | | |
| | Phone/Computer/Cable Lines | X | | <u>Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space.</u> |
| | 2 Building Interior (Leased Space) | | | |
| | Walls (structural) | | X | <u>Structural walls are the responsibility of the Landlord, including maintenance, repairs, and modifications that impact the building's integrity or code compliance. Tenant must obtain written Landlord approval before making any modifications that affect the structure.</u> |
| | Painted Surfaces | X | | |
| | Door Hardware | X | | |
| | Locks | X | | |
| | General Cleaning | X | | |
| | Floor, Sweeping and Cleaning | X | | |
| | Carpet, Vacuum | X | | |
| | Carpet, Cleaning/Shampoo | X | | |
| | Carpet, Replacement | X | | |
| | Window Coverings | X | | |
| | Trash | X | | |
| | Lighting | | | |
| | Bulbs | X | | |
| | Fixtures | X | | |
| | Transformers | | X | |
| | Fluorescent Lights | X | | |
| | Ballast | X | | |

| | | | | |
|--|-----------------------------------------------------|---|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Emergency Lights | X | | |
| | Handrails (ADA) | X | | |
| | Signs (identification, directional, ADA, in-window) | X | | |
| | Timers (Lights, HVAC, except Bldg Access) | X | | |
| | Bldg. Access Alarms/Timers | X | | <u>Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space.</u> |
| | Drinking Fountains | X | | |
| | Ceiling | X | | |
| | Showers | X | | |
| | Toilet/Urinals (Replacement) | X | | |
| | Toilet/Urinals (Maintenance) | X | | |
| | Sink & Faucets-Bathrooms and Kitchens (Replacement) | X | | |
| | Sink & Faucets-Bathrooms and Kitchens (Maintenance) | X | | |
| | Gas Pipe Lines | X | X | <u>The City is responsible for the repair of gas lines due to normal wear and tear, as well as replacement in the event of failure. The Tenant is responsible for any damage to gas lines resulting from Tenant actions, such as the replacement of water heaters or furnaces, relocation of appliances, or installation of new appliances or fixtures.</u> |
| | Water Pipe Lines | X | X | <u>The City is responsible for the repair of water lines due to normal wear and tear, as well as replacement in the event of failure. The Tenant is responsible for any damage to water lines resulting from Tenant actions, such as flushing improper materials and installation of new water piping for fixtures.</u> |
| | Sewer Pipe Lines/Drains | X | | <u>The Tenant is responsible for any damage to water lines resulting from Tenant actions, such as flushing improper materials and installation of new water piping for fixtures.</u> |
| | Phone Lines & Jacks | X | | <u>Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space.</u> |
| | Computer Lines & Jacks | X | | <u>Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space.</u> |
| | TV Cable & Jacks | X | | <u>Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space.</u> |
| | Phones | X | | |
| | Towel Racks | X | | |
| | Garbage Disposal | X | | <u>The Tenant is responsible for any damage to water lines resulting from Tenant actions, such as disposing of food waste through garbage disposal.</u> |
| | Refrigerator/microwave | X | | |
| | Stove | X | | |
| | Counter Tops, replacement | X | | <u>Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space.</u> |
| | Cabinets, replacement | X | | <u>Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space.</u> |
| | Dish Washer | X | | |

| | | | | |
|--|----------------------------------------------------|----------|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Janitorial Service | X | | Tenant's janitorial services must comply with sanitation and hygiene standards required by childcare licensing regulations, including restroom, classroom, and food prep areas. |
| | Rodent/Pest Control | X | | |
| | Trash Compactor | X | | |
| | 3 Grounds - Outside of the Leased Space | | | |
| | Drinking Fountains | | X | |
| | Mail Boxes | | X | |
| | Fences | | X | |
| | Trash bins | | X | |
| | Trash enclosures | | X | |
| | Bike Racks | | X | |
| | Signs | | X | |
| | Litter Pick-Up | | X | |
| | Lighting | | X | |
| | Parking Lot | | X | |
| | Driveways | | X | |
| | Walkways | | X | |
| | Timers (external) | | X | |
| | Timers (internal) | | X | |
| | Signs | | X | |
| | Landscaping | | X | |
| | Rodent/Pest Control | | X | |
| | Cleaning, Sidewalks, Walkways, Parking Lots | | X | |
| | 4 Landscaping (Leased Area) | | | |
| | Trees | | X | Landlord is responsible for tree maintenance and trimming within the leased area. Tenant shall notify the Landlord in writing of any tree care concerns, hazards, or service requests. The Landlord will provide the Tenant with at least 48 hours' advance notice prior to performing any routine tree maintenance within the leased area, except in the case of emergency work where immediate action is required for safety. |
| | Shrubs | X | | |
| | Flowers | X | | |
| | Lawn | X | | |
| | Watering | X | | |
| | Sprinkler, Repair and Replace | X | | |
| | Headers | X | | |

| | | | | |
|---------------------------------------------------------|-------------------------------------------|---|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Rodent/Pest Control | X | | |
| | Seeding | X | | |
| | Fertilizer | X | | |
| | Plant Trimmings | X | | |
| | Plant Replacement | X | | |
| | Tree Care & Trimming | | X | <u>Landlord is responsible for tree maintenance and trimming within the leased area. Tenant shall notify the Landlord in writing of any tree care concerns, hazards, or service requests. The Landlord will provide the Tenant with at least 48 hours' advance notice prior to performing any routine tree maintenance within the leased area, except in the case of emergency work where immediate action is required for safety.</u> |
| 5 Mechanical Systems | | | | |
| | Electrical Panels, Breaker, Interior | | X | |
| | Electrical Fuses, Interior | | X | |
| | Electrical Receptacle, Switches, Interior | | X | |
| | Electrical Central Switches | | X | |
| | Elevator | | X | |
| | Heating | X | | <u>Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space.</u> |
| | Air Conditioning | X | | <u>Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space.</u> |
| | Water Heater | X | | <u>Tenant must provide advanced notice and receive written Landlord approval prior to new installation, reconfiguration, and to access equipment if housed in a Landlord controlled space.</u> |
| 6 Roadways/Parking Lots Repair & Maintenance | | | | |
| | Striping | | X | |
| | ADA Accessibility Signage | | X | |
| | Asphalt Surface, Curbing | | X | |
| | Cement Surface, Curbing | | X | |
| | Wheel Stops | | X | |
| | Drainage | | X | |
| | Signs | | X | |
| 7 Fire Equipment (Leased Space) | | | | |
| | Sprinklers | | X | |
| | Hoses | | X | |
| | Extinguisher (interior) | X | | <u>Tenant must ensure all emergency and fire safety systems are tested and maintained as required by licensing regulations and shall keep documentation of such compliance.</u> |
| | Alarm Systems | X | | <u>Tenant must ensure all emergency and fire safety systems are tested and maintained as required by licensing regulations and shall keep documentation of such compliance.</u> |

| | | | | |
|--|------------------------------------------------|---|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Smoke Detectors | X | | Tenant must ensure all emergency and fire safety systems are tested and maintained as required by licensing regulations and shall keep documentation of such compliance. |
| | 8 Other Items | | | |
| | Interior Floor Waxing, Sweeping | X | | |
| | Window Washing (interior & exterior) | X | | |
| | Exterior sweeping entry, sidewalk and walkways | X | | |
| | Broken window glass or door glass | | X | |
| | Cleaning Storage Rooms, Utility Rooms | X | | |
| | Building Foundation | | X | |

ATTACHMENT 4

A Resolution of the City Council of the City of Goleta, California, Authorizing Execution of: (1) A Commercial Lease Agreement between the City of Goleta and Community Action Commission of Santa Barbara County; (2) A Commercial Lease Agreement between the City of Goleta and Rainbow Childhood Education, Inc; and (3) A Commercial Lease Agreement between the City of Goleta and Kevin Long Resilience Personal Training

RESOLUTION NO. 25-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GOLETA, CALIFORNIA, AUTHORIZING EXECUTION OF: (1) A COMMERCIAL LEASE AGREEMENT BETWEEN THE CITY OF GOLETA AND COMMUNITY ACTION COMMISSION OF SANTA BARBARA COUNTY; (2) A COMMERCIAL LEASE AGREEMENT BETWEEN THE CITY OF GOLETA AND RAINBOW CHILDHOOD EDUCATION, INC.; AND (3) A COMMERCIAL LEASE AGREEMENT BETWEEN THE CITY OF GOLETA AND KEVIN LONG RESILIENCE PERSONAL TRAINING

WHEREAS, on December 20, 2022, the City Council approved separate commercial lease agreements with the Community Action Commission doing business as CommUnify (“CommUnify”), Rainbow Childhood Education (“Rainbow School”), and Kevin Long Resilience Personal Training (collectively “Tenants”) for premises within the Goleta Community Center; and

WHEREAS, the Tenants’ lease agreements were all for terms from January 1, 2023 to June 30, 2024 with an automatic twelve-month renewal, all three agreements were automatically extended for an additional twelve-month term ending on June 30, 2025; and

WHEREAS, all three Tenants have requested to continue leasing their respective premises for a new term commencing on July 1, 2025 and expiring on June 30, 2026 with an automatic twelve-month renewal and annual rent adjustment; and

WHEREAS, under CommUnify’s proposed Lease Agreement, CommUnify would pay the City \$8,086 a month in exchange for 4,933 square feet of space in Building B of the Goleta Community Center, the adjacent play areas, and seven parking spaces; and

WHEREAS, under Rainbow School’s proposed Lease Agreement, Rainbow School would pay the City \$12,332 a month in exchange for 7,195 square feet of space in Building C of the Goleta Community Center and the adjacent play areas; and

WHEREAS, under Kevin Long Resilience Personal Training’s proposed Lease Agreement, Kevin Long Resilience Personal Training would pay the City \$939 a month in exchange for 707 square feet of space in Building B of the Goleta Community Center; and

WHEREAS, Section 37380 of the California Government Code provides that a city may lease property that it or one of its departments owns, holds, or controls; and

WHEREAS, Section 12.08.030 of the Goleta Municipal Code provides that the City may adopt an agreement for a lease of 55 years or less by resolution; and

WHEREAS, on June 5, 2025, the City published a notice in accordance with Goleta Municipal Code Section 12.08.030 declaring the City's intention to hold a public hearing on June 17, 2025, to consider a resolution authorizing three separate leases for portions of the Goleta Community Center with CommUnify, Rainbow School, and Kevin Long Resilience Personal Training; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GOLETA, AS FOLLOWS:

SECTION 1. Recitals. The foregoing recitals are true and correct and incorporated herein by this reference.

SECTION 2. Approval Of CommUnify Agreement. The City Council hereby approves the Agreement with CommUnify in substantially the form attached hereto as Exhibit "A" and incorporated by this reference, entitled "Commercial Lease Agreement of 5681 Hollister Avenue with CommUnify."

SECTION 3. Approval Of Rainbow School Agreement. The City Council hereby approves the Agreement with Rainbow School in substantially the form attached hereto as Exhibit "B" and incorporated by this reference, entitled "Commercial Lease Agreement of 5689 Hollister Avenue with Rainbow Childhood Education, Inc."

SECTION 4. Approval Of Kevin Long Agreement. The City Council hereby approves the Agreement with Kevin Long Resilience Personal Training in substantially the form attached hereto as Exhibit "C" and incorporated by this reference, entitled "Commercial Lease Agreement of 5681 Hollister Avenue with Kevin Long Resilience Personal Training."

SECTION 5. City Manager Authorization. The City Manager is hereby authorized to execute the Agreement entitled "Commercial Lease Agreement of 5681 Hollister Avenue with CommUnify" attached hereto as Exhibit "A" and incorporated by this reference, the Agreement entitled "Commercial Lease Agreement of 5689 Hollister Avenue with Rainbow Childhood Education, Inc." attached hereto as Exhibit "B" and incorporated by this reference, and the Agreement entitled "Commercial Lease Agreement of 5681 Hollister Avenue with Kevin Long Resilience Personal Training" attached hereto as Exhibit "C" and incorporated by this reference (collectively "Lease Agreements"), on behalf of the

City Council, and sign all other documents necessary to implement and administer the City's duties and obligations under the Lease Agreements.

SECTION 6. Effective Date. This Resolution shall be effective immediately upon adoption.

SECTION 7. Certification. The City Clerk shall certify the passage and adoption of this resolution and entre it into the book of original resolutions.

PASSED, APPROVED, AND ADOPTED this 17th of June 2025.

PAULA PEROTTE
MAYOR

ATTEST:

APPROVED AS TO FORM:

DEBORAH S. LOPEZ
CITY CLERK

ISAAC ROSEN
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SANTA BARBARA)
CITY OF GOLETA) SS.

I, DEBORAH S. LOPEZ, City Clerk of the City of Goleta, California, DO
HEREBY CERTIFY that the foregoing Resolution No. 25-__ was duly adopted by
the City Council of the City of Goleta at a regular meeting held on the __ day of
_____, 2025 by the following vote of the Council:

AYES:

NOES:

ABSENT:

(SEAL)

DEBORAH S. LOPEZ
CITY CLERK