



**TO:** Mayor and Councilmembers

**FROM:** Jaime Valdez, Interim Neighborhood Services Director

**CONTACT:** Michael Baris, Emergency Services Coordinator

**SUBJECT:** Lease with Fire Services Training Institute at 27 South La Patera Lane

## **RECOMMENDATION:**

Authorize the City Manager to enter into a Commercial Lease Agreement with the Fire Services Training Institute at 27 South La Patera Lane for a fixed price, one-time amount of \$1,000.00 for an initial term of 6 months and continuing into a month-to-month lease thereafter.

#### **BACKGROUND:**

On July 12<sup>th</sup>, 2021, the Fire Services Training Institute (FSTI), sent a letter to the City of Goleta requesting to enter into a lease agreement for the available space within the warehouse at 27 South La Patera Lane (Attachment 2). FSTI is the organization that operates the successful Listos program and works in conjunction with Community Emergency Response Team (CERT) programs statewide, including the City's own CERT program. FSTI has been using the limited warehouse space since October of 2020 to assist in COVID-19 response, and the ongoing use of the space has led to the pursuit of an official agreement between FSTI and Goleta.

# **DISCUSSION:**

FSTI is requesting an agreement for two reasons. First, the Listos program has grown from a local operation to now having 61 programs across the State of California that encompass 13 languages. This growth has created a need to bolster these operations with equipment that would be best stored, sorted, and shipped from a proper storage site like the City's warehouse.

Second, FSTI desires to consolidate their operations into one location. FSTI has leased space from the City before and once ran their operations out of a rented room in the Goleta Valley Community Center. In addition to warehouse space, the draft agreement allows FSTI to use two office spaces for their clerical operations. This combined use is proposed to increase the organization's efficiency.

Meeting Date: October 19, 2021

The lease begins with a 6-month term and becomes month-to-month lease afterwards to accommodate the construction needs of the future train depot located at the same site.

Revenue to the City from FSTI for leasing the space will be in the form of a one-time contribution of \$1,000 to offset a marginal portion of the building's utilities. The lease will provide for approximately 1,200 square feet of space in the form of two 200 square foot offices and the balance in the main warehouse (see Exhibit A of Attachment 1).

The Foodbank of Santa Barbara also leases space at this location and City staff have confirmed that the impact to their operations will be minimal. The warehouse is large enough that FSTI and Foodbank staff will not interact regularly.

### **FISCAL IMPACTS:**

A one-time payment of \$1,000 will be collected through the terms set by the lease agreement. This amount will help offset the ongoing cost of the building's utilities, including alarm service.

## **ALTERNATIVES:**

The City Council is under no obligation to lease out the warehouse space at 27 South La Patera. The Council can choose to keep the requested portion of the building vacant.

Reviewed By: Legal Review By: Approved By:

Kristine Schmidt
Assistant City Manager

Megan Garibaldi City Attorney Michelle Greene City Manager

## **ATTACHMENTS:**

- 1. Draft Commercial Lease of 27 South La Patera to FSTI
- 2. Letter from FSTI requesting a lease agreement

# **ATTACHMENT 1**

FSTI Lease Agreement at 27 South La Patera Lane

#### COMMERCIAL LEASE AGREEMENT

THIS COMMERCIAL LEASE AGREEMENT (the "Lease") is made and entered into by and between the CITY OF GOLETA ("Landlord") and FIRE SERVICES TRAINING INSTITUTE, a California nonprofit corporation ("Tenant"), under the following terms and conditions:

1. <u>Description of the Leased Premises</u>. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord a portion of the building located at 27 La Patera Lane, Goleta, California ("the "**Building**"), consisting of approximately 1,200 square feet, referred to herein as the "**Premises**" and shown on **Exhibit A**. As used herein, the "**Property**" shall refer to the Building and the surrounding parking areas.

# 2. Term, Occupancy, and Renewal.

- a. <u>Term.</u> The term of this Lease shall be for a six-month initial term; said term shall commence on \_\_\_\_\_, 2021 (the "**Commencement Date**").
- b. <u>Option to Renew</u>. Provided Tenant is not on default of any term of this Lease, the term of this Lease shall automatically renew indefinitely, for successive one-month periods, subject to termination without cause by tenant with one month's written notice to City and by City with two-months' written notice to Tenant.
- 3. Rent. The rent during the entirety of the term of this Lease shall be one thousand dollars (\$1,000) which shall be paid upon execution of this Lease.
- 4. <u>Place of Payment of Rent</u>. Rent and all other sums which shall become due under this Lease shall be payable by hand delivery or mail at the office of the Landlord located at 130 Cremona Drive, Suite B, Goleta, CA 93117.

# 5. <u>Condition of, and Improvements to, Premises.</u>

- a. <u>Improvements</u>. 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.
- b. <u>As-Is Condition</u>. Tenant warrants and agrees that Tenant has inspected the Premises. Tenant agrees to take possession of the Premises in AS-IS condition (which exists on the date this Lease is signed) and Tenant further agrees that 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.
- c. <u>Condition Upon Surrender</u>. 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, after thirty (30)

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days' prior written notice, Landlord may, at its option, make such repairs, 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 result in additional damage to the Premises, Landlord may make such repairs immediately, at Tenant's expense, and shall provide Tenant with notice of same.

6. <u>Use</u>. The Premises shall be used only for storage and warehousing purposes in connection with the operation of a community collaborative emergency preparedness training organization. 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. <u>Compliance with Laws/Hazardous Materials</u>.

- 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 below, 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.
- 8. <u>Waste; Nuisance</u>. 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.

# 9. Repairs and Maintenance.

- a. <u>Landlord's Maintenance</u>. Except as otherwise provided herein, Landlord, at its cost, shall be responsible to maintain only the structural parts of the Building, which structural parts include only the foundations, bearing and exterior walls, sub-flooring and roof and those portions of the unexposed electrical, plumbing, and sewage systems lying outside the Premises. Landlord shall have an obligation to repair damage to the Premises only if such damage was caused by (a) the acts or omissions of Landlord, or its authorized representatives, or (b) Landlord's failure to perform its obligations under this paragraph.
- b. <u>Tenant's Maintenance</u>. Except as otherwise provided, Tenant at its cost shall maintain, in good condition, the Premises, including without limitation, all of Tenant's personal property, signs, windows, doors, including maintenance and servicing of the existing heating, ventilating, and air-conditioning systems servicing the Premises.

- 10. <u>Alterations and Liens</u>. Tenant shall not make or cause to be made any alterations, additions, or improvements to or of the Premises or any part thereof without the prior written consent of Landlord.
- 11. <u>Assignment and Subletting</u>. Tenant shall not assign or encumber this Lease or any interest therein or sublet the Premises or any portion thereof either voluntarily or by operation of law without the prior written consent of Landlord, which consent shall not be unreasonably withheld.
- 12. <u>Entry by Landlord</u>. 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.

# 13. Indemnification.

- a. <u>Waiver of Claims</u>. 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 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.

# 14. Insurance.

- a. <u>Property Insurance.</u> During the Lease Term, Tenant shall, at Tenant's expense, maintain, or cause to be maintained, "All risk" property insurance including boiler and machinery comprehensive form, if applicable, covering damage to or loss of any of Tenant's personal property, fixtures, equipment and alterations, including electronic data processing equipment (collectively, "**Tenant's Property**") (and coverage for the full replacement cost thereof including business interruption of Tenant);
- b. <u>Liability Insurance.</u> Commercial General Liability Insurance (Occurrence Form). A policy of commercial general liability insurance (occurrence form) having a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence, Two Million Dollars (\$2,000,000) in aggregate, providing coverage for, among other things, blanket contractual

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liability, Premises, products/completed operations with an "Additional Insured-Managers or Lessors of Premises Endorsement" and containing the "Amendment of the Pollution Exclusion Endorsement" for damage caused by heat, smoke or fumes from a hostile fire, and personal and advertising injury coverage, with deletion of (a) the exclusion for operations within fifty (50) feet of a railroad track (railroad protective liability), if applicable, and (b) the exclusion for explosion, collapse or underground hazard, if applicable. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, and shall include coverage for liability assumed under this Lease as an "Insured Contract" for the performance of Tenant's indemnity obligations under this Lease;

- c. <u>Automobile Liability Insurance</u>. Business automobile liability insurance having a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence and insuring Tenant against liability for claims arising out of ownership, maintenance, or use of any owned, hired or non-owned automobiles;
- d. <u>Worker's Compensation</u>. Workers' compensation insurance having limits not less than those required by state statute and federal statute, if applicable, and covering all persons employed by Tenant in the conduct of its operations on the Premises including coverage for all states and, if applicable, voluntary compensation, together with employer's liability insurance coverage in the amount of at least One Million Dollars (\$1,000,000);
- e. <u>Other Insurance.</u> Any other form or forms of insurance as Landlord or mortgagees of Landlord may reasonably require from time to time in form, in amounts and for insurance risks against which a prudent tenant would protect itself;
- f. <u>Business Interruption</u>. Loss of income and extra expense insurance in amounts as will reimburse Tenant for direct or indirect loss of earnings attributable to all peril commonly insured against by prudent Tenants in the business of Tenant or to prevention of access to the Premises as a result of such perils;
- g. <u>Umbrella/Excess Liability Insurance</u>. Umbrella or excess liability insurance may be used to satisfy the limits required in Section 14(a) and (b) above. The umbrella liability or excess liability policy shall be written on an "occurrence" form with a self-insured retention no greater than Ten Thousand Dollars (\$10,000). Such policies shall name Landlord as an additional insured and shall be primary to any insurance maintained by Landlord.
- h. <u>Waiver of Subrogation</u>. The parties release each other, and their respective authorized representatives, from any claims (for damage to any person or to the Premises and/or the building in which the Premises are located, and to the fixtures, personal property, Tenant's improvements, and alterations of either Landlord or Tenant in or on the Premises and/or the building in which the Premises are located) 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.
- i. <u>Ratings, Certificates.</u> All policies shall be taken out with insurers licensed to do business in California with a current Best Rating of (A, XIII) and in form satisfactory from time to time to Landlord. Certificates of insurance evidencing all such insurance and acceptable to the

Landlord shall be filed with Landlord prior to occupancy of the Premises and at least ten (10) days prior to the expiration of the term of each policy thereafter. Such certificates of insurance must specifically show all the special policy conditions required in this Section 14, including "additional insured," "waiver of subrogation," "notice of cancellation," and "primary insurance" wording applicable to each policy. Alternatively, a certified, true and complete copy of each properly endorsed policy may be submitted. All policies shall contain an undertaking by the insurers to notify Landlord and the mortgagees of Landlord in writing not less than thirty (30) days prior to any material change, reduction in coverage, cancellation, or other termination thereof. Tenant shall furnish Landlord with proof of renewal or binders for new insurance at least thirty (30) days before the expiration date of each policy.

# 15. Destruction of Premises.

- a. <u>Destruction Due to Risk Covered by Insurance</u>. If, during the term of this Lease and any renewal term, the Premises or the Building and 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 Building, rendering the Premises totally or partially inaccessible or unusable, Landlord shall restore the Premises or the Building, 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. <u>Destruction Due to Risk Not Covered by Insurance</u>. If, during the term of this Lease and any renewal term, the Premises or the Building and 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. <u>Abatement or Reduction of Rent</u>. 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. <u>Waiver of Civil Code Sections</u>. 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.

#### 16. Default and Landlord's Remedies.

- a. <u>Default</u>. 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. <u>Landlord's Remedies</u>. 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.
- 17. <u>Estoppel Certificate</u>. 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.
- 18. <u>Attorneys' Fees.</u> 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.
- 19. <u>Notices</u>. Any notice required or permitted to be given hereunder must be given in writing.
- 20. <u>Waiver</u>; 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.
- 21. <u>Successors and Assigns</u>. 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.

- 22. <u>Entire Agreement</u>. 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. This Lease shall be governed by and construed pursuant to the laws of the State of California.
- 23. <u>Counterparts</u>. The parties agree that this Lease may be signed in any number of counterparts, each of which shall constitute an original, and that a facsimile copy or electronic copy of any signature of any party will be deemed as enforceable and effective as an original signature. All such counterparts, taken together, will constitute one and the same instrument.

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

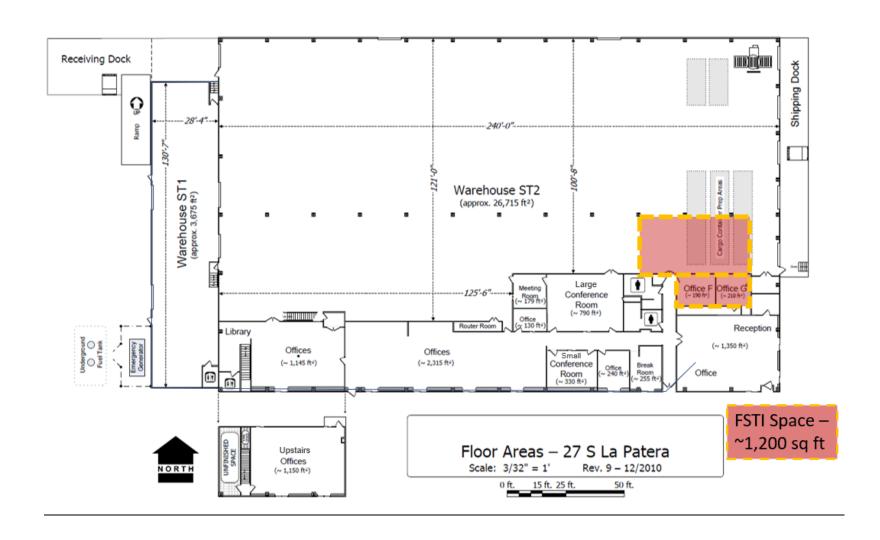
# LANDLORD:

	CITY OF GOLETA
Dated:	By:
	Name:
	Its:
	TENANT:

FIRE SERVICES TRAINING INSTITUTE, a California nonprofit corporation

Dated:	By:	
	Name:	
	Ite	

# EXHIBIT A DEPICTION OF THE PREMISES



# **ATTACHMENT 2**

FSTI Letter to the City of Goleta



An Affiliate of California State Firefighters' Association

P.O. Box 550, Santa Barbara, CA 93116 PHONE (888) 977-1635 • FAX (805) 967-6727 www.cafsti.org



12 July 2021

Jaime Valdez, Interim Director Neighborhood Services and Public Safety City of Goleta 130 Cremona Drive, Suite B Goleta, CA 93117

Re: La Patera Lane Warehouse

Dear Mr. Valdez,

Thank you for your time and consideration today regarding the Fire Services Training Institute (FSTI) interest in leasing space in the La Patera Lane Warehouse.

FSTI provides extended outreach to build community resilience under the dba's of Aware & Prepare and Alertar y Preparar LISTOS. LISTOS is a basic public education program for vulnerable populations utilizing a grass-roots approach designed to prepare non-English speaking, culturally diverse individuals and families in emergency and disaster preparedness. Currently, there are 61 LISTOS programs throughout California now available in 13 languages. Coupled with our statewide Community Emergency Response Team (CERT) program support in conjunction with California Office of Emergency Services, FSTI provides a robust and diverse set of emergency preparedness services.

In short, FSTI is interested in consolidating our operations to one location. As you know, our LISTOS and CERT programs are currently storing supplies in the Warehouse much of which will be shipped out shortly; however, we will remain in need of storage for teaching supplies and publications as well as emergency support equipment and supplies. Some of these supplies are currently stored at 101 Self-Storage in Goleta and in Room 5A at the Goleta Community Center. We are interested in continuing to utilize the current shelves we have and the two vacant offices just off to the side of the main warehouse area for about 700 square feet. We would not be open to the public and access would be limited to less than ten people.

On behalf of Aware & Prepare, Alertar y Preparar LISTOS and our CERT team, I would like to thank you and City staff for your thoughtful time and consideration to our inquire. We fully appreciate the any arrangement would be month to month and potentially short term. Nonetheless, this arrangement could be of significant benefit to the City, our organizations and most importantly, the community we mutually serve.

Sincerely

Michael S. Williams President-Executive Director

cc: Michael Baris

**Emergency Services Coordinator** 

Barbara Anderson Vice President Aware & Prepare and Alertar y Preparar LISTOS