



BARRY C. SAMUEL
DIRECTOR

(408) 462-8300
FAX (406) 462-8330
TDD (408) 454-1453

9000 SOQUEL AVE., SUITE 101 SANTA CRUZ, CALIFORNIA 95062

April 14, 1998

AGENDA: APRIL 28, 1998

Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

SUBJECT: LEASE OF REAL PROPERTY AT PINTO LAKE COUNTY PARK

Dear Members of the Board:

On March 17, 1998, your Board authorized the Parks Department to conduct a competitive bid process for use of 25 acres of land at Pinto Lake County Park for agricultural purposes. The County's intention to lease real property was published and posted as per Government Code, Section 6063.

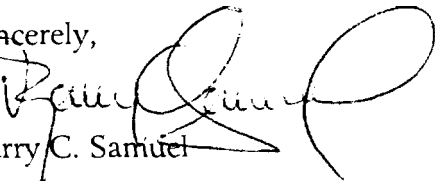
The bids were due at the County Parks Department's offices on April 10, 1998, at 2:00 p.m. The Department had a couple of inquiries with regard to the lease, however, only one formal bid was received. The bidder, Lakeside Organic Gardens, submitted a bid for \$15,000 per year for each of the five years of the lease.

Dick Peixoto, of Lakeside Organic Gardens, has requested that the terms of the proposed lease be modified to indicate that the early cancellation clause of the lease cannot be invoked in order to allow for another company to utilize the property for agricultural purposes. Lakeside Organic Gardens intends, at its own expense, to bring electrical service to the agricultural area of Pinto Lake Park. Under these circumstances, due to the financial commitment required by PG & E, Mr. Peixoto has asked that if the early cancellation clause is invoked by the County, then the County would assume any basic monthly fees for electricity which PG & E would require as part of installation of the new service. Mr. Peixoto has also requested that if during drought conditions, which curtails water use from the lake for irrigation, that Lakeside Organic Gardens be allowed to finish irrigating the current crop as long as there is no planting of new crops. However, any fines or penalties incurred would be the responsibility of the Lessee. In addition, Lakeside Organic Gardens would like to have the option to cancel the lease if drought conditions required that Pinto Lake could no longer be used as a source for irrigation water and under such circumstances that the lease be pro-rated to the date of cancellation.

The suggested revisions to the lease are reasonable and acceptable to the Parks Department.

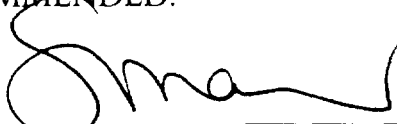
It is therefore RECOMMENDED that your Board approve the 5 year lease with Lakeside Organic Gardens as modified (Attachment A), to begin June 1, 1998, and authorize the Director of County Parks to sign the lease on behalf of the County.

Sincerely,



Barry C. Samuel
Director

RECOMMENDED:



SUSAN A. MAURIELLO
County Administrative Officer

cc: County Counsel
Risk Management
CAO
County Parks
Auditor-Controller

LEASE

This agreement is entered into this ____ day of April, 1998, by and between the COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA, hereinafter designated as "Lessor", and Lakeside Organic Gardens, hereinafter designated as "Lessee".

The parties agree as follows:

1. Premises. Lessor leases to Lessee and Lessee leases from Lessor the premises located in the County of Santa Cruz, State of California described as approximately 25-acres of undeveloped land which is part of Pinto Lake County Park. A map delineating the premises is attached as Exhibit A (Western Half of APN 050-141-11).
2. Term of Lease. The term of this Lease shall be a period of five (5) years commencing on June 1, 1998, and ending on June 1, 2003.
3. Rent. Lessee will pay Lessor rent for the use and possession of the premises in the sum of \$15,000 the ~~first~~ per year with \$3,000 payable on or before June 1, ~~1998~~, and the remainder due in 3 equal installments, ~~of \$4,000 each~~, payable on ~~October 1st~~ September 1st, ~~November 1st~~ December 1st, and ~~April 1st~~ March 1st. Payments shall be made to the County Parks Department, at 9000 Soquel Avenue, Suite 101, Santa Cruz, California 95062.
4. Use of Premises. Premises will, during the term of this lease, be used for the purpose of planting, growing and harvesting of organically grown row crops and other purposes normally incident to such purposes and Lessee agrees to comply with all applicable laws and to acquire any and all necessary permits and/or approvals required for such use. Land use practices shall be consistent with the law with respect to the aforementioned agricultural purposes. The brush and grassy foliage outside the service road may not be mowed or cultivated and shall remain in its natural condition.
5. Access. Lessee is also granted the right to ingress and egress over the service road which enters Pinto Lake County Park from Green Valley Road for purposes of moving equipment and machinery onto and off the premises as well as other activities in the growing, planting and harvesting of the crops. Lessor will continue to permit use of this road for pedestrians, runners, and bicycle access by the public.
6. Operations. All operations conducted on the premises by the Lessee will be in accordance with the best course of husbandry practiced in the geographical vicinity of the premises.
7. Waste. The Lessee will not commit or permit the commission by others of any waste on the premises. Lessee will not maintain, commit, or permit the maintenance or commission of any nuisance. Lessor will not use or permit the use of the premises for any unlawful purposes.
8. Return of Premises. On termination of this lease or any extensions, Lessee will return the premises to Lessor in the condition received with the surface disced.

9. Insurance. Lessee at his sole cost and expense during the term of this lease and **any** extensions will obtain and maintain general liability insurance coverage in a minimum amount of \$1,000,000 combined single limit, plus \$500,000 automobile insurance. The insurance coverage shall include a provision that coverage will not be canceled or non-renewed until thirty (30) days after Lessor has received written notice of such cancellation or non-renewal. This notice shall be delivered return receipt requested and mailed to the County of Santa Cruz, Parks Department, 9000 Soquel Avenue, Suite 101, **Santa** Cruz, California 95062.
10. Insurance Hazards. Lessee will not commit or permit the commission of any act **on** the premises nor use or permit the use of said premises that will increase the existing rates for or cause the cancellation of any fire liability or other insurance policy insuring the premises.
11. Maintenance. Lessee will at his cost and expense, keep and maintain the premises in as good repair and order as they were when received by him, reasonable wear and tear excepted.
12. Equipment and Machinery. Lessee will, at his cost, provide all necessary equipment and machinery to conduct a farming operation on the premises. Lessee will not operate power equipment prior to 7:00 a.m. nor after dusk unless under unusual conditions or circumstances.
13. Utilities. Lessee will be responsible for bringing electrical source(s) to the site for use in pumping water for irrigation purposes. A site map locating the proposed placement of power lines will be provided to the Lessor for approval. Lessee will be responsible for obtaining any necessary permits and approval required for the installation of any utilities. Lessee will contract with utility company for any and all charges accrued in connection with this service. All charges will be the responsibility of Lessee. If, in the event the lease is canceled by the Lessor, Lessor agrees to accept the responsibility for monthly utility service.
14. Water. Lessee will be responsible for obtaining any necessary permits and approvals required to pump water from Pinto Lake. Lessee will be allowed to use water from the lake only in the amount necessary to irrigate crops grown on the premises. Lessee will provide, at his cost, necessary pumps and equipment to irrigate and will not operate water pumps or irrigate prior to 7:00 a.m. nor after dusk unless ~~under unusual conditions or circumstances.~~ utilizing an electricity supplied by a public utility to power the pumps. In the **event** of a drought, as determined by the Lessor, Lessee shall no longer be allowed to draw water from Pinto Lake. A 10-day Notice will be mailed by Lessor prior to terminating the Lessee's permission to draw water from the lake. Lessee will be allowed to finish irrigating existing crops as long as he does not plant any new crops and Lessee will be responsible for payment of any fines or penalties due to continued use of water during drought conditions. Under drought conditions as defined by the Lessor, Lessee will have the right to cancel, with written notice to Lessor, the lease and lease payments will be pro-rated to the date of cancellation.

15. Alterations and Liens. The Lessee will not make or permit any other person to make any alterations to the premises without the written consent of the Lessor. Lessee will keep the premises free and clear from all liens, claims and demands for work performed, materials furnished, or operations conducted at the request of Lessee.
16. Inspection by Lessor. Lessee will permit the Lessor or the Lessor's agents, representatives, or employees to enter the premises at all reasonable times for inspecting the premises to determine whether the Lessee is complying with the terms of this lease and for the purpose of doing other lawful acts that may be necessary to protect the Lessor's interest in the premises.
17. Acceptance by Lessee. The Lessee accepts and premises in their present condition. Lessee agrees with and represents to the Lessor that the inspection of the truth of all facts material to this lease.
18. Indemnification and Hold Harmless. Lessee will exonerate, indemnify, defend, and hold harmless Lessor and it's officers, agents, employees and volunteers from and against:
 - a) any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which Lessor may sustain or incur or which may be imposed upon Lessor for injury to or death of persons or damage to property as a result of, arising out of, or in any manner connected with lessee's performance under the terms of this lease excepting any liability arising out of the acts or omissions of Lessor. Such indemnification includes any damage to the persons or property of Lessors and third persons; and
 - b) any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to Lessee's and Lessee's employees including unemployment insurance, social security and payroll tax withholding.
19. Subleasing and Assignment. Lessee shall not assign, encumber, sublet, or otherwise transfer this lease or any right or interest in this lease.
20. Option to Renew. Lessee will not be given an option to renew this lease under the same terms and conditions in accordance with County Code Section _____, Ordinance No. ____.
21. Abandonment. Should Lessee breach this lease and abandon the premises prior to the termination, Lessor may;
 - a) continue this lease in effect by not terminating the Lessee's right to possession in which event Lessor will be entitled to enforce all its rights and remedies under this lease including the right to recover rent as it becomes due; or

- b) terminate this lease and recover from the Lessee:
- 1) the worth at the time of the award of the unpaid rent which had been earned at the time of termination of the lease;
 - 2) the worth at the time of the award of the amount by which the unpaid rent which would have been earned after termination of the lease until the time of the award exceeds the amount of rental loss that the Lessee proves could have been reasonably avoided;
 - 3) the worth at the time of the award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of rental loss that the Lessee proves could have been reasonably avoided; and
 - 4) any other amount necessary to compensate the Lessor for obligations under this lease and all collection costs.
22. Default by Lessee. All covenants and agreements contained in this lease are declared to be conditions of this lease. Should the Lessee default in the performance of any covenant, condition, or agreement contained in this lease the Lessors may terminate the lease and regain the premises in the manner then provided by the laws of Unlawful Detainer in the State of California then in effect.
23. Insolvency of Lessee. The insolvency of Lessee as evidenced by the appointment of a receiver to take possession of all or of a substantial portion of the property of the Lessee, the making of a general assignment for the benefit of creditors by the Lessee, or the adjudication of the Lessee as a bankrupt under the Federal Bankruptcy Act, shall terminate this lease and entitle the Lessor to re-entre and regain possession of the premises.
24. Notices. Except as otherwise provided by law, notices required or permitted by this lease or by law to be served on or given to either party by the other party shall be in writing and shall be deemed duly served and given when personally delivered to the party or when deposited in the United States Mail, first-class postage pre-paid, addressed to the Lessor at: 9000 Soquel Avenue, Suite 101, Satna Cruz, California 95062. Either party may change the address for purposes of this paragraph by giving written notice of the change to the other party. Notices may also be sent electronically so long as they are also sent by 1st Class Mail. Lessee's Notice address:
25. Binding on Heirs and Successors. This lease shall be binding on and insure the benefit of the heirs, executors, administrators, successors, and assigns of the parties, but nothing contained in this paragraph is to be construed as a consent by the Lessor to any assignment of this lease by the Lessee.
26. Time. Time is Expressly Declared to be of the Essence in this Lease.

- 27. Waiver. The waiver of any breach of any of the provisions of this lease by the Lessor or the Lessee shall not constitute a continuing waiver or a waiver of any subsequent breach by either party.
- 28. Lessor reserves the right to cancel this lease on 3 months written notice to Lessee, 3 months prior to the end of the second yearly term or at any time after that for any reason except to lease the land for agricultural purposes to another company. Upon receipt of written notice of cancellation, the Lessee could vacate at the end of any month following notice of cancellation and be refunded a pro-rated amount of the annual rental for months which were paid in advance and not used.
- 29. Lessee understands in accepting this lease agreement that Lessor's interest therein may be subject to a possible possessory interest tax that the city or county may impose on such interest and that such tax payment shall not reduce any rent due the County hereunder and any such tax shall be the liability of and be paid by Lessee and shall be paid in a timely manner.
- 30. Lessee understands that the property leased herein was acquired by the County for future development and/or use for governmental purposes and that tenant's occupancy under this agreement is an interim use only. Having notice of these conditions, tenant hereby waives any rights or claims against the County now, or at any time in the future, for relocation assistance, payments, and/or benefits.

This lease includes the following attachments:

Exhibit A - Premises Map

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

COUNTY OF SANTA CRUZ

LESSEE

By: _____

By: _____

APPROVED AS TO INSURANCE:

Address: _____

By: [Signature]
Risk Management

APPROVED AS TO FORM:

Telephone: _____

By: [Signature]
Office of the County Counsel

DISTRIBUTION: CAO, Auditor, County Counsel, Parks, Lessee, Risk Mgt

COUNTY OF SANTA CRUZ
REQUEST FOR APPROVAL OF AGREEMENT

452

TO: Board of Supervisors
County Administrative Officer
County Counsel
Auditor-Controller

FROM: Parks, Open Space & Cultural Services
Francis [Signature] (Signature) 04-15-98 (Date)

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of the same.

1. Said agreement is between the County of Santa Cruz - Parks Department (Agency)
and Lakeside Organic Gardens; 577 Judd Road, Watsonville, CA 95076 (Name & Address)

2. The agreement will provide lease of real property at Pinto Lake County Park; to be used for growing and harvesting organically grown crops.

3. The agreement is needed, _____

4. Period of the agreement is from May 1, 1998 to May 31, 2003

5. Anticipated ^{revenue} ~~costs~~ is \$ 15,000 per year; \$3,000 for 1997/98 (Fixed amount; Monthly rate; Not to exceed)

6. Remarks: Revenue agreement to be placed on the list of continuing agreements for \$15,000.00

7. ^{Revenues} ~~Appropriations~~ are budgeted in 492100 (Index#) 0440 (Subject)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACH COMPLETED FORM AUD-74

Appropriations ^{are available and} ~~are not~~ ^{have been} ~~will be~~ encumbered. Contract No. R679 Date 4/12/98
N/A
GARY A. KNUTSON, Auditor - Controller
By [Signature] Deputy

Proposal reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize the Director of County Parks to execute the same on behalf of the County of Santa Cruz (Agency).
County Administrative Officer

Remarks: _____ (Analyst)
By [Signature] Date 4/20/98

Agreement approved as to form. Date _____

Distribution:
Bd. of Supv. - White
Auditor-Controller - Blue
County Counsel - Green
Co. Admin. Officer - Conroy
Auditor-Controller - Pink
Originating Dept. - Goldenrod

State of California)
County of Santa Cruz) ss
I _____ ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz
State of California, do hereby certify that the foregoing request for approval of agreement was approved by said Board of Supervisors as recommended by the County Administrative Officer by an order duly entered in the minutes of said Board on _____
County Administrative Officer
By _____ Deputy Clerk

*T. Org. Dept. if rejected.
46
ADM - 29 (6/95)

LEASE

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The parties agree as follows:

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15. Alterations and Liens. The Lessee will not make or permit any other person to make

- any alterations to the premises without the written consent of the Lessor. Lessee will keep the premises free and clear from all liens, claims and demands for work performed, materials furnished, or operations conducted at the request of Lessee.
16. Inspection by Lessor. Lessee will permit the Lessor or the Lessor's agents, representatives, or employees to enter the premises at all reasonable times for inspecting the premises to determine whether the Lessee is complying with the terms of this lease and for the purpose of doing other lawful acts that may be necessary to protect the Lessor's interest in the premises.
 17. Acceptance by Lessee. The Lessee accepts and premises in their present condition. Lessee agrees with and represents to the Lessor that the inspection of the truth of all facts material to this lease.
 18. Indemnification and Hold Harmless. Lessee will exonerate, indemnify, defend, and hold harmless Lessor and it's officers, agents, employees and volunteers from and against:
 - a) any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which Lessor may sustain or incur or which may be imposed upon Lessor for injury to or death of persons or damage to property as a result of, arising out of, or in any manner connected with lessee's performance under the terms of this lease excepting any liability arising out of the acts or omissions of Lessor. Such indemnification includes any damage to the persons or property of Lessors and third persons; and
 - b) any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to Lessee's and Lessee's employees including unemployment insurance, social security and payroll tax withholding.
 19. Subleasing and Assignment. Lessee shall not assign, encumber, sublet, or otherwise transfer this lease or any right or interest in this lease.
 20. Option to Renew. Lessee will not be given an option to renew this lease under the same terms and conditions in accordance with County Code Section _____, Ordinance No. ____.
 21. Abandonment. Should Lessee breach this lease and abandon the premises prior to the termination, Lessor may;
 - a) continue this lease in effect by not terminating the Lessee's right to possession in which event Lessor will be entitled to enforce all its rights and remedies under this lease including the right to recover rent as it becomes due; or

- b) terminate this lease and recover from the Lessee:
 - 1) the worth at the time of the award of the unpaid rent which had been earned at the time of termination of the lease;
 - 2) the worth at the time of the award of the amount by which the unpaid rent which would have been earned after termination of the lease until the time of the award exceeds the amount of rental loss that the Lessee proves could have been reasonably avoided;
 - 3) the worth at the time of the award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of rental loss that the Lessee proves could have been reasonably avoided; and
 - 4) any other amount necessary to compensate the Lessor for obligations under this lease and all collection costs.
- 22. Default by Lessee. All covenants and agreements contained in this lease are declared to be conditions of this lease. Should the Lessee default in the performance of any covenant, condition, or agreement contained in this lease the Lessors may terminate the lease and regain the premises in the manner then provided by the laws of Unlawful Detainer in the State of California then in effect.
- 23. Insolvency of Lessee. The insolvency of Lessee as evidenced by the appointment of a receiver to take possession of all or of a substantial portion of the property of the Lessee, the making of a general assignment for the benefit of creditors by the Lessee, or the adjudication of the Lessee as a bankrupt under the Federal Bankruptcy Act, shall terminate this lease and entitle the Lessor to re-entre and regain possession of the premises.
- 24. Notices. Except as otherwise provided by law, notices required or permitted by this lease or by law to be served on or given to either party by the other party shall be in writing and shall be deemed duly served and given when personally delivered to the party or when deposited in the United States Mail, first-class postage pre-paid, addressed to the Lessor at: 9000 Soquel Avenue, Suite 101, Satna Cruz, California 95062. Either party may change the address for purposes of this paragraph by giving written notice of the change to the other party. Notices may also be sent electronically so long as they are also sent by 1st Class Mail. Lessee's Notice address:
- 25. Binding on Heirs and Successors. This lease shall be binding on and insure the benefit of the heirs, executors, administrators, successors, and assigns of the parties, but nothing contained in this paragraph is to be construed as a consent by the Lessor to any assignment of this lease by the Lessee.
- 26. Time. Time is Expressly Declared to be of the Essence in this Lease.

- 27. Waiver. The waiver of any breach of any of the provisions of this lease by the Lessor or the Lessee shall not constitute a continuing waiver or a waiver of any subsequent breach by either party.
- 28. Lessor reserves the right to cancel this lease on 3 months written notice to Lessee, 3 months prior to the end of the second yearly term or at any time after that for any reason except to lease the land for agricultural purposes to another company. Upon receipt of written notice of cancellation, the Lessee could vacate at the end of any month following notice of cancellation and be refunded a pro-rated amount of the annual rental for months which were paid in advance and not used.
- 29. Lessee understands in accepting this lease agreement that Lessor's interest therein may be subject to a possible possessory interest tax that the city or county may impose on such interest and that such tax payment shall not reduce any rent due the County hereunder and any such tax shall be the liability of and be paid by Lessee and shall be paid in a timely manner.
- 30. Lessee understands that the property leased herein was acquired by the County for future development and/or use for governmental purposes and that tenant's occupancy under this agreement is an interim use only. Having notice of these conditions, tenant hereby waives any rights or claims against the County now, or at any time in the future, for relocation assistance, payments, and/or benefits.

This lease includes the following attachments:

- Exhibit A - Premises Map
- Exhibit B - Equal Employment Opportunity

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

COUNTY OF SANTA CRUZ

LESSEE: LAKESIDE ORGANIC GARDENS

By: _____

By: [Signature]

APPROVED AS TO INSURANCE:

Address: 577 Judd Road

By: [Signature] 4-15-98
Risk Management

Watsonville, CA 95076

APPROVED AS TO FORM:

Telephone: (408) 722-6266

Fax: (408) 722-6286

By: [Signature]
Office of the County Counsel

DISTRIBUTION: CAO, Auditor, County Counsel, Parks, Lessee, Risk Mgt

(Substitute)
County of Santa Cruz

Request for Taxpayer Identification Number and Certification

Give **458** form to the
County of Santa Cruz
Do NOT send to the IRS

Please print or type

Name (If joint names, list first and circle the name of the person or entity whose number you enter in Part I below. See instructions on page 2 if your name has changed.)
Dick Peixoto

Business name (Sole proprietors see instructions on page 2.)
Lakeside Organic Gardens

Please check appropriate box: Individual/Sole proprietor Corporation Partnership Other

Address (number, street, and apt. or suite no.)
577 Judd Road

City, state, and ZIP code
Watsonville, CA 95076

YOU ARE PAID FOR:

Health Care Service
 Other Service
 Rent Goods
 Freight Interest
 Other (Explain)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). For sole proprietors, see the instructions on page 2. For other entities, it is your employer identification number (EIN). If you do not have a number, see How To Get a TIN below.

Note: If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.

Social security number
 _____ + _____ + _____ + _____

OR

Employer identification number
 44-2415794

Part II For Payees Exempt From Backup Withholding (See Part II instructions on page 2)

Part III Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (n) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.

Certification Instructions. - You must crossout item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, the acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (Also see Part III Instructions on page 2.)

Sign Here _____ Signature P _____ Date P 6/2/04

Section references are to the Internal Revenue Code.

Purpose of Form.-A person who is required to file an information return with the IRS must get your correct TIN to report income paid to you, real estate transactions, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA. Use Form W-9 to give your correct TIN to the requester (the person requesting your TIN) and, when applicable, (1) to certify the TIN you are giving is correct (or you are waiting for a number to be issued), (2) to certify you are not subject to backup withholding, or (3) to claim exemption from backup withholding if you are an exempt payee. Giving your correct TIN and making the appropriate certifications will prevent certain payments from being subject to backup withholding.

Note: If a requester gives you a form other than a W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

What Is Backup Withholding?—Persons making certain payments to you must withhold and pay to the IRS 31% of such

payments under certain conditions. This is called "backup withholding." Payments that could be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

If you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return, your payments will not be subject to backup withholding. Payments you receive will be subject to backup withholding if:

- You do not furnish your TIN to the requester, or
- The IRS tells the requester that you furnished an incorrect TIN, or
- The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
- You do not certify to the requester that you are not subject to backup withholding under 3 above (for reportable

interest and dividend accounts open & after 1983 only), or

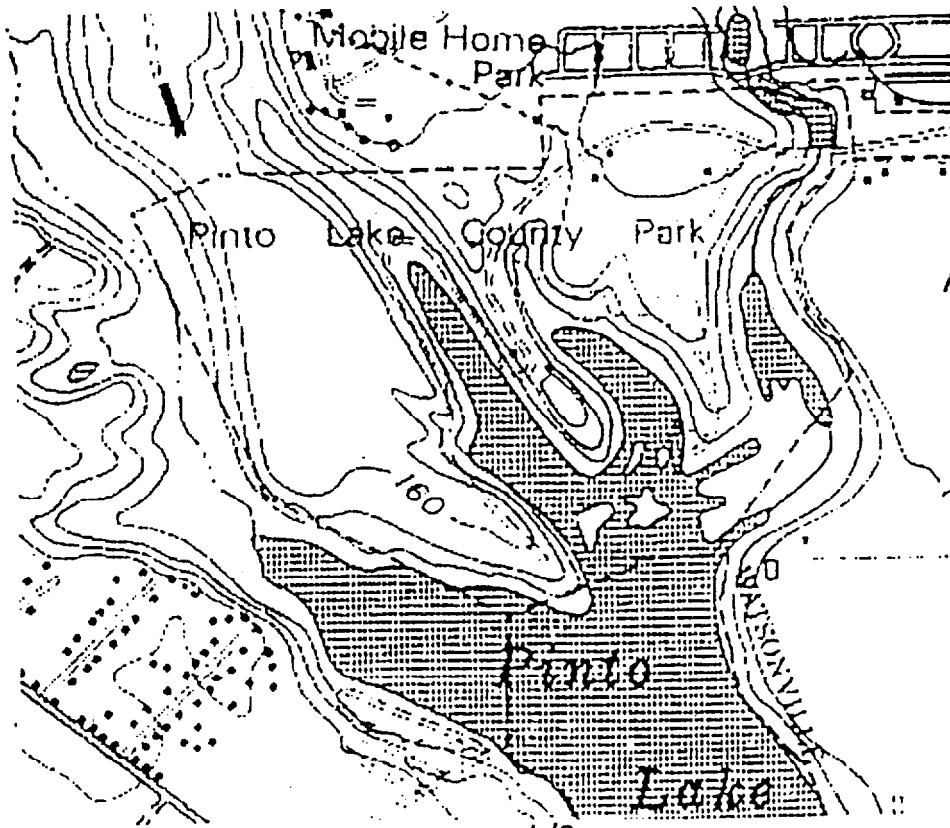
- You do not certify your TIN. See the Part III instructions for exceptions.

Certain payees and payments are exempt from backup withholding and information-reporting. See the Part II instructions and the separate instructions for the Requester of Form W-9.

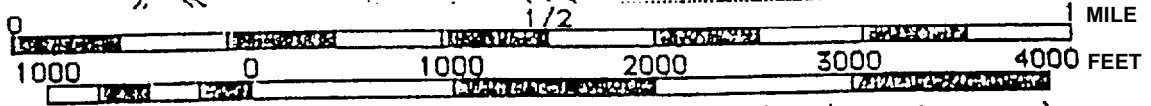
How To Get a TIN.—If you do not have a TIN, apply for one immediately. To apply, get Form SS-5, Application for a Social Security Number Card (for Individuals), from your local office of the Social Security Administration, or Form SS-4, Application for Employer Identification Number (for businesses and all other entities), from your local IRS office.

If you do not have a TIN, write "Applied For" in the space for the TIN in Part I, sign and date the form, and give it to the requester. Generally, you will then have 60 days to get a TIN and give it to the requester. If the requester does not receive your TIN within 60 days, backup withholding, if applicable, will begin and continue until you furnish your TIN.

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EOAL EMPLOYMENT OPPORTUNITY

During and in relation to the performance of this Agreement, CONTRACTOR agrees as follows:

- A. The CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, physical or mental disability, medical condition (cancer related), marital status, sex, sexual orientation, age (over 40), veteran status, or any other non-merit factor unrelated to job duties. Such action shall include, but not be limited to, the following: recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.

If this Agreement provides compensation in excess of \$50,000 to CONTRACTOR and if CONTRACTOR employs fifteen (15) or more employees, the following requirements shall apply:

- (1) The CONTRACTOR shall, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, ancestry, physical or mental disability, medical condition (cancer related), marital status, sex, sexual orientation, age (over 40), veteran status, or any other non-merit factor unrelated to job duties. In addition, the CONTRACTOR SHALL make a good faith effort to consider Minority/Women/disabled Owned Business Enterprises in CONTRACTOR'S solicitation of goods and services. Definitions for Minority/Women/Disabled Business Enterprises are available from the COUNTY General Services Purchasing Division.
- (2) The CONTRACTOR shall furnish COUNTY Affirmative Action Office information and reports in the prescribed reporting format (PER 40 12) identifying the sex, race, physical or mental disability, and job classification of its employees and the names, dates and methods of advertisement and direct solicitation efforts made to subcontract with Minority/Women/Disabled Business Enterprises.
- (3) In the event of the CONTRACTOR'S non-compliance with the non-discrimination clauses of this Agreement or with any of the said rules, regulations, or orders said CONTRACTOR may be declared ineligible for further agreements with the COUNTY.
- (4) The CONTRACTOR shall cause the foregoing provisions of this Subparagraph 7B. To be inserted in all subcontracts for any work covered under this Agreement by a subcontractor compensated more than \$50,000 and employing more than fifteen (15) employees, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.