Board Agenda Item

TO: Air Pollution Control District Board
FROM: Aeron Arlin Genet, Air Pollution Control Officer
CONTACT: Kristina Aguilar, CPA, Administrative Division Manager, (805) 961-8813
SUBJECT: Ratify a Purchase Agreement and Escrow Instructions for the purchase of the property located at 1011 W. McCoy Lane in Santa Maria and the improvements thereon

RECOMMENDATION:
Consider recommendations as follows:

1. Approve and ratify the Purchase Agreement and Escrow Instructions (“Agreement”) between the Santa Barbara County Air Pollution Control District (“District”), as Buyer, and Evelyn Muscio Family Limited Partnership (“Owner”), as Seller, to purchase the property located at 1011 W. McCoy Lane in Santa Maria, County of Santa Barbara, known as Assessor Parcel Number 111-270-050 (the “Property”) and the improvements thereon, including a 5,967 square foot building, for a purchase price of $800,000;

2. Authorize the Air Pollution Control Officer, or designee, subject to concurrence from District Counsel, to act on behalf of the District to complete the investigation of the Property and either approve the condition of the property or elect to terminate the Agreement as provided in Sections 1.e – 1.g of the Agreement;

3. Authorize the Air Pollution Control Officer, or designee, subject to concurrence from District Counsel, to review compliance with the contingency described in Section 1.j and exercise the right to terminate if the contingency is not satisfied as described therein;

4. Authorize the Air Pollution Control Officer, or designee, to execute any and all escrow documents and complete further due diligence required to facilitate the terms and conditions of the proposed acquisition;

5. Authorize the Air Pollution Control Officer, or designee, to expend funds in a total amount not to exceed the purchase price of EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00), plus title and escrow fees and any other costs required to facilitate the transaction pursuant to the Purchase Agreement and Escrow Instructions;
6. Approve and authorize the Clerk of the Board, upon satisfaction of the terms and conditions of the Agreement as determined by the Air Pollution Control Officer with concurrence from District Counsel, to execute the attached Certificate of Acceptance consummating the purchase and accepting title to the Property, subject to Owner’s obligation to deliver property at close of escrow in vacant possession; and,

7. Determine that the recommended actions are exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15301 finding that the project consists of the repair, maintenance, permitting, leasing, licensing, or minor alteration of existing private structures involving negligible or no expansion of existing or former use.

BACKGROUND:

During the Fiscal Year 2020-2021 budget process, the proposal of a one-time expenditure for the purchase of a District office space in North County was discussed and included in the approved budget. With a healthy fund balance and the desire to maintain a presence in North County, the possibility of investing in an office space for District staff would allow the District to diversify its assets from solely cash to real estate on the balance sheet. A total of $1.5 million was included in the Board approved budget for a potential purchase. These funds currently reside in the District’s general reserves. Making this purchase would allow the District’s North County fleet to be housed at the new building versus being home garaged and would eliminate the rent of $49,083 that is paid annually for the District’s current office space in Santa Maria.

The District has been searching for suitable properties since August of 2020. At the May 20, 2021, meeting, your Board delegated authority to the Air Pollution Control Officer (APCO) to negotiate and enter into a purchase agreement with a selling party to secure an office building and open escrow. The APCO signed that purchase agreement on May 26, 2021, (Attachment 1), to purchase the Property in the amount of $800,000.00, and thereafter opened escrow with Fidelity National Title Company in Santa Maria (“Escrow Holder”) and sent a $15,000.00 earnest money deposit to the Escrow Holder. Consistent with the requirements of the prior delegation, the District is now returning to your Board at the board meeting in the month immediately following when the purchase agreement was signed to request that the Board ratify the action.

DISCUSSION:

The Agreement provides that escrow shall be open for a period of up to 120 days, closing no later than September 23, 2021 (the “Escrow Period”). Within the first 10 days of the Escrow Period, Owner is obligated to deliver to District numerous property disclosure reports and tenant and/or seller estoppel certificates. District has until July 10, 2021, to review these reports and disclosures and to conduct its own due diligence in order to either approve the condition of the Property or terminate the Agreement (the “Due Diligence Period”). If the District approves the condition of the Property and proceeds with the acquisition, then the Owner will terminate all existing tenancies and ensure that all tenants have vacated the Property no later than 5 days prior to the close of escrow.

Owner has delivered to the District the following written disclosures and reports:

1. An Earthquake Disclosure signed by the Owner stating that the building has well-anchored exterior cladding with no unusual or irregular building features;

2. A Natural Hazard Disclosure Report showing the property is located 1.26 miles away from the Santa Maria Airport; outside Supplemental Flood and Fire Hazard Zones; within a Supplemental Seismic/Geologic Hazard Zone; and within 1/8 to 1/2 mile away from sites with known or potential environmental concerns;
3. A Seller Property Questionnaire signed by the Owner stating that the Property is located in or adjacent to an “industrial use” and manufacturing zone and disclosing the repair of a leaky water pipe in the ceiling in April 2021;
4. A Water Heater Statement of Compliance and a Water-Conserving Plumbing Fixtures Carbon Monoxide Detector Notice;
5. A Phase I Environmental Site Assessment (ESA) prepared by Buena Resources, a Santa Maria-based company specializing in environmental consulting services, which found no historic recognized environmental concerns (HREC); no controlled environmental concerns (CREC); one potential sump associated with a nearby oil well located approximately 200’ north of the northern property boundary; and “flammable storage items” located in a large cabinet not rated for flammable containers in Unit C. The report recommends that the flammable storage items should be in a cabinet designed for flammable storage and notes that, while the Property is located in an oil production area, there is no evidence to support a finding that wells or tanks were ever located onsite. The flammable storage items will be removed from the premises prior to the close of escrow. Buena Resources concludes its report by stating, “It is our opinion that no further work is required at this site and we are not recommending any phase II work at this time.”
6. Tenant Estoppel Certificates for Units B and C certifying that there are no existing written leases and that each tenancy is month-to-month (Attachment 2); and
7. Seller Estoppel Certificate in which the Owner certifies, warrants and represents that all three tenants are month-to-month and have verbal leases (Attachment 2).

District has conducted the following independent investigations regarding the title and condition of the Property:
1. A site visit was conducted on 5/5/2021 by the APCO, District staff, and General Services staff, and again on 6/7/2021 and 6/8/2021 by General Services staff. The Property was observed to be in relatively good condition showing “normal wear and tear” that appeared to be consistent with the building’s age.
2. A Preliminary Title Report (PTR) prepared by Escrow Holder on March 24, 2021, reviewed by District and General Services Staff, identifies Owner’s fee simple interest in the Property and a “30’ Private Road Reciprocal Access Easement” with the adjacent property at 2341 Meredith Lane, Assessor Parcel Number 111-270-049, as well as various easements for emergency access, tree planting and public utilities, drainage and pedestrian access. A color-coded easement map showing all recorded easements is attached hereto as Attachment 3. The PTR also identifies recorded financial statements from one of the current tenants, which will be removed from title prior to close of escrow.
3. A roof inspection by Action Roofing on June 3, 2021, determined that the concrete tile roof is approximately 30 years old and at the end of its typical life expectancy, ten skylight panels have deteriorated and are in need of replacement, gutter troughs are rusted, and the metal flat roof shows signs of wear with exposed joints and fasteners. The Roof Inspection Report recommends repair and/or replacement of these roof components for a total cost of $39,285. The roof coating system would also add functionality and protection in the event that District wishes to add air monitoring equipment and/or solar equipment on the flat metal roof.
4. An inspector from Story Termite inspected the Property on June 7, 2021 and summarized his findings in a Wood Destroying Pests and Organisms (WDP) Inspection Report, which found damage to portions of the building likely caused by subterranean termite infestation, fungus infection, dryrot and excessive moisture. The WDP Inspection Report recommends repairs to
those areas of the building in the amount of $1,250 and recommends consultation with a licensed contractor for further evaluations and/or repairs.

5. Robert Kupiec of Kupiec Architects conducted an onsite inspection on June 7, 2021, and noted his observations in a letter dated June 8, 2021. Mr. Kupiec states that the building is “for the most part in good condition” and that “the overall layout included the types of amenities that would be necessary to accommodate the needs of the Air Pollution Control District.” He identified areas needing renovations and/or repairs and provided recommendations as to how to address these issues.

6. Richard Grunder of Housemaster conducted a building inspection on June 8, 2021, and submitted a 46-page report of his findings. This Building Inspection Report notes multiple building components in need of further evaluations and/or repair or replacement, including the roof and gutter work identified in the Roof Inspection Report.

7. Ed Hawkes, Principal/Proprietor of Hawkes Real Estate Appraisal, conducted an onsite inspection of the Property on June 8, 2021, and is currently preparing an appraisal report to evaluate the fair market value of the Property. Mr. Hawkes is expected to deliver his appraisal report on or before June 17, 2021.

The Property is located in the southwest portion of the City of Santa Maria and is zoned for light manufacturing use. It has been used as a commercial office building since 1991. In accordance with California Government Code Section 65402(a), notification of the proposed acquisition was sent to the City of Santa Maria Planning Division, which has jurisdiction for determining conformance with the City’s adopted general plan. The City determined that the acquisition is in conformity with its General Plan and Government Code Section 65402(a) has therefore been satisfied.

A Notice of Intention to Purchase Real Property was published on May 28, 2021, June 4, 2021, and June 11, 2021, in accordance with California Government Code Sections 25350 and 6063 for the intended action to purchase real property.

Owner has delivered to Escrow Holder an executed and acknowledged Grant Deed (Attachment 4) to transfer fee title ownership of the Property to District at close of escrow. A Certificate of Acceptance is attached hereto as Attachment 5 to be executed by the Clerk of the Board and thereafter delivered to the Escrow Holder to hold until close of escrow.

The proposed action is exempt from environmental review pursuant to Section 15301 [Existing Facilities] of the California Environmental Quality Act (CEQA) since there is no possibility that the activity in question will have a significant effect on the environment, and on May 21, 2021, a CEQA Notice of Exemption was filed with the State of California Department of Fish and Wildlife on this basis (Receipt Number 42-05212021-113) (Attachment 6). Any future development that may occur on this parcel may be subject to the City of Santa Maria’s development review process. Compliance with CEQA would be considered at that time for any new project as applicable.

**FISCAL IMPACT:**

The District included the funds to purchase a building in the Fiscal Year 2020-21 budget, as approved by your Board on June 18, 2020. The original amount budgeted in FY 2020-21 was $1,500,000. Due to the timing of this purchase, the funds are being rolled in the proposed FY 2021-22 budget to be paid out when escrow closes. The District will only need to roll over $1,285,000 of that amount to cover the building purchase ($785,000) and building improvements ($500,000), while the other $200,000 will remain in the District’s reserves. The FY 2021-22 proposed budget will be before your Board for approval June 17, 2021.
ATTACHMENTS:

1. Purchase Agreement and Escrow Instructions
2. Tenant and Seller Estoppel Certificates
3. Color-Coded Easement Map
4. Grant Deed
5. Certificate of Acceptance
6. CEQA NOE
ATTACHMENT 1

Purchase Agreement and Escrow Instruction

June 17, 2021

Santa Barbara County Air Pollution Control District
Board of Directors

260 San Antonio Road, Suite A
Santa Barbara, California 93110
REAL PROPERTY PURCHASE AGREEMENT
AND ESCROW INSTRUCTIONS

This REAL PROPERTY PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS ("Agreement") is made and entered into by and between the SANTA BARBARA COUNTY AIR POLLUTION CONTROL DISTRICT, an independent special district of the County of Santa Barbara ("DISTRICT"), and Evelyn Muscio Family Limited Partnership ("OWNER"), with reference to the following:

RECITALS

WHEREAS, OWNER is the fee simple owner of that certain real property in the City of Santa Maria, County of Santa Barbara, State of California commonly known as 1101 West McCoy Lane, Santa Maria, California, more particularly described as Assessor’s Parcel Number 111-270-050, and all improvements on said real property, hereinafter collectively referred to as the “Property” as shown on Exhibit “A”, attached hereto and incorporated herein by reference; and

WHEREAS, DISTRICT has identified the Property as potentially suitable for the office and storage space needs of DISTRICT’s North County staff who will relocate from their leased location at 301 E. Cook Street, Suite L in Santa Maria, as well as provide space to house the North County vehicle fleet and a lab to service air monitoring equipment; and

WHEREAS, DISTRICT desires to purchase the Property, consisting of one 5,967 square foot building and improvements on .56 acres, in fee title for the present and future needs of the DISTRICT; and

WHEREAS, DISTRICT and OWNER concur that the value of the Property has been mutually agreed upon between DISTRICT and OWNER; and

OPERATIVE PROVISIONS

NOW THEREFORE, in consideration of the covenants and conditions contained herein, the parties agree that OWNER shall remise, release, and convey to DISTRICT and DISTRICT shall accept all right, title, and interest in and to the Property, excluding any tenant-owned personal property, subject to the following terms and conditions:

1. PURCHASE PRICE AND TERMS OF SALE: DISTRICT agrees to purchase from OWNER, and OWNER agrees to sell to DISTRICT, fee ownership of the Property, subject to the following:

   a. The total purchase price for the Property shall be EIGHT HUNDRED THOUSAND
DOLLARS ($800,000.00) (“Purchase Price”).

b. Upon execution by DISTRICT in accordance with Section 2.a, DISTRICT shall return a duplicate original of this Agreement to OWNER and shall deliver a copy of this Agreement to escrow holder.

c. As set forth in Section 3 below, DISTRICT shall deposit with the escrow holder the sum of FIFTEEN THOUSAND DOLLARS ($15,000) (the “Deposit”).

d. Escrow shall be open for a period of up to one hundred twenty (120) days following the execution of this Agreement (the “Escrow Period”) in accordance with Section 2.a. of this Agreement.

e. DISTRICT shall have forty-five (45) days following the execution of this Agreement to approve, or disapprove, in its sole judgment the condition of the Property and complete its investigation of the Property (the “Due Diligence Period”). During the Due Diligence Period, DISTRICT may, in its sole and absolute discretion, elect to terminate this Agreement based upon any of the following:

i. Its review and investigation of the condition of the Property, which may include, but shall not be limited to, a Phase One or Phase Two Environmental Site Assessment, a CEQA analysis, or any other studies related to the condition of the Property or title to the Property;

ii. A determination from the City of Santa Maria pursuant to the requirements of California Government Code Section 65402;

iii. DISTRICT’s inability to complete any of the studies or actions set forth above;

iv. DISTRICT’s review of all existing written leases, if any, and estoppel certificates in accordance with Section 1.j. herein below to confirm month-to-month tenancies;

v. This Agreement is not ratified by the Board of Directors of the DISTRICT to as required by Section 1.k below.

f. If DISTRICT elects to terminate this Agreement pursuant to Section 1.e. above, DISTRICT shall communicate such termination in writing to OWNER, such that it is received by OWNER no later than 5:00 p.m. on the last day of the Due Diligence Period, or on the following business day if such day falls on a weekend or holiday. DISTRICT shall thereafter have no further liability with respect to this transaction and shall be entitled to the return of the Deposit together with interest accrued thereon less any fees that are due and are DISTRICT’s responsibility as described herein.

g. If DISTRICT fails to deliver notice of its election to terminate on or before 5:00 p.m. on the last day of the Due Diligence Period, then DISTRICT shall be deemed to have waived
this condition. If the last day of the Due Diligence Period falls on a weekend or holiday, the Due Diligence Period shall be extended until 5:00 p.m. of the following business day.

h. Within ten (10) days following execution of this Agreement by DISTRICT, OWNER shall deliver to the escrow holder a grant deed, after said grant deed is duly executed and acknowledged by OWNER (“Grant Deed”), in substantially the same form shown on Exhibit “B”, attached hereto and incorporated herein by reference.

i. At least one (1) day prior to the close of escrow, DISTRICT shall deposit with the escrow holder a certificate of acceptance for the Property, after said certificate has been executed by DISTRICT (“Certificate of Acceptance”), in substantially the same form shown on Exhibit “C”, attached hereto and incorporated herein by reference, and the balance of the Purchase Price, plus costs of pro-rations, fees, and expenses pursuant to this Agreement.

j. This Agreement is contingent upon delivery of the Property to DISTRICT in vacant possession and not subject to any tenancies. OWNER represents that all existing leases are month-to-month tenancies. Within ten (10) days following execution of this Agreement by the DISTRICT Air Pollution Control Officer (defined below), and in accordance with Section 7.h. below, OWNER shall deliver to DISTRICT:

i. Copies of all existing written leases, if any; and

ii. A seller’s estoppel certificate for each tenancy, whether or not there is an existing written lease. The estoppel certificate shall be in a form satisfactory to DISTRICT and shall include representations and warranties regarding, at a minimum, the identity of each tenant, the nature and duration of each tenancy (e.g. tenancy for years, tenancy at will), the amount of rent and frequency payment (e.g., weekly, monthly, annually). As an alternative to a seller’s estoppel certificate for one or more tenancies, DISTRICT may, in its sole and absolute discretion, accept a tenant estoppel certificate that includes the above-described representations and warranties.

iii. OWNER shall bear all costs and expenses related to satisfying this contingency, including attorneys’ fees in the event an action for unlawful detainer becomes necessary. OWNER shall ensure that all tenants have vacated the Property no later than five (5) days prior to Close of Escrow, as defined below, and OWNER shall notify DISTRICT of such vacant possession. In the event the Property is not in vacant possession at least five (5) days prior to Close of Escrow, DISTRICT, in its sole and absolute discretion, may terminate this Agreement and shall be entitled to the return of the Deposit together with interest accrued thereon less any fees that are due and are DISTRICT’s responsibility as described herein. Alternatively, DISTRICT and OWNER may, but shall not be required to, mutually agree to extend the Close of Escrow to allow for OWNER to satisfy this contingency.
k. Completion of the California Environmental Quality Act (CEQA) environmental review process for this transaction, as determined by DISTRICT, appropriation of funding, and ratification of this Agreement by the Santa Barbara County Air Pollution Control District Board of Directors (the “Directors”) are express conditions precedent to DISTRICT’s duty to purchase. The Air Pollution Control Officer (defined below) shall provide written notice to Owner and Escrow Holder (defined below) indicating whether the Directors have ratified this agreement. Notwithstanding any other provision in this Agreement, the Due Diligence Period may be extended by mutual written agreement to permit the funding approval, appropriation and ratification by the Directors or to ensure compliance with CEQA. Under no circumstances shall this Agreement be construed as requiring the Directors to ratify this Agreement; the DISTRICT reserves the right to decline ratification and terminate this Agreement in accordance with Section 1.e. above.

2. **ESCROW AND OTHER FEES:** OWNER has opened escrow at Fidelity National Title, 2222 S. Broadway, Suite G, Santa Maria, CA 93454 (“Escrow Holder”) with escrow number FSLC-0152100921. Within ten (10) days following the execution of this Agreement by the Air Pollution Control Officer of the Santa Barbara County Air Pollution Control District, DISTRICT shall deliver a copy of this Agreement to the Escrow Holder. On behalf of the DISTRICT, Air Pollution Control Officer shall execute the necessary escrow instructions and/or additional documents which may be required to complete the closing of this real property transaction. This Agreement shall become part of the escrow and shall constitute the basic instructions and documents as are reasonably required to complete the closing of the transaction contemplated herein, in accordance with the terms and conditions of this Agreement. In case of conflict between this Agreement and any of said escrow documents, the terms of this Agreement shall govern.

a. Escrow shall close on or before one hundred twenty (120) days following execution of the Agreement by the Air Pollution Control Officer (the “Closing Date”), or such other date as the parties hereto shall mutually agree in writing, and may occur after all conditions herein stated are satisfied (except those conditions that have been waived by an express written waiver duly executed by the waiving party). The “Close of Escrow” is defined as (i) the full payment of the Purchase Price to OWNER; and (ii) the recordation of the Grant Deed, which shall vest fee title in the Property to the DISTRICT.

b. Escrow, title and other fees shall be paid as follows:

i. DISTRICT shall pay all County documentary transfer tax (“Transfer Tax”), if applicable.

ii. OWNER shall pay for a California Land Title Association Standard Coverage Policy of title insurance showing title vested in DISTRICT subject only to the permitted exceptions and the standard printed exceptions and conditions in the policy.

iii. DISTRICT shall pay for any extended or additional title insurance coverage that may be required by DISTRICT.

iv. OWNER and DISTRICT shall split payment of all escrow fees.
v. DISTRICT shall pay all escrow fees in the event that this escrow is canceled by DISTRICT after the expiration of the Due Diligence Period and prior to the conveyance of the Property to DISTRICT, except that OWNER shall pay escrow fees in the event that DISTRICT cancels escrow in accordance with Section 1.j. above or Section 9, GOOD FAITH DISCLOSURE BY OWNER, after OWNER fails or refuses to correct title conditions at DISTRICT’s request. OWNER shall pay all escrow fees in the event this escrow is canceled by DISTRICT during the Due Diligence Period for the reasons set forth in Section 1 above.

3. DEPOSIT AND REFUND: Within ten (10) days following execution of this Agreement, DISTRICT shall deposit with Escrow Holder the Deposit in the amount of FIFTEEN THOUSAND DOLLARS ($15,000.00). If this Agreement is terminated prior to the expiration of the Due Diligence Period for any reason, the Deposit shall be refunded to DISTRICT less any fees that are due and are DISTRICT’s responsibility as described herein. If this Agreement is terminated after the Due Diligence Period and prior to the Close of Escrow pursuant to the provisions herein, the Deposit shall be paid to OWNER, except in the case of a termination of this Agreement pursuant to a provision that expressly entitles DISTRICT to a refund of the Deposit.

In the event that escrow is canceled by DISTRICT for any reason after the balance of the Purchase Price is deposited with the Escrow Holder prior to the conveyance of the Property to DISTRICT, the balance of the Purchase Price shall be fully refunded to DISTRICT.

4. ESCROW HOLDER OBLIGATIONS: Escrow Holder shall be obligated as follows:

   a. Provide a current preliminary title report covering the Property;

   b. Cause the Grant Deed and Certificate of Acceptance to be recorded concurrently at Close of Escrow with title to the Property vested in DISTRICT;

   c. Issue or have issued to DISTRICT the California Land Title Association Standard Coverage Policy of title insurance required herein;

   d. Obtain reconveyance(s) from any holders of liens against the Property and record said reconveyance(s) in the Santa Barbara County Clerk-Recorder’s Office concurrently with the executed Grant Deed and Certificate of Acceptance;

   e. Provide DISTRICT and OWNER with Conformed Copies of all recorded documents pertaining to this Escrow; and

   f. Provide DISTRICT and OWNER a final closing statement with certification by the title company.

5. DISTRICT OBLIGATIONS: The DISTRICT shall be obligated as follows:
a. Timely deliver to Escrow Holder all documents and fees required to be deposited by DISTRICT under this Agreement.

b. Pay for all costs identified as DISTRICT’s costs as set forth in this Agreement.

6. **OWNER’S REPRESENTATION AND WARRANTIES:** OWNER represents and warrants that:

   a. There is no suit, action, arbitration, legal, administrative, or other proceeding or inquiry pending against the Property or pending against OWNER that could affect OWNER’s title of the Property, or subject an owner of the Property to liability.

   b. There are no attachments, execution proceedings, assignments for the benefit of creditors, insolvency, or bankruptcy, reorganization or other proceedings pending against the OWNER restricting the Close of Escrow.

   c. OWNER has not actually received any formal, written notice of any pending change in zoning from any governmental or quasi-governmental authority, which change would materially affect the present zoning or present use of the Property. The term “formal written notice” as used in this Agreement shall mean that kind and method of notice that must legally be given to the owner(s) of the Property, but shall not mean notice by publication.

   d. OWNER will not subject the Property to any additional leases, liens, encumbrances, covenants, conditions, easements, rights of way or similar matters after the execution of this Agreement that will not be eliminated prior to the Close of Escrow.

   e. Neither the entering into this Agreement nor the performance of any of OWNER’s obligations under this Agreement will violate the terms of any contract, agreement or instrument to which OWNER is a party.

   f. As described in paragraph 1.j, the existing leases are month-to-month tenancies.

7. **OWNER’S OBLIGATIONS:** The OWNER shall be obligated as follows:

   a. Within ten (10) days following execution of this Agreement, deliver to Escrow Holder an executed Grant Deed, in substantially the same form as Exhibit “B”, conveying fee interest to the Property. The Grant Deed shall be vested in “Santa Barbara County Air Pollution Control District.”

   b. Ensure that the Property is free and clear of any and all liens and encumbrances including the removal of financial indebtedness (excepting taxes, which will be prorated to the Close of Escrow).

   c. Pay, if and when due, all payments on any encumbrances or assessments presently affecting the Property and any and all taxes, assessments, and levies in respect to the Property prior to the Close of Escrow.

   d. Refrain from recording any covenants, conditions or restrictions against the Property,
including without limitation any application for annexation or development of the Property.

e. Pay for any and all costs identified as OWNER’s costs as contained in this Agreement. OWNER’s costs associated with this Agreement shall be paid by OWNER at the Close of Escrow from the Purchase Price.

f. Timely deliver to Escrow Holder all documents required to be deposited by OWNER under this Agreement.

g. Terminate all tenancies in accordance with Section 1.j. above and deliver possession and occupancy, subject to the tenants’ existing contractual and legal rights, to DISTRICT at Close of Escrow.

h. Within ten (10) days following execution of this Agreement, deliver to DISTRICT copies of the following:

i. Current lease agreement(s) for each tenant and estoppel certificates as required in paragraph 1.j above;

ii. Appraisal report(s) completed within the last three (3) years;

iii. The most recent operating income statement;

iv. Environmental reports including, but not limited to, a Phase I Environmental Site Assessment, completed within the last three (3) years; and

v. Any other disclosures required pursuant to Section 9, **GOOD FAITH DISCLOSURE BY OWNER**.

8. **AGENCY DISCLOSURE AND COMMISSION**:

a. OWNER is represented in this transaction by salesperson Gina Gluyas, California Department of Real Estate (CalDRE) License #01732656, and brokerage firm BHGRE Haven Properties. The designated broker of BHGRE Haven Properties is Gavin Payne, CalDRE #01935192, located at 2646 Santa Maria Way #106, Santa Maria, CA 93455.

b. DISTRICT represents itself in this transaction. Aeron Arlin Genet, Air Pollution Control Officer of DISTRICT, is hereby authorized by the Directors to negotiate on behalf of the DISTRICT and to execute. Susan Freebourn, Real Property Agent with the County of Santa Barbara General Services Department CalDRE License #01402979, is assisting the DISTRICT with this transaction.

c. Any commission paid to any agent or broker representing OWNER in this transaction shall be paid by OWNER.

9. **GOOD FAITH DISCLOSURE BY OWNER**: OWNER shall make a good faith disclosure to DISTRICT of any and all facts, findings, or information on the Property, known to OWNER after reasonable inquiry, including without limitation those relating to: historical uses;
prior permitted uses; current uses including, but not limited to, express or implied contracts, leases and/or permits; geological conditions; biological conditions; archaeological sites; flood hazard area(s); special studies zones; zoning reports; environmentally hazardous material such as dioxins, oils, solvents, waste disposal, gasoline tank leakage, pesticide use and spills, herbicide use or spills or any other substances and/or products of environmental contamination. Any and all facts or information known by OWNER concerning the condition of the Property shall be delivered to DISTRICT no later than ten (10) days following DISTRICT’s execution of this Agreement. Except for the disclosure requirements of this Section 9, DISTRICT is purchasing the Property “as is” without further representations or warranties of OWNER.

If such facts or information provided by OWNER disclose conditions that adversely affect the continued or contemplated use of the Property, and that DISTRICT reasonably deems unacceptable, or if DISTRICT otherwise discovers such facts or information through tests and/or surveys which disclose such conditions, and OWNER is unwilling or unable to correct such conditions to the reasonable satisfaction of DISTRICT or any governmental body having jurisdiction, then DISTRICT may, at its sole option, terminate this Agreement. Within ten (10) business days of actual receipt of said disclosure information, DISTRICT shall notify OWNER of the conditions it deems unacceptable and the corrections desired and request OWNER, at OWNER’s expense, to correct the condition(s) affected thereby to the reasonable satisfaction of DISTRICT and/or any governmental body having jurisdiction. Failure to so correct shall be grounds for termination of this Agreement.

10. **INSPECTION BY DISTRICT:** DISTRICT, upon not less than 48-hour notice to the OWNER, shall have the right of entry onto the Property to conduct and/or have DISTRICT contractors conduct such non-invasive and non-intrusive inspections and testing thereon as are, in DISTRICT’s sole discretion, necessary to reasonably determine the condition of the Property. It shall be OWNER’s responsibility to coordinate with existing tenants to secure the access for DISTRICT required by this section. OWNER shall ensure that such access is secured in accordance with any applicable existing legal or contractual rights of the tenants. The scope of any such testing or inspection which requires physical sampling of all or any part of the Property shall be subject to:

   a. The prior written approval of OWNER, which OWNER may not unreasonably withhold.

   b. OWNER’s receipt of a certificate of insurance evidencing any insurance coverage reasonably required by OWNER pursuant to this Section.

   c. The requirement that DISTRICT conduct all such inspections and testing, including the disposal of samples taken, in accordance with applicable law and at no cost or liability to OWNER. DISTRICT shall complete such inspections and testing within the Due Diligence Period and shall restore all areas of the Property to its pre-test and pre-inspection condition as near as is practicable.

   If any toxins or contaminates are discovered, DISTRICT shall notify OWNER immediately and OWNER shall have the right, but not the responsibility to take any actions in response to such
notifications that it deems necessary in its sole and absolute discretion. If OWNER elects not to take actions in response to such notifications, then, notwithstanding other provisions contained herein, OWNER and/or DISTRICT shall have the right at any time prior to the Close of Escrow to terminate this Agreement with no further liability.

DISTRICT shall give OWNER written notice prior to the commencement of any testing or inspections in, on or about the Property, and OWNER shall have the right to post Notices of Testing, and/or Notices of Non-responsibility as provided by law. All testing on the Property shall keep the Property free and clear of claims, charges and/or liens for labor and materials, and DISTRICT shall defend, indemnify and save harmless OWNER, its officials, officers, agents and employees from and against any and all claims, demands, damages, costs, expenses (including attorney’s fees), judgments or liabilities caused by any such testing, inspection or entry by DISTRICT, its partners, officers, directors, members, shareholders, independent contractors, agents or employees.

11. **TITLE AND DEED:** Title to the Property is to be free of liens, encumbrances, restrictions, conditions, rights to possession or claims thereto (recorded and/or unrecorded) known to OWNER, except:

   a. All covenants, conditions, restrictions, and reservations of record approved by DISTRICT.

   b. All easements or rights-of-way over the Property for public or quasi-public utility or public street purposes, if any, approved by DISTRICT.

   c. All exceptions contained in the preliminary title report as may be approved by DISTRICT.

   d. Property taxes for the fiscal year in which this escrow closes shall be satisfied in a manner consistent with California Revenue and Taxation Code Section 4986(a)(6). Escrow Holder is authorized to pay all delinquent taxes, if any, from the amount shown in Section 1, SALE AND PURCHASE PRICE, herein above. OWNER understands that pursuant to Section 4986(a)(6), OWNER may receive after the Close of Escrow, either 1) an unsecured property tax bill from the County of Santa Barbara Treasurer-Tax Collector for real property taxes that may be due; or 2) a County of Santa Barbara warrant from the County of Santa Barbara Auditor-Controller to reimburse OWNER for any prepaid property taxes that may be canceled.

DISTRICT shall have the right to review the preliminary title report and disapprove in writing any items disclosed in said report prior to the close of escrow. OWNER shall have thirty (30) days from receipt of DISTRICT’s notice of disapproval to correct the condition(s) that adversely affect the Property. Failure or refusal to correct shall be grounds for termination of this Agreement by DISTRICT.

OWNER shall request Escrow to be extended for thirty (30) days where there is a need for OWNER to correct an adverse condition unless correction requires more than thirty (30) days in which case escrow shall be extended to the date of correction.
12. **ITEMS INCLUDED IN SALE:**

a. Items Included in Sale:

i. All existing fixtures and fittings that are attached to the Property;

ii. Existing electrical, mechanical, lighting, plumbing and heating fixtures, window and door screens, attached floor coverings, air coolers/conditioners, garage door openers/remote controls, mailbox, in-ground landscaping, trees/shrubs, water softeners, water purifiers, security systems/alarms.

iii. OWNER represents that all items included in the Purchase Price are, unless otherwise specified or identified herein, owned by OWNER. Prior to the expiration of the Due Diligence Period, OWNER shall give DISTRICT a list of fixtures, if any, not owned by OWNER.

iv. OWNER shall remove all personal property from the Property no later than five (5) days prior to Close of Escrow. Any personal property remaining in the Property at Close of Escrow shall, at DISTRICT’s option, be deemed abandoned and title to such shall pass to DISTRICT, or disposed at OWNER’s sole cost and expense.

v. OWNER shall (i) disclose to DISTRICT if any item or system included in the sale is leased or not owned by OWNER, or specifically subject to a lien or other encumbrance and (ii) deliver to DISTRICT all written materials (such as lease, warranty, etc.) concerning such item. DISTRICT may, in its sole and absolute discretion, accept or reject the subject to any such lien or encumbrance.

13. **TIME OF ESSENCE:** Time is of the essence in the performance by the parties in respect to this Agreement.

14. **NOTICES:** All notices, documents, correspondence, and communications concerning this transaction shall be addressed as set forth below or as either party may hereafter designate by written notice and shall be sent through the United States mail duly registered or certified with postage prepaid. Notwithstanding the above, DISTRICT may also provide notices, documents, correspondence or such other communications to OWNER by personal delivery or by first class mail postage prepaid and any such notices, documents, correspondence and communications so given shall be deemed to have been given upon actual receipt.

**IF TO OWNER:**

BHGRE Haven Properties  
Attn: Gina Gluyas  
2646 Santa Maria Way, #106  
Santa Maria, CA  93455  
(805) 310-7208  
Email: ginagluyas@gmail.com
15. **SUCCESSORS**: This Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors and assignees of the parties to this Agreement.

16. **ASSIGNMENT PROHIBITION**: DISTRICT shall not assign its rights or delegate its duties under this Agreement, without the prior written consent of OWNER, which consent may be withheld. Any sale, assignment, or other transfer in violation of this Section 16 shall be null and void.

17. **WAIVERS**: No waiver of any breach of any covenant or provision in this Agreement shall be deemed a waiver of any other covenant or provision, and no waiver shall be valid unless in writing and executed by the waiving party.

18. **CONSTRUCTION**: Section headings are solely for the convenience of the parties and are not a part and shall not be used to interpret this Agreement. The singular form shall include the plural and vice-versa. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. Unless otherwise indicated, all references to sections are to this Agreement.

19. **FURTHER ASSURANCES**: Whenever requested by the other party, each party shall execute, acknowledge and deliver all further conveyances, agreements, confirmations, satisfactions, releases, powers of attorney, instruments of further assurances, approvals, consents and all further instruments and documents as may be necessary, expedient or proper to complete any conveyances, transfers, sales, and agreements covered by this Agreement, and to do all other acts and to execute, acknowledge, and deliver all requested documents to carry out the intent and purpose of this
Agreement.

20. **THIRD PARTY RIGHTS**: Nothing in this Agreement, express or implied, is intended to confer on any person, other than the parties to this Agreement and their respective successors and assigns, any rights or remedies under or by reason of this Agreement.

21. **INTEGRATION**: This Agreement contains the entire agreement between the parties, and expressly supersedes all previous or contemporaneous agreements, understandings, representations, or statements between the parties respecting the purchase of the Property.

22. **COUNTERPARTS**: This Agreement may be executed in one or more counterparts, each of which taken together shall constitute one and the same instrument.

23. **SURVIVAL**: The indemnification provisions of this Agreement shall survive termination and shall be binding on all successor in interest to the Property as provided in Section 13 above.

24. **AMENDMENT**: This Agreement may not be amended or altered except by a written instrument executed by DISTRICT and OWNER.

25. **PARTIAL INVALIDITY**: Any provision of this Agreement that is unenforceable or invalid or the inclusion of which would adversely affect the validity, legality, or enforceability of this Agreement shall be of no effect, but all the remaining provisions of this Agreement shall remain in full force and effect.

26. **EXHIBITS**: All attached exhibits are incorporated in this Agreement by reference.

27. **INDEMNIFICATION**: OWNER covenants and agrees that all material representations regarding the Property are true and correct to the best of their knowledge and OWNER agrees to fully indemnify and hold harmless DISTRICT for all liability, claims, demands, damages and costs that may arise should the Property be other than that which was represented and warranted. OWNER’s indemnification obligations under this paragraph shall include the cost of DISTRICT’s liability for relocation expenses that may be due under the California Relocation Assistance Act (Cal. Gov. Code 7260 et seq.) if the existing tenancies are not month-to-month as provided in OWNER’s representations and warranties described in paragraphs 1.j and 6.f.

28. **AUTHORITY OF PARTIES**: All persons executing this Agreement on behalf of any party to this Agreement warrant that they have the authority to execute this Agreement on behalf of that party. OWNER represents and warrants that they are collectively the sole owners of the Property or are authorized by the OWNER of the Property to execute this Agreement, to consummate the transactions contemplated hereby, and no additional signatures are required.

29. **GOVERNING LAW**: The validity, meaning, and effect of this Agreement shall be determined in accordance with California laws.

///
Project: Air Pollution Control District Office Building, 1101 W. McCoy Ln., Santa Maria
APN: 111-270-050
File No.: 003957

IN WITNESS WHEREOF, DISTRICT and OWNER have executed this Real Property Purchase Agreement and Escrow Instructions by the respective authorized officers as set forth below to be effective as of the date executed by DISTRICT.

“DISTRICT”
SANTA BARBARA COUNTY AIR POLLUTION CONTROL DISTRICT
an independent special district of
the County of Santa Barbara

By: ____________________________
Aeron Arlin Genet, Air Pollution Control Officer
Santa Barbara County Air Pollution Control District
5/26/2021 | 2:59 PM PDT
Date: ____________________________

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
DISTRICT COUNSEL

By: _______________________________
Scott Greenwood
Deputy County Counsel

APPROVED AS TO ACCOUNTING:
BETSY M. SCHAFFER, CPA
AUDITOR-CONTROLLER

By: _______________________________
Deputy

APPROVED AS TO FORM:
RAY AROMATORIO
CEO/RISK MANAGEMENT

By: _______________________________
Ray Aromatorio
Risk Manager

(OWNER signatures continue on next page)
IN WITNESS WHEREOF, DISTRICT and OWNER have executed this Real Property Purchase Agreement and Escrow Instructions by the respective authorized officers as set forth below to be effective as of the date executed by DISTRICT.

“OWNER”
EVELYN MUSCIO FAMILY LIMITED PARTNERSHIP

By: ________________________________ Date: 5/26/2021

Alan Muscio

By: ________________________________ Date: 5/26/2021

Lisa Stones
CONSENT OF ESCROW HOLDER

The undersigned Escrow Holder hereby agrees to:

A. Accept the foregoing Purchase Agreement;

B. Act as the Escrow Holder under the Purchase Agreement for the fees herein described;

C. Be bound by the Purchase Agreement in the performance of its duties as Escrow Holder.

However, the undersigned will have no obligation, liability or responsibility under this consent or otherwise, unless and until the Purchase Agreement, fully signed by the parties has been delivered to the undersigned. Further, the undersigned will have no obligation, liability or responsibility under any amendment to the Purchase Agreement unless and until the amendment is accepted by the undersigned in writing.

FIDELITY NATIONAL TITLE

By: ______________________________
    Jennifer Gutierrez
    Escrow Officer

Date: ______________________________
EXHIBIT “B”
GRANT DEED

Recorded at request by
and to be returned to:
County of Santa Barbara
General Services Department
Office of Real Estate Services
Will Call

COUNTY OF SANTA BARBARA
OFFICIAL BUSINESS

No fee pursuant to Government Code § 6103
No Documentary Transfer Tax
Pursuant to Rev & Tax Code §11922

The undersigned grantor declares

DOCUMENTARY TRANSFER TAX $ _______– 0 –_________
computed on full value of property conveyed, or
computed on full value less liens and encumbrances remaining at the time of sale.

City of Santa Maria

GRANT DEED

For valuable consideration, receipt of which is hereby acknowledged EVELYN MUSCIO
FAMILY LIMITED PARTNERSHIP, as GRANTOR, hereby grants to SANTA BARBARA
COUNTY AIR POLLUTION CONTROL DISTRICT, an independent district of the County of
Santa Barbara, its successors or assigns, as GRANTEE, fee title to that certain real property
situated in the City of Santa Maria, County of Santa Barbara, State of California, more particularly
described in Exhibit “A” hereto, incorporated herein by this reference.

DATE: _________________, 2021

"GRANTOR"

__________________________________________  __________________________________________
Alan Muscio, Partner                             Lisa Stones, Partner
ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )
 )
COUNTY OF LOS ANGELES )

On ____________________, before me, _________________________________, Notary Public, personally appeared Alan Muscio and Lisa Stones, Partners of the Evelyn Muscio Family Limited Partnership, who proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entities upon behalf of which the persons acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

______________________________
Signature (Seal)
EXHIBIT "A"
Legal Description

For APN/Parcel ID(s): 111-270-050

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SANTA MARIA, COUNTY OF
SANTA BARBARA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

PARCEL 2 OF ZIERMAN PARCEL MAP, TRACT 5604, IN THE CITY OF SANTA MARIA, IN THE COUNTY OF
SANTA BARBARA, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 47, PAGE 18 OF PARCEL
MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL TWO:

AN EASEMENT AS CREATED BY DEED RECORDED NOVEMBER 19, 1996 AS INSTRUMENT NO. 96-069531
OF OFFICIAL RECORDS FOR ACCESS PURPOSES AS SAME IS SHOWN AS "30' PRIVATE ROAD
RECIPROCAL ACCESS ESMT" FALLING WITHIN PARCEL 1 OF PARCEL MAP NO. 5604, IN THE CITY OF
SANTA MARIA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS PER MAP RECORDED IN
BOOK 47, PAGE 18 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.
EXHIBIT “A”
CERTIFICATE OF ACCEPTANCE

CERTIFICATE OF ACCEPTANCE

STATE OF CALIFORNIA, COUNTY OF SANTA BARBARA: CA Govt Code § 27281

THIS IS TO CERTIFY that the interest in real property conveyed by the GRANT DEED dated ______________, 2021, from EVELYN MUSCIO FAMILY LIMITED PARTNERSHIP, as GRANTOR, to the SANTA BARBARA COUNTY AIR POLLUTION CONTROL DISTRICT, an independent district of the County of Santa Barbara, as Grantee, is hereby accepted by Order of the Board of Directors of the Santa Barbara County Air Pollution Control District, and the Santa Barbara County Air Pollution Control District consents to recordation thereof by its duly authorized officer.

WITNESS my hand and official seal

this ___, day of ___________, 2021.

CLERK
CLERK OF THE BOARD OF DIRECTORS
SANTA BARBARA COUNTY AIR POLLUTION CONTROL DISTRICT

By: ____________________________
Deputy Clerk

APPROVED AS TO FORM:
MICHAEL GHIZZONI
COUNTY COUNSEL

By: ____________________________
Scott Greenwood
Deputy County Counsel
ATTACHMENT 2

Tenant and Seller Estoppel Certificates

June 17, 2021

Santa Barbara County Air Pollution Control District
Board of Directors

260 San Antonio Road, Suite A
Santa Barbara, California 93110
TENANT ESTOPPEL CERTIFICATE
(C.A.R. Form TEC, Revised 4/11)

Tenent: Jon Cox Appraisal
Premises: 1011 W McCoy Ln, Santa Maria, California 93455

To whom it may concern: The undersigned is the Tenant of the above premises and makes the following representations:

1. LEASE TERMS:
   A. (☑) If checked) A copy of the Lease is attached hereto.
   B. Date of the Lease: no written lease in place
   C. Name of the current Landlord: Evelyn Muscio Family Limited Partnership
   D. Name of the current Tenant: Jon Cox Appraisal
   E. Current monthly base rent: $ 550.00, paid through: May 31, 2021
   F. Security deposit: $ 450.00
   G. Expiration date of current term: tenant has no written lease in place; tenancy is month to month

2. The Tenant represents that the original Lease remains in full force and effect and constitutes the entire agreement between Tenant and Landlord, except for the following modifications, amendments, addendums, assignments, extensions, and/or preferential rights or options to purchase/lease: tenant has no written lease in place; tenancy is month to month

There are no verbal or written agreements or understandings between Landlord and Tenant with respect to the Premises, except as set forth above.

3. Tenant is the actual occupant and is in possession of the Leased Premises. Tenant has not assigned, transferred or hypothecated its interest under the Lease. Any construction, build-out, improvements, alterations, or additions to the Premises required under the Lease have been fully completed in accordance with the plans and specifications described in the Lease.

4. All obligations of Landlord under the Lease have been fully performed and Landlord is not in default under any term of the Lease. Tenant has no defenses, off-sets or counterclaims to the payment of rent or other amounts due from Tenant to Landlord under the Lease.

5. Tenant has not been given any free rent, partial rent, rebates, rent abatements, or rent concessions of any kind, except as follows:

6. Tenant has not filed and is not the subject of any filing for bankruptcy or reorganization under federal bankruptcy laws or similar state laws.

7. Tenant represents that Tenant: (a) is not in default of the performance of any obligations under the Lease; (b) has not committed any breach of the Lease; and (c) has not received any notice of default under the Lease, which has not been cured.

8. The correct address for notices to Tenant is the Premises above unless otherwise shown below.

9. The person signing below represents that he/she is duly authorized by Tenant to execute this Statement in Tenant's behalf.

10. Tenant understands that: (a) a lender may make a loan secured in whole or part by the Premises, and that if Lender does so, Lender's action will be in material reliance on this Estoppel Certificate; and/or (b) a buyer may acquire the Premises or the building in which the Premises is located, and if buyer completes the purchase, buyer will do so in material reliance on this Estoppel Certificate.

Date: 6/1/2021

Tenant

By

Receipt Acknowledged

Date: 6/3/2021

Landlord or Manager

Managing Partner

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BHGRE Haven Properties, 1646 Santa Maria Way #106 Santa Maria CA 93455 Phone: 8051107208 Fax: 1011 W McCoy

Produced with Lone Wolf Transactions (zipForm Edition) 231 Shearson Cr. Cambridge, Ontario, Canada N1T 1J5 www.lwolf.com
Tenant: Tim Muscio and Jon McKellar
Premises: 1011 W McCoy Ln, Santa Maria, California 93455
Unit C

To whom it may concern: The undersigned is the Tenant of the above premises and makes the following representations:

1. LEASE TERMS:
   A. ( ) If checked) A copy of the Lease is attached hereto.
   B. Date of the Lease: no written lease in place
   C. Name of the current Landlord: Evelyn Muscio Family Limited Partnership
   D. Name of the current Tenant: Tim Muscio and Jon McKellar
   E. Current monthly base rent: $365.00, paid through: May 31, 2021
   F. Security deposit: $ Other deposits: $ 0
   G. Expiration date of current term: tenant has no written lease in place; tenancy is month to month

2. Number and Location of Parking Spaces:
   I. Number and Location of Storage Spaces:  
   J. Who pays utilities services: Water: [ ] Landlord [ ] Tenant; Electric: [ ] Landlord [ ] Tenant; Gas: [ ] Landlord [ ] Tenant; Waste Disposal: [ ] Landlord [ ] Tenant; Gardener: [ ] Landlord [ ] Tenant; Sewer: [ ] Landlord [ ] Tenant; Other: [ ] Landlord [ ] Tenant;  
   K. Who owns appliances: Stove: [ ] Landlord [ ] Tenant; Refrigerator: [ ] Landlord [ ] Tenant; Washer/Dryer: [ ] Landlord [ ] Tenant; Microwave: [ ] Landlord [ ] Tenant; Other: [ ] Landlord [ ] Tenant.

3. Tenant represents that the original Lease remains in full force and effect and constitutes the entire agreement between Tenant and Landlord, except for the following modifications, amendments, addendums, assignments, extensions, and/or preferential rights or options to purchase/lease:
tenant has no written lease in place; tenancy is month to month;

There are no verbal or written agreements or understandings between Landlord and Tenant with respect to the Premises, except as set forth above.

4. Tenant is the actual occupant and is in possession of the Leased Premises. Tenant has not assigned, transferred or hypothecated its interest under the Lease. Any construction, build-out, improvements, alterations, or additions to the Premises required under the Lease have been fully completed in accordance with the plans and specifications described in the Lease.

5. All obligations of Landlord under the Lease have been fully performed and Landlord is not in default under any term of the Lease. Tenant has no defenses, offsets or counterclaims to the payment of rent or other amounts due from Tenant to Landlord under the Lease.

6. Tenant has not been given any free rent, partial rent, rebates, rent abatements, or rent concessions of any kind, except as follows:

Date: 5/28/2021

Tenent: Tim Muscio or Jon McKellar

Landlord or Manager: Allen Muscio

Signed By: 7CC2737F7684493...

Managing Partner: 75A8944F435524C...

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920 South Virgil Avenue, Los Angeles, California 90020

TEC REVISED 4/11 (PAGE 1 OF 1)
Prospective Buyer: Air Pollution Control District
Leased Premises: 1011 W. McCoy Lane, Units A, B and C, Santa Maria, CA
APN: 111-270-050

OWNER’S ESTOPPEL CERTIFICATE

Evelyn Muscio Family Limited Partnership is the Owner and Landlord (hereinafter “Owner/Landlord”) of 1011 W. McCoy Lane in Santa Maria (“Leased Premises”) and makes the following representations:

1. Lease terms:
   A. The Leased Premises is divided into three (3) separate rented units, as follows:
      Unit A: 3,650 SF; $2,557 monthly rent paid through 5/31/2021; $0 security deposit
      Unit B: 1,127 SF; $550 monthly rent paid through 5/31/2021; $450 security deposit
      Unit C: 1,200 SF; $365 monthly rent paid through 5/31/2021; $0 security deposit
   B. Names of the current tenants (hereinafter “Tenants”):
      Unit A: Segura Security
      Unit B: John Cox Appraisal
      Unit C: Tim Muscio and Jon McKellar
   C. Owner/Landlord pays the following utilities for Unit A: water, gardener and sewer.
     Unit A Tenant (Segura Security) pays for gas and electric service for the entire building.
   D. Tenants own all kitchen appliances.
   E. Each lease listed in Section 1.A. is a verbal agreement with a month-to-month tenancy.

2. Owner/Landlord certifies, warrants and represents that:
   A. The original terms of each Tenant’s Lease remain in full force and effect and constitute the entirety of the agreement between each Tenant and Owner/Landlord. There are no other verbal or written agreements or understandings between any Tenant and Owner/Landlord with respect to the Leased Premises.
   B. The Tenants named above are the actual occupants and are in possession of the Leased Premises. No Tenant has assigned, transferred or hypothecated its interest under the Lease. Any construction, build-out, improvements, alterations or additions to the Leased Premises required under any Lease have been fully completed.
   C. All obligations of the Owner/Landlord under each verbal Lease have been fully performed and Owner/Landlord is not in default under the term of any Lease referenced above. To the best of Owner/Landlord’s knowledge, Tenants have no defenses, off-sets or counterclaims to the payment of rent or other amounts due under the Lease.
   D. No Tenant has been given any free rent, partial rent, rebates, rent abatements or rent concessions of any kind.
   E. Owner/Landlord certifies, warrants and represents that a 60-day notice of termination is legally and contractually sufficient to terminate each and every lease listed above in Section 1.
   F. The Leased Premises represent the correct mailing address for each Tenant listed above.
   G. The person signing below is duly authorized by the Owner/Landlord to execute this Owner’s Estoppel Certificate.
   H. This certification is made with the knowledge that the Air Pollution Control District is about to acquire title to the Leased Premises and has the right to rely on the information contained in this Owner’s Estoppel Certificate.

“OWNER/LANDLORD”
Evelyn Muscio Family Limited Partnership

By: ____________________________  Date: _______________________
    Alan Muscio

By: ____________________________  Date: _______________________
    Lisa Stones

Signature: D9FB2D5D23AF45D4C5
Signature: 2349F1B

6/9/2021
6/9/2021
ATTACHMENT 3

Color-Coded Easement Map

June 17, 2021

Santa Barbara County Air Pollution Control District
Board of Directors

260 San Antonio Road, Suite A
Santa Barbara, California 93110
Title Order No.: FSLC-0152100921, Preliminary Report Dated March 24, 2021

Property: 1011 West McCoy Lane, Santa Maria, CA

Plat Showing: PARCEL 2 OF ZIERMAN PARCEL MAP, TRACT 5664, IN THE CITY OF SANTA MARIA, IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 47, PAGE 18 OF PARCELMAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.
1 inch = 61.83 feet

©2021 Fidelity National Title Company
2222 S. Broadway, Suite G
Santa Maria, CA 93454

This map/plat is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.

Title Order No.: FSLC-0152100921, Preliminary Report Dated March 24, 2021
Reference:
Property: 1011 West McCoy Lane, Santa Maria, CA

Legend

- PARCEL ONE - Property In Question - Fee
- Item No. 10 - Easement for Cable TV
  In Bk47 Pg18 of Parcel Map
  Affects said portion as shown on the map
- Item No. 11 - Easement for Reciprocal Access
  In 11/19/1996 Inst # 96-069531 of Official Records
  Affects said portion as described in the document
- Item No. 11 - Easement for Drainage
  In 11/19/1996 Inst # 96-069531 of Official Records
  Affects said portion as described in the document
- Item No. 11 - Easement for Water Meter Usage
  In 11/19/1996 Inst # 96-069531 of Official Records
  The exact location of the easement cannot be determined and is not plottable
Grant Deed

June 17, 2021

Santa Barbara County Air Pollution Control District
Board of Directors

260 San Antonio Road, Suite A
Santa Barbara, California 93110
RECORDING REQUESTED BY:  
Fidelity National Title Company

When Recorded Mail Document  
and Tax Statement To:  
Santa Barbara County Air Pollution Control District  
260 N. San Antonio Rd. Ste. A  
Santa Barbara, CA 93110

Escrow Order No.: FSLC-0152100921  
Property Address: 1011 West McCoy Lane,  
Santa Maria, CA 93454  
APN/Parcel ID(s): 111-270-050

SPACE ABOVE THIS LINE FOR RECORDER'S USE  
The document is executed or recorded by the state or any county, municipality, or other political subdivision of the state (GC 27388.1 (a) (2) (D)).

GRANT DEED

The undersigned grantor(s) declare(s)

☑ This transfer is exempt from the documentary transfer tax.  
The grantee is the United States or an agency or instrumentality thereof, a state or territory, or political subdivision thereof, R & T 11922.

☐ The documentary transfer tax is $___________ and is computed on:  
☐ the full value of the interest or property conveyed.  
☐ the full value less the liens or encumbrances remaining thereon at the time of sale.

The property is located in ☑ the City of Santa Maria.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Evelyn Musico Family Limited Partnership

hereby GRANT(S) to Santa Barbara County Air Pollution Control District, an independent district of the County of Santa Barbara, its successors or assigns

the following described real property in the City of Santa Maria, County of Santa Barbara, State of California:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

PROPERTY COMMONLY KNOWN AS: 1011 West McCoy Lane, Santa Maria, CA 93454

MAIL TAX STATEMENTS AS DIRECTED ABOVE

Grant Deed
SCA0000129.doc / Updated: 04.08.20

Printed: 06.07.21 @ 05:11 PM
CA-FT-FSLC-01500.073015-FSLC-0152100921
GRANT DEED

(continued)

APN/Parcel ID(s): 111-270-050

Dated: June 7, 2021

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

Evelyn Musico Family Limited Partnership

BY: __________________________
    Lisa A. Stones
    General Partner

BY: __________________________
    Alan T. Muscio
    General Partner

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of __________________________
County of __________________________

On __________________________ before me, __________________________, Notary Public, (here insert name and title of the officer)

personally appeared __________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

________________________________________
Signature
EXHIBIT "A"
Legal Description

For APN/Parcel ID(s): 111-270-050

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SANTA MARIA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

PARCEL 2 OF ZIERMAN PARCEL MAP, TRACT 5604, IN THE CITY OF SANTA MARIA, IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 47, PAGE 18 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL TWO:

AN EASEMENT AS CREATED BY DEED RECORDED NOVEMBER 19, 1996 AS INSTRUMENT NO. 96-069531 OF OFFICIAL RECORDS FOR ACCESS PURPOSES AS SAME IS SHOWN AS "30' PRIVATE ROAD RECIPROCAL ACCESS ESMT" FALLING WITHIN PARCEL 1 OF PARCEL MAP NO. 5604, IN THE CITY OF SANTA MARIA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 47, PAGE 18 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.
ATTACHMENT 5

Certificate of Acceptance

June 17, 2021

Santa Barbara County Air Pollution Control District
Board of Directors

260 San Antonio Road, Suite A
Santa Barbara, California 93110
CERTIFICATE OF ACCEPTANCE

STATE OF CALIFORNIA, COUNTY OF SANTA BARBARA:  CA Govt Code § 27281

THIS IS TO CERTIFY that the interest in real property conveyed by the GRANT DEED dated ________________, 2021, from EVELYN MUSCIO FAMILY LIMITED PARTNERSHIP, as GRANTOR, to the SANTA BARBARA COUNTY AIR POLLUTION CONTROL DISTRICT, an independent district of the County of Santa Barbara, as Grantee, is hereby accepted by Order of the Board of Directors of the Santa Barbara County Air Pollution Control District, and the Santa Barbara County Air Pollution Control District consents to recordation thereof by its duly authorized officer.

WITNESS my hand and official seal

this ____ , day of ____________, 2021.

CLERK
CLERK OF THE BOARD OF DIRECTORS
SANTA BARBARA COUNTY AIR
POLLUTION CONTROL DISTRICT

By: __________________________
    Deputy Clerk

APPROVED AS TO FORM:
MICHAEL GHIZZONI
COUNTY COUNSEL

By: __________________________
    Scott Greenwood
    Deputy County Counsel
ATTACHMENT 6

CEQA Notice of Exemption

June 17, 2021

Santa Barbara County Air Pollution Control District
Board of Directors

260 San Antonio Road, Suite A
Santa Barbara, California 93110
NOTICE OF CEQA EXEMPTION

TO: Clerk of the Board for Santa Barbara County

FROM: Kristina Aguilar, CPA, Administrative Division Manager

Based on a preliminary review of the project the following activity is determined to be exempt from further environmental review requirements of the California Environmental Quality Act (CEQA) of 1970, as defined in the State and County Guidelines for the implementation of CEQA.

PROJECT TITLE: Ratify a Purchase Agreement and Escrow Instructions for the purchase of the property located at 1011 W. McCoy Lane in Santa Maria and the improvements thereon

PROJECT DESCRIPTION: This project involves the proposed purchase of real property consisting of .56 acres of land, including a 5,967 square foot office building and improvements, located at 1011 W. McCoy Lane in the City of Santa Maria, County of Santa Barbara (“Property”). The recommendations to the Board of Directors include ratification of the Real Property Purchase Agreement and Escrow Instructions to purchase the Property for $800,000, with the concurrence of Risk Management, Auditor Control, and District Counsel. The District intends to use the Property for administrative office space for North County staff, housing the North County vehicle fleet, and a lab to service air monitoring equipment.

EXEMPT STATUS: (Check One)

___ Ministerial
___ Statutory
X Exemption [15301]
___ Emergency Project
___ No Possibility of Significant Effect

Cite specific CEQA Guideline Section: 15301

Reasons to support exemption findings: The proposed action is exempt from environmental review pursuant to Section 15301 [Existing Facilities] of the Guidelines for Implementation of the California Environmental Quality Act (CEQA). Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency’s determination. The types of “existing facilities” itemized in this section are not intended to be all-inclusive of the types of projects that might fall within Class 1. The key consideration is whether the project involves negligible or no expansion of use.

This Class includes a wide range of activities concerning existing structures and facilities. Examples include, but are not limited to, the following:

15301(a): Interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances; and
15301(c): Restoration or rehabilitation of deteriorated or damaged structures, facilities, or mechanical equipment to meet current standards of public health and safety, unless it is determined that the damage was substantial and resulted from an environmental hazard such as earthquake, landslide, or flood.

The exceptions to the Existing Facilities categorical exemption that must be considered pursuant to Section 15300.2 of the State CEQA Guidelines are:
(a) **Location.** Classes 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located – a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Therefore, these classes are considered to apply in all instances, except where the project may impact on an environmental resources of hazardous or critical concern where designated, precisely mapped, and official adopted pursuant to law by federal, state, or local agencies.

Section 15301 is a Class 1 Categorical Exemption; therefore, this exception is not applicable.

(b) **Cumulative Impact.** All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.

There are no successive projects of the same type in the same place anticipated for this location. There is no cumulative impact and, therefore this exception does not apply.

(c) **Significant Effect.** A categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.

The proposed purchase and subsequent modifications, alterations, and/or renovations will not result in any physical changes outside the licensed area or impacts to the environment and therefore will not result in a significant effect on the environment.

(d) **Scenic Highways.** A categorical exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway. This does not apply to improvements which are required as mitigation by an adopted negative declaration or certified EIR.

There are no state scenic highways in the project area. This exception does not apply.

(e) **Hazardous Waste Sites.** A categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code.

This proposed project is not located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code. Therefore, it is not located on a hazardous waste site and this exception does not apply.

(f) **Historical Resources.** A categorical exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource.

The proposed project does not involve historical resources. This exception does not apply.

As described above, none of the exceptions to the categorical exemptions contained within Section 15300.2 of the State CEQA Guidelines apply to this project.

**Lead Agency Contact Person:** Kristina Aguilar  
**Phone:** (805) 961-8813

**Department/Division Representative:** Aeron Arlin Genet
DATE FILED WITH CLERK OF THE BOARD

[Signature]

Department / Division Representative

Date: 6/9/2021