#### SUBMITTAL TO THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY **COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

FROM: Redevelopment Agency

SUBMITTAL DATE: June 30, 2010

SUBJECT: Public Hearing and approval of the Lease Agreement between the Redevelopment Agency for the County of Riverside (Lessor) and the Riverside County Regional Park & Open-Space District (Lessee)

#### **RECOMMENDED MOTION:** That the Board of Directors:

- 1. Conduct a joint public hearing with the County of Riverside Board of Supervisors pursuant to Section 33431 and 33433 of the Health and Safety Code;
- 2. Find that although the Lease Agreement between the Redevelopment Agency for the County of Riverside and the Riverside County Regional Park & Open-Space District could have a significant effect on the environment, nothing further is required because all potentially significant effects have been adequately analyzed in an earlier Mitigated Negative Declaration and have been avoided or mitigated pursuant to that earlier Mitigated Negative Declaration;
- 3. Approve RDA Resolution No. 2010-213, Approval of the Lease Agreement between Redevelopment Agency for the County of Riverside (Lessor) and the Riverside County Regional Park & Open-Space District (Lessee);

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parks jvbc 6-9-09.doc	district projects\dist 2\parks department - jvbc\form 11	Executive Direct	or			
FINANCIAL DATA	Current F.Y. Total Cost:	\$ O	In Current Year Budget: Yes		es:	
	<b>Current F.Y. Net County Cost:</b>	<b>\$</b> 0	Budget Adjustment:		No	
	<b>Annual Net County Cost:</b>	\$ 0	For Fiscal Year: 2010		0/11	
COMPANION I	TEM ON BOARD OF SUPERV	ISORS AGENDA:	Yes			
SOURCE OF F	UNDS: N/A	The second secon		sitions To Be eted Per A-30		
			Requ	ires 4/5 Vote		
C.E.O. RECOM	MENDATION:					
	APPF	ROVE //				
County Execut	BY:	ennifer L. Bargent	nyet			

Agenda Number:

Policy

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Dep't Recomm.:

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Exec. Ofc.:

Per

Jepartmental Concurrence

Redevelopment Agency

Public Hearing and approval of the Lease Agreement between Redevelopment Agency for the County of Riverside (Lessor) and the Riverside County Regional Park & Open-Space District (Lessee) June 30, 2010

Page 2

#### **RECOMMENDED MOTION:** (Continued)

- 4. Approve and authorize the Chairman to execute the Lease Agreement between the Redevelopment Agency for the County of Riverside (Agency) and the Riverside County Regional Park & Open-Space District (District);
- 5. Authorize the Executive Director of the Redevelopment Agency, or designee, to execute and take all necessary steps to implement the Lease Agreement including signing subsequent, necessary related documents to complete this transaction; and
- 6. Authorize the Executive Director of the Redevelopment Agency, or designee, to subject to County Counsel approval; execute amendments to extend the terms of the lease.

#### **BACKGROUND:**

The Agency is constructing the Jurupa Valley Aquatic Center ("Center") consisting of approximately 8.96 acres located at 4310 Camino Real, Riverside, in Riverside County, known as Assessor's Parcel Numbers 181-030-026 and 181-030-043 as depicted on Exhibit "A", attached hereto and incorporated herein by reference. The Center will consist of an approximately 11,000 square foot administrative/operations building, 220 parking spaces, 25 yard by 35 yard competition pool, lazy river, wave rider, children's water playground area, and three water slides with a recreational pool. The Center will also have grass areas for seating, stadium seating and lighting, concession stand, and multiple picnic areas with permanent shade structures and all necessary related improvements. Pursuant to the Lease Agreement, the District will operate the facility and operate the seasonal events, which will be temporary in nature and if applicable, a temporary use permit will be required. The District will enter into an annual Memorandum of Understanding with the Jurupa Valley Unified School District to set forth the terms for sharing the cost of using the Center.

The Agency wishes to lease the Center to the District for the purpose of providing recreational aquatic services to the community. The term of the lease shall be for a ten year period commencing August 1, 2010, and terminating July 30, 2020. The term of the lease may be extended by mutual agreement of the Agency and the District and shall be incorporated by a written amendment executed by both parties. The District shall pay \$1.00 per year to the Agency during the term of the lease which shall constitute rent under this lease. Rent shall be paid by July 1, annually for the term on the lease.

Staff prepared an Initial Study and determined that although the Lease Agreement between the Redevelopment Agency for the County of Riverside and the Riverside County Regional Park & Open-Space District could have a significant effect on the environment, nothing further is required because all potentially significant effects have been adequately analyzed in an earlier Mitigated Negative Declaration and have been avoided or mitigated pursuant to that earlier Mitigated Negative Declaration.

The attached Notice of Intent to Adopt a Finding of Nothing Further is Required was posted on June 29, 2010.

Staff recommends approval of the attached Lease Agreement between the Agency and the District.

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**ORM APPROVED** 

RESOLUTION NO. 2010-213
AUTHORIZATION TO LEASE REAL PROPERTY FROM THE
REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE TO THE
RIVERSIDE COUNTY REGIONAL PARK & OPEN-SPACE DISTRICT

#### (Second District)

WHEREAS, the Redevelopment Agency for the County of Riverside (the "Agency") is a redevelopment agency duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the provisions of the Community Redevelopment Law which is Part 1 of Division 24 of the California Health and Safety Code (commencing with Section 33000 et seq.); and

WHEREAS, the Riverside County Board of Supervisors adopted redevelopment plans for Redevelopment Project Area Nos. 1-1986, Jurupa Valley, Mid-County, Desert Communities and the I-215 Corridor, as amended, (the "Project Areas"); and

WHEREAS, pursuant to Section 33670 of the Health and Safety Code, the Agency began receiving tax increment from the Project Areas in January 1988, and continues to receive annual tax increment revenue; and

WHEREAS, pursuant to Section 33430 of the Health and Safety Code, the Agency may within the survey area or for purposes of redevelopment sell, lease, exchange, subdivide, transfer, assign, pledge or otherwise dispose of any real or personal property or any interest in property; and

WHEREAS, the Agency owns real property located at 4310 Camino Real, Riverside, CA 92509, in the unincorporated area of the County of Riverside in the community of Rubidoux within the Jurupa Valley Project Area ("Property"); and

WHEREAS, the Jurupa Valley Aquatic Center was developed on the Property; and

WHEREAS, the Agency wishes to lease the Property and improvements to the Riverside County Regional Park & Open-Space District ("DISTRICT"); and

WHEREAS, the consideration is not less than the fair reuse value at its proposed

 use, when considered with covenants, conditions, and restrictions imposed on the Property; and

WHEREAS, the leasing of the Property will assist in the elimination of blight and is consistent with the implementation plan adopted pursuant to Health and Safety Code Section 33490 by providing much needed community facilities to the Project Area and surrounding communities within the County of Riverside; and

WHEREAS, although the lease agreement between the Agency and District could have a significant effect on the environment, nothing further is required because all potentially significant effects have been adequately analyzed in the earlier Mitigated Negative Declaration RDA/CEQA 2008-03 that was adopted by the Board of Directors on December 16, 2008 and have been avoided or mitigated pursuant to that earlier Mitigated Negative Declaration.

**NOW THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED** by the Board of Directors of the Redevelopment Agency for the County of Riverside, State of California, in regular session assembled on July 13, 2010, as follows:

- 1. That the Board of Directors hereby finds and declares that the above recitals are true and correct.
- 2. That the Redevelopment Agency for the County of Riverside is authorized to lease real property located at 4310 Camino Real, Riverside, located in the unincorporated area of Riverside County to the District.
  - 3. The lease price of the subject property is one dollar (\$1.00) per year.
- 4. The fair reuse value of the property has been determined to be one dollar (\$1) after conditions, convenants, and criteria have been imposed.
- 5. That the lease between the Agency and the District is hereby approved and the Chairman of the Board of Directors is authorized to execute the lease agreement, which is attached as Exhibit "A" and incorporated herein by reference.
- 6. That the Executive Director of the Redevelopment Agency or designee is hereby authorized to take necessary steps to complete this transaction including

executing subsequent annual renewal agreements, subject to County Counsel approval, and any other subsequent, relevant and necessary documents. MH:jg 6/28/10 13.492 

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Page 3 of 3

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# LEASE BY AND BETWEEN THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE AND THE RIVERSIDE COUNTY REGIONAL PARK & OPEN-SPACE DISTRICT

THIS LEASE is made and entered into on this \_\_\_\_\_day of \_\_\_\_\_\_, 2010, by and between the Redevelopment Agency for the County of Riverside (the "AGENCY"), and the Riverside County Regional Park & Open-Space District (the "DISTRICT"), for the property described below upon the following terms and conditions:

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WHEREAS, the AGENCY is a redevelopment agency duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the provisions of the Community Redevelopment Law, which is Part 1 of Division 24 of the California Health and Safety Code (commencing with Section 33000 et seq); and

WHEREAS, pursuant to Health and Safety Code Section 33430, the AGENCY may, within the survey area or for purposes of redevelopment, sell, lease, for a period not to exceed 99 years, exchange, subdivide, transfer, assign, pledge, encumber by mortgage, deed of trust, or otherwise, dispose of any real or personal property or any interest in property; and

WHEREAS, on July 9, 1996, the Board of Supervisors for the County of Riverside adopted Ordinance No. 763 adopting the redevelopment plan (the "PLAN") for the Jurupa Valley Project Area (the "PROJECT AREA"); and

WHEREAS, the PLAN was adopted in order to eliminate blight and revitalize the substandard physical and economic conditions that exist within the PROJECT AREA; and

WHEREAS, the AGENCY is the owner of real property located within the PROJECT AREA at 4310 Camino Real, Riverside County, State of California (the "PROPERTY"); and WHEREAS, the DISTRICT desires to lease the PROPERTY from the AGENCY and

*1*  AGENCY desires to lease the PROPERTY to DISTRICT to conduct programs which provide swimming activities to the community in the unincorporated community of Jurupa; and

WHEREAS, DISTRICT and AGENCY acknowledge that AGENCY and the Jurupa Unified School District (the "SCHOOL") entered into that certain Shared Use Agreement dated December 16, 2008, (the "Shared Use Agreement"), which allows the SCHOOL to use the joint use areas of the PROPERTY during specific times and requires the SCHOOL to fund its proportionate share of maintenance costs for the joint use areas; and

**WHEREAS**, the use of the PROPERTY is consistent with and furthers the purpose of the PROJECT AREA's PLAN.

NOW, THEREFORE, in consideration of the preceding promises and the mutual covenants and agreements hereinafter contained, the parties hereto do hereby agree as follows:

SECTION 1. PROPERTY DESCRIPTION. The PROPERTY, known as the Jurupa Valley Aquatic Center, consists of approximately 8.96 acres located at 4310 Camino Real, Rubidoux, Riverside County, California, known as Assessor's Parcel Number 183-030-026 and 183-030-043 as depicted on Exhibit "A", attached hereto and incorporated herein by reference.

#### SECTION 2. <u>USE</u>.

- **A.** The PROPERTY is leased to DISTRICT for the purpose of providing swimming activities to the community.
- **B.** With prior written approval from the AGENCY, DISTRICT may provide additional services or modify the implementation of their programs to ensure that the needs of the community are being met.
  - **C.** DISTRICT shall use the PROPERTY for the purpose designated by the PLAN.
- **D.** AGENCY, or its assigns or successors-in-interest, consents to DISTRICT collecting fees for public use of the facilities.

**SECTION 3.** <u>ACCEPTANCE OF PREMISES</u>. DISTRICT shall accept the PROPERTY in its condition suitable for use as of August 1, 2010 (the "EFFECTIVE DATE"),

or upon completion of construction whichever is later, subject to all applicable restrictions of record, zoning and other laws regulating the use of the PROPERTY. DISTRICT acknowledges that the AGENCY has made no representation or warranty as to the suitability of the PROPERTY for the conduct of DISTRICT's business, except as otherwise expressly agreed to in writing, or the physical condition of the PROPERTY. DISTRICT'S beginning performance of services under this LEASE on the EFFECTIVE DATE and failing to object to any condition of the PROPERTY in writing on or before thirty (30) days after the EFFECTIVE DATE shall be conclusive evidence that DISTRICT accepts the PROPERTY and that it was in good condition as of the EFFECTIVE DATE.

#### SECTION 4. TERM.

- A. The term of this LEASE shall be for a ten (10) year period commencing on the Effective Date as set forth in Section 3.
- **B.** Notwithstanding subsection "C" below, any holding over by DISTRICT at the expiration of said term shall be deemed a month-to-month tenancy upon the same terms and conditions of this LEASE.
- **C.** The term of this LEASE may be extended by mutual agreement of the AGENCY and the DISTRICT and shall be incorporated by an amendment executed by both the AGENCY and the DISTRICT or their designee.
- **SECTION 5. RENT.** DISTRICT shall pay \$1.00 per year to AGENCY for the term of this LEASE which shall constitute "Rent" under this LEASE. Such rent shall be paid by August first of each year for the term of the LEASE and sent to AGENCY's address set forth in Section 12 herein.

### SECTION 6. <u>DISTRICT OBLIGATIONS</u>.

A. <u>OPERATIONS</u>. The PROPERTY shall, at a minimum, be open to the public during the month of May on weekends from 10 a.m. to 9 p.m., months of June thru August from 10 a.m. to 9 p.m. seven days per week, and in September, on weekends from 10 a.m. to 9 p.m. for recreational services to the public. The PROPERTY shall remain open year-round for use of the competition pool by the local school district.

- B. <u>UTILITIES</u>. DISTRICT shall pay all costs for all utility services used in connection with the operation of the PROPERTY throughout the term of this LEASE.
- C. MAINTENANCE. DISTRICT shall pay all costs to maintain the PROPERTY including, but not limited to air-conditioning equipment, heating equipment, plumbing, electrical wiring and fixtures, windows and structural parts in good working condition and repair, and in compliance with federal, state, and local laws, ordinances, rules and regulations relating to fire, health and safety, and DISTRICT shall pay all cost to fully maintain the exterior and the interior of the PROPERTY using choice of custodial services. DISTRICT shall pay all costs to maintain the security film on windows should they be vandalized or damaged in any way. DISTRICT shall pay all cost to maintain the PROPERTY's landscaping and irrigation in good clean healthy condition. Any dead or dying plants, turf or trees shall be replaced in a timely fashion. The PROPERTY shall be cleaned once per week.
- **D.** <u>IMPROVEMENTS.</u> DISTRICT agrees to submit any construction and capital improvement plans for the PROPERTY to AGENCY for review and approval prior to installation or construction. DISTRICT understands and agrees that such improvements, alterations and installation of fixtures are subject to County of Riverside Ordinances No. 348 and 457, applicable Fire Codes, the Americans with Disabilities Act, as well as other applicable County of Riverside ordinances. All alterations and improvements to be made and fixtures installed or caused to be made and installed, by DISTRICT shall become the property of AGENCY with the exception of trade fixtures as such term is used in Section 1019 of the Civil Code.

At or prior to the expiration of this LEASE, DISTRICT may remove such trade fixtures, provided, however, that such removal does not cause injury or damage to the PROPERTY, or in the event it does, DISTRICT shall restore the PROPERTY to its original shape and condition. In the event such trade fixtures are not removed, AGENCY may at its own discretion either: 1) remove and store such fixtures and restore the PROPERTY for the account of DISTRICT, and in such event, DISTRICT shall within thirty (30) days after billing

and accounting reimburse AGENCY for the costs so incurred, or 2) take and hold such fixtures as its sole property.

E. <u>WATER QUALITY MANAGEMENT PLAN</u>. DISTRICT shall be responsible for the operation and maintenance of all best management practices (BMPs) associated with the PROPERTY's Water Quality Management Plan for the term of the LEASE. DISTRICT shall be responsible for any fine, penalty, or any other civil, administrative or criminal liability resulting from the DISTRICT's failure to maintain the BMPs.

#### **SECTION 7. AGENCY OBLIGATIONS.**

- **A.** AGENCY or its assigns or successors-in-interest shall allocate all funds received from SCHOOL pursuant to the Shared Use Agreement to the DISTRICT for the benefit of the PROPERTY.
- **B.** In the event that SCHOOL enters into a written agreement that re-directs any funds the SCHOOL may receive pursuant to the California Community Redevelopment Law, commencing with Health and Safety Code Section 33000 et seq., to the DISTRICT in an amount up to the amount set forth in the Shared Use Agreement, all such funds shall be credited against the amount allocated by AGENCY to DISTRICT in Section 7. A. above.
- approved and executed, AGENCY shall cause the SCHOOL to notify in writing both the AGENCY and DISTRICT of such agreement. In the event that SCHOOL fails to provide any funds pursuant to Section 7.A. or 7.B. or funds are otherwise unavailable, DISTRICT shall not be responsible for the SCHOOL's proportionate share of costs as defined in the Shared Use Agreement. DISTRICT shall not be responsible for maintaining and operating the PROPERTY to the standards provided herein if the maintenance costs that would have been funded by the SCHOOL are not paid to DISTRICT. DISTRICT shall be entitled to reduce services and operation hours accordingly. In the event that funding from SCHOOL ceases for greater than 180 days, AGENCY or its successors-in-interest and DISTRICT, shall have the right to amend or terminate this LEASE with thirty (30) days written notice.

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**SECTION 8. OVERSIGHT BY AGENCY**. The AGENCY may visit the PROPERTY for the purpose of reviewing the uses being conducted at the PROPERTY by DISTRICT. The AGENCY shall provide at least 24 hour notice to DISTRICT prior to visit which shall be done during normal business hours.

SECTION 9. NONDISCRIMINATION. DISTRICT herein covenants by and for himself or herself, his or her heirs, executors, administrator, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, disability, sex, sexual orientation, marital status, familial status, source of income or disability in the sale, ancestry or national origin in the LEASE, sublease, transfer, use, occupancy, tenure or enjoyment of the PROPERTY herein lease, nor shall the DISTRICT, or any persons claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location number, use or occupancy of tenants, DISTRICTs, subtenants, subleases or vendees in the PROPERTY herein conveyed. The foregoing covenants shall run with the land.

#### SECTION 10. DEFAULT.

- A. The DISTRICT shall be deemed in default of this LEASE if DISTRICT uses the PROPERTY for any purpose other than that authorized in the LEASE, fails to maintain the PROPERTY or the improvements in the manner provided for in the LEASE, fails to pay any installment of rent or other sum when due as provided for in the LEASE, fails to comply with or perform any other covenant, condition, provision or restriction provided for in the LEASE, abandons the PROPERTY, allows the PROPERTY to be attached, levied upon, or seized under legal process, or if the DISTRICT files or commits an act of bankruptcy, has a receiver or liquidator appointed to take possession of the PROPERTY, or commits or permits waste on the PROPERTY.
- **B.** The AGENCY shall provide DISTRICT with a thirty (30) day written notice to remedy any and all defaults. Upon the failure of DISTRICT to properly address default, AGENCY shall have the right to terminate this LEASE and retake possession of the

PROPERTY together with all additions, alterations, and improvements thereto by providing DISTRICT thirty (30) days notice of its intent to terminate. AGENCY shall also retain all rights to seek any and all remedies at law or in equity available in the event of DISTRICT's default.

#### SECTION 11. TERMINATION.

- **A.** DISTRICT and/or AGENCY shall have the option to terminate this LEASE if the PROPERTY is destroyed or damaged to the extent that it cannot be repaired within sixty (60) days, or if more than twenty-five percent (25%) of the PROPERTY is destroyed. This LEASE can be terminated by either the DISTRICT and/or the AGENCY with a 30 day written notice.
- **B.** If DISTRICT desires to continue with this LEASE despite partial damage or destruction of the PROPERTY, then DISTRICT shall provide advance written notice to AGENCY to seek AGENCY approval. Upon approval by the AGENCY of the continuance of the LEASE and the plans for the repairs. The DISTRICT, at its sole expense, shall make all approved repairs needed to the PROPERTY as the result of said damage or destruction. The DISTRICT reserves the right to determine what, if any, portions of the PROPERTY are usable. The DISTRICT shall remain responsible for the operations of the PROPERTY as they are provided herein.
- **c.** The DISTRICT or AGENCY may terminate this LEASE for cause, by giving thirty (30) days written notice to the other party and the Parties have been unable to come to an agreement or resolution regarding the cause for termination.
- **SECTION 12.** <u>NOTICES.</u> Any notices required or desired to be served by either party upon the other shall be deemed delivered if sent by certified mail, return receipt requested to the following, or to such other addresses as from time to time shall be designated by the respective parties:

<u>AGENCY</u> <u>DISTRICT</u>

Dan Martinez Scott Bangle

Deputy Executive Director Director

Redevelopment Agency for the County of Riverside 3403 10<sup>th</sup> St Riverside, CA 92501 (951) 955-8916 (951) 955-6685 FAX

Regional Parks & Open Space
District
4600 Crestmore Rd
Riverside, CA 92509

(951) 955-4346

**SECTION 13.** <u>ASSIGNMENT & SUBLEASES</u>. DISTRICT shall not assign this LEASE, or sublease the PROPERTY without the written consent of AGENCY. Such consent shall not be unreasonably withheld by the AGENCY.

**SECTION 14.** <u>INSURANCE</u>. Without limiting or diminishing the DISTRICT's obligation to indemnify or hold the AGENCY harmless, DISTRICT shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this LEASE.

- A. Workers' Compensation: If the DISTRICT has employees as defined by the State of California, the DISTRICT shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The AGENCY, and, if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement.
- B. Commercial General Liability: Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of DISTRICT'S performance of its obligations hereunder. Policy shall name the AGENCY, its directors, officers, employees, appointed officials, agents or representatives as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2)

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times the occurrence limit.

C. Vehicle Liability: If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then DISTRICT shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the AGENCY, its directors, officers, employees, appointed officials, agents or representatives as Additional Insured.

#### D. **General Insurance Provisions - All lines:**

- 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the AGENCY Risk Manager. If the AGENCY's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- 2) The DISTRICT'S insurance carrier(s) must declare its insurance selfinsured retentions. If such self-insured retentions exceed \$500,000 per occurrence such retentions shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self insured retention unacceptable to the AGENCY, and at the election of the AGENCY's Risk Manager, LESSEE'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the AGENCY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- 3) DISTRICT shall cause DISTRICT'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the AGENCY Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing

such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the AGENCY prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the AGENCY receives, prior to such EFFECTIVE DATE, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. LESSEE shall not commence operations until the AGENCY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so shall sign the original endorsements for each policy and the Certificate of Insurance on its behalf.

- 4) It is understood and agreed to by the parties hereto that the DISTRICT'S insurance shall be construed as primary insurance, and the AGENCY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.
- 5) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work which will add additional exposures (such as the use of aircraft, watercraft, cranes, etc.); or, the term of this Agreement, including any extensions thereof, exceeds five (5) years the AGENCY reserves the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverage's currently required herein, if; in the AGENCY Risk Manager's reasonable judgment, the amount or type of insurance carried by the DISTRICT has become inadequate.

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- 6) DISTRICT shall pass down the insurance obligations contained herein to all tiers of sublessees working under this Agreement.
- 7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the AGENCY.
- 8) DISTRICT agrees to notify AGENCY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

**SECTION 15. INDEMNIFICATION.** DISTRICT shall indemnify and hold harmless the AGENCY, its directors, officers, employees, appointed officials, agents or representatives from any liability whatsoever, based or asserted upon any services of DISTRICT, its officers, employees, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to PROPERTY damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of DISTRICT, its officers, agents, employees, agents or representatives from this DISTRICT shall defend, at its sole expense, all costs and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the AGENCY, its directors, officers, employees, appointed officials, agents or representatives in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by DISTRICT, DISTRICT shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of AGENCY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes DISTRICT'S indemnification to AGENCY as set forth herein.

DISTRICT'S obligation hereunder shall be satisfied when DISTRICT has provided to AGENCY the appropriate form of dismissal relieving AGENCY from any liability for the action or claim involved.

The specified insurance limits required in this Agreement shall in no way limit or

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circumscribe DISTRICT'S obligations to indemnify and hold harmless the AGENCY herein from third party claims.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the DISTRICT from indemnifying the AGENCY to the fullest extent allowed by law.

**SECTION 16.** HAZARDOUS WASTE. DISTRICT shall not cause or permit its agents, contractors or employees to cause the PROPERTY to be in violation of any federal, state or local laws, ordinances or regulations relating to industrial hygiene or to environmental conditions on, under or about the PROPERTY including, but not limited to, soil and ground water conditions. DISTRICT shall not use, generate, manufacture, store or dispose of on, under or about the PROPERTY or transport to or from the PROPERTY any flammable explosives, radioactive materials, hazardous wastes, toxic substances or related materials, including, without limitation, any substances defined as or included in the definition of "hazardous substances", hazards wastes", "hazardous materials" or "toxic substances" under any applicable federal or state laws or regulations including without limitation, California Health and Safety Code Section 25316, as well as any amended or successor statue as may exist from time to time during the term of this Agreement, as well as any petroleum or petroleum derived product, natural gas, liquefied natural gas, synthetic fuel gas, radioactive materials or waste and/or medical waste as defined in California Health and Safety Code Section 117690 as well as any amended or successor statues as may exist t from time to time during the terms of this Agreement.

**SECTION 17.** <u>BINDING ON SUCCESSORS</u>. The terms and conditions herein contained shall apply to and bind the heirs, successors in interest, executors, administrators, representatives, and assigns of all the parties hereto.

**SECTION 18**. <u>COMPLIANCE WITH LAWS AND REGULATIONS</u>. By executing this LEASE, the DISTRICT hereby certifies that it will adhere to and comply with all federal, state, and local laws, regulations and ordinances.

SECTION 19. PERSONNEL. DISTRICT represents that is has all the personnel required to perform the maintenance services under this LEASE or will subcontract for necessary services. DISTRICT personnel shall not be employed by, not have any direct contractual relationship with the AGENCY. The DISTRICT, its employees or personnel under direct contract with the DISTRICT shall perform all services required hereunder. DISTRICT and its agents, servants, employees and shall act at all times in an independent capacity during the term of this LEASE and shall not act as, and shall not be, nor shall they in any manner be construed to be agents, officers or employees of the AGENCY.

**SECTION 20.** <u>AMENDMENTS</u>. This LEASE shall not be amended unless such changes are mutually agreed upon by the AGENCY and the DISTRICT and shall be incorporated in written executed amendments to this LEASE.

**SECTION 21.** <u>MINISTERIAL ACTS</u>. The Executive Director or designee of the AGENCY shall be authorized to execute amendments to extend term annually. The Executive Director of the AGENCY or appropriate to implement the terms and provisions of this LEASE as it may be amended from time to time by the AGENCY.

SECTION 22. <u>CONFLICT OF INTEREST</u>. No member, official or employee of the AGENCY or DISTRICT shall have any personal interest, direct or indirect, in this LEASE nor shall any member, official or employee participate in any decision relating to this LEASE which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested.

SECTION 23. GOVERNING LAW; JURISDICTION. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The AGENCY and DISTRICT agree that this Agreement has been entered into at Riverside County, California, and that any legal action related to the interpretation or performance of the Agreement shall be filed in the Superior Court for the State of California, in Riverside, California.

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**SECTION 24. NO THIRD PARTY BENEFICIARIES**. This LEASE in made and entered into for the sole protection and benefit of the parties hereto. No other person or entity shall have any right of action based upon the provisions of this LEASE.

**SECTION 25.** <u>SEVERABLITY.</u> Each section and provision of this LEASE is severable from each other provision, and if any provision or part thereof is declared invalid, the remaining provisions shall remain in full force and effect.

**SECTION 26.** <u>WAIVER.</u> Failure by a party to insist upon the strict performance of any of the provisions of this LEASE by the other party, or failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this LEASE thereafter.

SECTION 27. <u>AUTHORITY TO EXECUTE</u>. The persons executing this LEASE on behalf of the parties to this LEASE hereby warrant and represent that the have the authority to execute this LEASE and warrant and represent that they have the authority to bind the respective parties to this LEASE and to the performance of its obligations hereunder.

SECTION 28. <u>ATTORNEY'S FEES</u>. In the event of any litigation or arbitration between AGENCY and DISTRICT to enforce any of the provisions of this LEASE or any right of either party hereto, the unsuccessful party to such litigation or arbitration agrees to pay to the prevailing party all costs and expenses, including reasonable attorney's fees, incurred therein by the prevailing party, all of which shall be included in and as a part of the judgment rendered in such litigation or arbitration.

**SECTION 29.** <u>COUNTERPARTS</u>. This LEASE may be signed by the different parties hereto in counterparts, each of which shall be an original but all of which together shall constitute one and the same LEASE.

**SECTION 30. ENTIRE LEASE.** This LEASE is intended by the Parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any

	1	and all prior and contemporaneous leases, agreements and understandings, oral or written,				
	2	in connection therewith. This LEASE may be changed or modified only upon the written				
	3	consent of the Parties hereto.				
	4	IN WITNESS WHEREOF, the AGENCY and DISTRICT have execute this LEASE as				
	5	of the date first above written.				
	6					
	7	REDEVELOPMENT AGENCY	RIVERSIDE COUNTY REGIONAL PARK &			
	8	FOR THE AGENCY OF RIVERSIDE	OPEN-SPACE DISTRICT			
	9					
1	0	Chairman, Board of Directors	Chairman, Board of Directors			
1	1					
1	2					
1	3					
1	4	APPROVED AS TO FORM:	APPROVED AS TO FORM:			
1	5	Pamela J. Walls AGENCY Counsel	Pamela J. Walls DISTRICT Counsel			
1	6	AGENCT Courise	DISTRICT Courises			
ì	Z	Avialence Color (130)	By Tyrthia M. Gentel			
1	8	Deputy Michelle Clack	Deputy SYNTHIA M. GUNZEL			
1	9	ATTEOT	STATRIA M. GONZEL			
2	0	ATTEST: Kecia Harper-Ihem				
2	1	Clerk of the Board				
2	2	Du				
2	3	By Deputy				
2	4					
MH:jg 2	5					
6/29/10 13.490 2						
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