

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



623

FROM: Redevelopment Agency

SUBMITTAL DATE:
October 20, 2011

SUBJECT: Authorization for Settlement Agreement for Relocation Benefits Associated with the Construction of the Mead Valley Community Center, including the Purchase and Removal of On Site Modular Buildings in the Unincorporated Community of Mead Valley- First Supervisorial District.

RECOMMENDED MOTION: That the Board of Directors:

1. Approve and authorize the Chairman of the Board of Directors to execute the Settlement, Release and Waiver Agreement between the Redevelopment Agency and Family Service Association providing for relocation benefits and the purchase of modular units related to the construction of Mead Valley Community Center improvements;
2. Adopt RDA Resolution No. 2011-040, Authorization to Purchase Real Property Improvements in the Unincorporated Community of Mead Valley by and between the Redevelopment Agency and Family Service Association;

Robert Field

Robert Field
Executive Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 390,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2011/12

COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA: No

SOURCE OF FUNDS: I-215 Corridor, Mead Valley Sub Area, and Redevelopment Capital Improvement Funds	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE:

BY: *Jennifer L. Sargent*
Jennifer L. Sargent

County Executive Office Signature

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: *Samuel Wong* 10-19-11
 DATE: 10-19-11
 SAMUEL WONG
 FORM APPROVED COUNTY COUNSEL
 BY: *Anita C. Willis*
 ANITA C. WILLIS

Dep't Recomm.: Consent
 Per Exec. Ofc.: Consent
 Policy
 Policy

Prev. Agn. Ref.:

District: 1

Agenda Number: **4.3**

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

RECOMMENDED MOTION: (Continued)

3. Allocate the sum of \$390,000 for the purchase of real property improvements (modular buildings), relocation services and benefits, escrow fees, and miscellaneous transaction expenses from the I-215 Corridor Redevelopment Capital Improvement Funds as needed for the completion of the project;
4. Approve and authorize the Chairman of the Board to execute the Purchase and Sale Agreement pertaining to the purchase of Real Property improvements (modular buildings) located at 21091 Rider St. in the unincorporated area of Mead Valley; and,
5. Authorize the Executive Director of the Redevelopment Agency or designee to take all necessary steps to implement the Settlement Agreement and Purchase and Sale Agreement including signing subsequent and necessary related documents to complete this transaction.

BACKGROUND:

On June 28, 2011, the Agency Board of Directors authorized the award of a contract for the construction for the improvement and expansion of Mead Valley Community Center in the amount of \$20,652,500 (Project). The Project, upon completion, will include demolition of existing facilities and the construction of a new 40,000 square foot community center. A necessary component of that expansion requires the removal of 4 modular buildings (modulars) located on the property. At this point, the contractor has been provided a notice to proceed. If the modulars are not timely removed, the Agency could incur delay damages. Three of those modulars are subject to a lease purchase agreement between the Family Service Association, a California nonprofit corporation (FSA) and the State Department of Education (State) for the provision of childcare services. The fourth modular is owned outright by FSA. In order to remove the modulars, the Agency must provide relocation assistance and purchase the modulars, and repay the amount owed to the State pursuant to the lease purchase agreement. (The modulars are subject to repossession by the State if not used for child care services. The relocation will cause a disruption in the provision of those services.)The modulars have an appraised value of \$276,000. Agency staff recommends purchasing the modulars for the appraised price.

In order to avoid construction delays and penalties, it is necessary to enter into a settlement agreement with FSA which will set forth the obligations of the Agency and FSA in removing the modulars and relocating the services currently operated within those modulars. Those obligations include the purchase of the modulars; FSA's timely vacation of the modulars; the Agency's assistance in providing lease space for FSA's continued provision of services using the modulars, and the payment of relocation expenses associated with to the move and the Project.

The settlement agreement, including the purchase of the modulars, with a total cost of \$390,000, is an enforceable obligation of the Agency as 1) the Agency has awarded and entered into a construction contract for the project; 2) the removal of the modulars is essential to the completion of construction; and 3) the Agency is obligated pursuant to the California Relocation Act and regulations thereto, to provide relocation assistance to displaced persons.

(Continued)

Redevelopment Agency

Authorization for Settlement Agreement for Relocation Benefits Associated with the Construction of the Mead Valley Community Center, including the Purchase and Removal of On Site Modular Buildings in the Unincorporated Community of Mead Valley- First Supervisorial District

October 20, 2011

Page 3

BACKGROUND: (Continued)

In compliance with the California Environmental Quality Act ("CEQA"), the purchase and removal of the modular buildings was analyzed in the Initial Study/Mitigated Negative Declaration adopted by the Board of Directors on May 24, 2011 in connection with the approval of the Project.

Notice of publication to satisfy the California Health and Safety Code Section 33397 and Government Code Section 6063 has been published.

Guided by Government Code Section 7267: "In order to encourage and expedite the acquisition and relieve congestion in the courts, to assume consistent treatment for owners in the public programs, and to promote public land acquisition practices, public entities shall, to the greatest extent practicable be guided by the provision of Section 7267.1: 'The public entity shall make every reasonable effort to acquire expeditiously real property by negotiation.'"

2 **RESOLUTION NO. 2011-040**
3 **AUTHORIZATION TO PURCHASE REAL PROPERTY**
4 **IN THE MEAD VALLEY AREA**
5 **IN THE COUNTY OF RIVERSIDE**
6 **(First District)**

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

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

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

18 **WHEREAS**, pursuant to the provisions of the Community Redevelopment Law,
19 Section 33391 of the Health and Safety Code, the Agency may acquire, within a survey
20 area or for purpose of redevelopment, any interest in real property;

21 **WHEREAS**, Agency shall purchase the modular buildings located on the Mead
22 Valley Community Center property, for an agreed upon purchase price of two hundred
23 seventy six thousand dollars (\$276,000), as determined by a fair market value
24 appraisal, free and clear of all liens. (the “Property”);

25 **WHEREAS**, the Property is owned by Family Service Association a Non-profit
26 Corporation, who wishes to sell the Property to Agency;

27 **WHEREAS**, the Property is located at 21091 Rider St. in the unincorporated area
28 which is in the I-215 Corridor Redevelopment Project Area;

WHEREAS, the Agency is purchasing Property for redevelopment purposes, that
will assist in implementing the Redevelopment Plan (“Plan”) for the Project Area and

1 assist the Agency in meeting its goal of enhancing the Mead Valley Community Center
2 within the County of Riverside;

3 **WHEREAS**, Agency desires that Association's modular buildings be removed to
4 allow the Project to move forward in a timely and cost effective manner. Association
5 desires compensation to facilitate its relocation while continuing to serve its various
6 constituencies; and

7 **WHEREAS**, Agency shall pay to Family Service Association as total settlement,
8 including, but not limited to, any and all relocation costs and/or benefits which
9 Association, its affiliates, tenants and/or subtenants may be entitled to, the sum of one
10 hundred fourteen thousand dollars (\$114,000). Thus, the total amount of compensation
11 to Association pursuant to the Settlement Agreement is three hundred ninety thousand
12 dollars (\$390,000) which includes the purchase of the modular buildings for \$276,000
13 and the additional payment of \$114,000.

14 **BE IT RESOLVED, FOUND, DETERMINED, AND ORDERED** by the Board of
15 Directors of the Redevelopment Agency for the County of Riverside, State of California,
16 in regular session assembled on November 1, 2011, as follows:

17 1. That the Board of Directors hereby finds and declares that the above
18 recitals are true and correct.

19 2. That the Redevelopment Agency for the County of Riverside approves the
20 Settlement, Release and Waiver Agreement for relocation benefits associated with the
21 construction of the Mead Valley Community Center, and the Purchase and Sale
22 Agreement for the on site modular Buildings in the unincorporated community of Mead
23 Valley.

24 3. That the Chairman of the Board of Directors is hereby authorized to
25 execute the Settlement, Release and Waiver Agreement, Purchase and Sale
26 Agreement, and any other documents necessary to complete the transaction.

27 4. That the Executive Director of the Redevelopment Agency or designee is
28 hereby authorized to take additional necessary steps to complete this transaction

including executing subsequent relevant and necessary documents.

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FORM APPROVED COUNTY COUNSEL
BY: *Ante C. Willis* 10-18-11
DATE
ANTHONY C. WILLIS

**SETTLEMENT, RELEASE AND WAIVER AGREEMENT
BETWEEN THE
REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE
AND
FAMILY SERVICE ASSOCIATION**

This Settlement, Release and Waiver Agreement (“Agreement”) is entered into between the Redevelopment Agency for the County of Riverside (hereinafter “Agency”) and Family Service Association (hereinafter the “Association”), a California nonprofit corporation. The Agency and Association are sometimes referred to collectively hereinafter as the “Parties”.

1. INTRODUCTION

The Agency is the owner of Mead Valley Community Center (the “Center”), a public facility located at 21091 Rider Street, Perris, CA, an unincorporated community in Riverside County. Association owns, subject to financing through that certain Lease Purchase Agreement(s) with the State Department of Education (the “State”), three (3) modular buildings on the Center property in which it operates various programs, including, but not limited to child care, medical and dental, and other social services. Association also owns another modular building on the property which houses various administrative and programmatic activities. Agency has awarded and entered into a construction contract that involves demolition and re-construction of the Center (the “Project”). In order for Agency to complete the Project, the modular buildings must be removed from the Center property.

Agency and Association have been in discussion about the need to relocate the buildings and services to allow the construction of the Project to proceed. The Project is at a point where it will be significantly delayed if the modular buildings are not timely relocated from the Center property. Agency desires that Association’s modular buildings be removed to allow the Project to move forward in a timely and cost effective manner. Association desires compensation to facilitate its relocation while continuing to serve its various constituencies (the Claim”).

Agency and Association acknowledge that Association is entitled to relocation benefits pursuant to the California Community Redevelopment Law (“CRL”) (*Health and Safety Code sections 33000 et seq.*), and the California Relocation Assistance Act (*Government Code sections 7260 et seq.*) After negotiations in good faith, it is the desire of the Parties to settle this Claim by resolving their differences through settlement of this Claim rather than through litigation, including all allegations of the claim and liabilities in connection with this matter, or which could have been raised in the Claim, or which arise from or relate to the Claim, and to avoid the incurring of additional costs and expenses arising out of the Claim. In addition, except as to the obligations as may be created by this

Agreement, it is the desire of the Parties to settle any and all claims, disputes and/or liabilities whether known or unknown which the Parties have or may have against each other whether or not said claims, demands and/or liabilities relate to, or in any way are connected with, the subject matter of the Claim.

The Parties enter into this Agreement to fully settle and discharge all disputed civil claims including but not limited to relocation benefits, including but not limited to claims for compensation for goodwill, if applicable, and any other loss or cost associated with such relocation, that Association, its affiliated entities, tenants, subtenants, agents, successors and assigns, may bring forth and Claims upon the terms and conditions set forth herein.

2. NO ADMISSION OF LIABILITY

It is expressly understood, acknowledged and agreed to by the Parties, that by reason of entering into this Agreement, the Parties do not admit, expressly or impliedly, any fact or liability of any type or nature with respect to this Claim, whether or not referred to herein, or the sufficiency of any claims made or that could have been raised by any party, allegations, assertions, or the positions of any party. Further, the Parties have not made any such admission and this Agreement is entered into solely by way of compromise and settlement.

3. SETTLEMENT TERMS

Subject to the terms and conditions set forth in this agreement, the Agency and Association agree as follows:

- A. Agency shall purchase all of the modular buildings on the Center property owned by Association for the agreed upon purchase price of two hundred seventy six thousand dollars (\$276,000), as determined by a fair market value appraisal, free and clear of all liens.
- B. Association shall pay all outstanding amounts due to the State for the modular buildings, which is estimated to be approximately ninety thousand dollars (\$90,000).
- C. The purchase of the modular buildings shall be handled via an escrow, and the payment to the State shall be made from the escrow as part of the sales transaction.
- D. Concurrently with the execution of this Agreement the Parties shall execute a purchase and sales agreement in the form attached hereto and incorporated herein by this reference as Exhibit A to the Agreement.
- E. Association and Agency agree to execute all other documents necessary to complete the purchase and sale of the modular buildings.
- F. Association shall be solely responsible for the relocation of its services which are operated at the center, and finding temporary replacement services for its participants, as necessary.

- G. Agency shall pay to Association as total settlement of this Claim, including, but not limited to, any and all relocation costs and/or benefits which Association, its affiliates, tenants and/or subtenants may be entitled to, the sum of one hundred fourteen thousand dollars (\$114,000). Thus, the total amount of compensation to Association pursuant to this Agreement is three hundred ninety thousand dollars (\$390,000) which includes the purchase of the modular buildings and the additional payment of \$114,000 as set forth herein.
- H. Association shall remove all persons and property from the Center property, including from the modular buildings, no later than **November 1, 2011**. ***Failure to move by that date shall constitute a material breach of this Agreement, as time is of the essence in moving forward with the project.*** Each day that Association remains on the Center property after November 1, 2011 shall be subject to a daily penalty of \$500 which shall be deducted from any amounts due to Association pursuant to this Agreement.
- I. Association, on behalf of itself, its affiliated entities, successors, assigns, tenants and /or subtenants, waives any and all rights to relocation benefits, including but not limited to notice, associated with the Project and/or Agency's actions with respect to the Project, Association's move from the Center Property, or any other matter related to this Claim.
- J. Agency will re-locate the three (3) movable modular buildings to 19450 Clark St. by the Agency or the County of Riverside. Agency will facilitate the execution of a lease between the County and Association for the temporary use of the modular (owned by Agency) located on County owned property. Association acknowledges that the modular buildings will not be in place and ready for occupancy for a period of at least 30 days after termination of Association's occupancy and close of escrow. Agency will facilitate the removal and relocation of the modular buildings after close of escrow and ownership has vested in the name of the Agency. The lease shall be executed concurrently with this Agreement. (Need location address of Code facility) A true and correct copy of the form of the lease, including the terms therein is attached hereto and incorporated herein as Exhibit B to the Agreement.

4. RELEASE

In consideration of the settlement terms referred to herein, Association does hereby fully and forever completely release, acquit and discharge the Agency, together with any and all past and present employees, agents (whether ostensible or actual), officers, officers, successors, departments, or representatives, (collectively "Releasees") from any and all civil claims, demands, damages, wages, loss of future employment capacity, costs, attorneys' fees, rights or causes of Claim, whether known or unknown, present or future which Association may have against the Releasees, or any of them, that arise from, or are

directly or indirectly related to, or are connected with, any of the facts or circumstances alleged in the Claim or in any way connected with the subject matter of the Claim.

5. WAIVER OF SECTION 1542

As to the matters released by this Agreement, the Parties expressly waive all rights under section 1542 of the California Civil Code and of any comparable principle of law, whether by statute or decision. Section 1542 provides as follows:

“A general release does not extend to the claims which the creditor does not know or suspect to exist in his favor at the time of the execution of the release, which if known by him must have materially affected his settlement with the debtor.”

This Release expressly includes a discharge of all unknown and unsuspected claims. Association understands and acknowledges the consequences of such a specific waiver.

6. NO PRIOR ASSIGNMENT OR TRANSFER

Each Party to this Agreement represents and warrants that there has been no assignment or other transfer of any claims or causes of Claim which they are releasing pursuant to the terms of this Agreement.

7. INDEMNIFICATION

Association on behalf of itself, its affiliated entities, members, employees, successors and assigns, hereby agrees to release any and all claims and demands, rights and causes of action of any kind that may now have arisen or hereafter may arise as a result of the above incident, and further agrees to hold the Agency, the County of Riverside, its Agencies, Boards, Commissions, employees, agents, successors and assigns, harmless and defend and indemnify it for and against any claim, lien or debt which has or may arise from or related to the Claim described herein.

8. MISCELLANEOUS PROVISIONS

A. Entire Agreement:

This Agreement constitutes the full and entire Agreement of the civil claims between the Parties hereto and such Parties acknowledge that there is no other civil claim Agreement, oral and/or written, between the Parties hereto.

B. Authority to Enter Agreement:

This Agreement is the result of arms-length negotiations. Each Party to this Agreement represents and warrants to the others that the persons executing this Agreement on behalf of such Party are duly and fully authorized to do so, and that each such Party is acting pursuant to the power and authority granted by their respective principals, and that no further approvals are required to be obtained from any persons or entities.

C. *Final Agreement:*

The Parties to this Agreement, and each of them, acknowledge that (1) this Agreement and its reduction to final form is the result of extensive good faith negotiations between the Parties; (2) said Parties has carefully reviewed and examined this Agreement and have had the opportunity to have such Agreement reviewed by counsel; and (3) any statute or rule of construction that ambiguities are to be resolved against the drafting Party should not be employed in the interpretation of this Agreement.

D. *Binding Agreement:*

This Agreement is and shall be binding upon and shall inure to the benefit of the predecessors, affiliates, subsidiaries, successors, assigns, parties, agents, officers, employees, shareholders, associates, legal representatives, heirs, executives and/or administrators of each of the Parties hereto.

E. *Attorneys' Fees, Costs, and Future Claim:*

Association and the Agency shall each bear their own costs and attorneys' fees in connection with the Claim, and this Agreement.

F. *Interpretative Law:*

This Agreement is made and entered into in the State of California and shall in all respects be interpreted, enforced and governed by and under the laws of the State of California. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable for whatever reason, the remaining provisions not so declared shall nonetheless continue in full force and effect without being impaired in any manner whatsoever.

G. *Modifications:*

This Agreement may be amended or modified only by a writing signed by all Parties to this Agreement.

H. Paragraph Headings:

Paragraph headings are for reference only and shall not affect the interpretation of any paragraph hereto.

I. No Inducement:

Each of the Parties to this Agreement acknowledges for itself that it has read this Agreement and fully understands its contents and consequences and has voluntarily executed it. Each of the parties also warrants that no promise or inducement has been made or offered by any of the Parties, except as set forth herein, and that this Agreement is not executed in reliance upon any statement of representation of any of the Parties or their representatives, concerning the nature and extent of the injuries, damages or legal liability thereof. The Parties further represent that they have been represented by legal counsel during the course of the negotiations leading to the signing of this Agreement, and that they have been advised by legal counsel with respect to the meaning of this Agreement and its legal affect.

J. Counterparts

This Agreement may be executed in counter-parts with the same effect as if all original signatures were placed on one document and all of which together shall be one and the same Agreement.

K. Additional Documents:


All Parties agree to cooperate fully to take any and all steps, perform any acts, and execute any documents consistent with the terms and conditions of this Agreement, which may be needed or required to effectuate the terms, intent, conditions, covenants, and provisions hereof.

L. Venue:

Venue for enforcement of this Agreement shall be in the Superior Court of the State of California, County of Riverside.

WE HEREBY CERTIFY THAT WE HAVE READ ALL OF THIS SETTLEMENT, RELEASE AND WAIVER AGREEMENT AND FULLY UNDERSTAND THE SAME, AND IN WITNESS WHEREOF WE HAVE EXECUTED THIS AGREEMENT IN CALIFORNIA, SIGNED, SEALED AND DELIVERED.

Date: 10-13-11

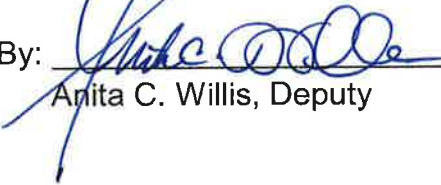
Family Service Association
By: 
Dominick Betro, A.C.S.W
President/CEO

Redevelopment Agency for the County of Riverside

Date: _____

By: _____
Bob Buster, Chairman
Board of Director

APPROVED AS TO FORM:
Pamela J. Walls, County Counsel

By: 
Anita C. Willis, Deputy

ATTEST:
Kecia Harper-Ihem, Clerk of the Board

By: _____
Deputy

EXHIBITS ATTACHED:

- A. Purchase and Sale Agreement for Modular Buildings
- B. Lease Agreement for Modular Buildings
Settlement Agreement

Exhibit A

**AGREEMENT OF PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS
BY AND BETWEEN**

FAMILY SERVICE ASSOCIATION

AS SELLER

AND

REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE

AS BUYER

RELATING TO

**Modular units located on
Assessor's Parcel Number: 318-210-050**

EXHIBIT "A"

1 AGREEMENT OF PURCHASE AND SALE
2 AND JOINT ESCROW INSTRUCTIONS
3

4 THIS AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW
5 INSTRUCTIONS ("Agreement") is made and entered into this ____ day of
6 _____, 2011, by and between REDEVELOPMENT AGENCY FOR
7 THE COUNTY OF RIVERSIDE ("Buyer"), and FAMILY SERVICE ASSOCIATION
8 (Seller).

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

13 **WHEREAS**, The Riverside County Board of Supervisors has adopted, by
14 Ordinance No. 821 on July 16, 2002, a redevelopment plan for an area within the
15 County known as the Interstate 215 Project Area (hereinafter "Project Area");

16 **WHEREAS**, THE Redevelopment Plan (hereinafter "Plan") for the Project Area
17 was adopted in order to eliminate blight and revitalize the substandard physical and
18 economic conditions that exist within the Project Area;

19 **WHEREAS**, Health and Safety Code Section 33391 authorizes the Buyer, within
20 the survey area or for the purposes of redevelopment to acquire real or personal
21 property; and

22 **WHEREAS**, the purchase of the Property, as further defined herein, will assist
23 the Buyer in meeting its goal of enhancing communities and eliminating blight.

24 **NOW THEREFORE** Buyer and Seller agree as follows:

25 1. **Definitions.** For the purposes of this Agreement the following terms will
26 be defined as follows:

27 (a) **"Effective Date"**: The Effective Date is the date on which
28 this Agreement is executed by Buyer as listed on the signature page of this Agreement;

1 (b) **“Property”**: Seller is the owner of certain personal property
2 consisting of four (4) modular units located at 21091 Rider St. Perris, CA. in the
3 unincorporated area of Mead Valley, Riverside County, California.

4 (c) **“Purchase Price”**: The Purchase Price for the Property is
5 Two Hundred Seventy Six Thousand Dollars (\$276,000).

6 (d) **“Escrow Holder”**: Orange Coast Title Company at the
7 address set forth in subparagraph (h) below.

8 (e) **“Title Company”**: Orange Coast Title Company at the
9 address set forth in subparagraph (h) below. Manny Villalobos is the Title Officer;

10 (f) **“Closing” and “Close of Escrow”**: Are terms used
11 interchangeably in this Agreement. The Closing or the Close of Escrow will be deemed
12 to have occurred when the Payoff Demand has been paid to the California Department
13 of Education (as defined in Paragraph 5.1);

14 (g) **“Closing Date”**: The Closing Date shall be on or before
15 December 1, 2011, unless otherwise agreed to by both parties;

16 (h) **“Notices”**: Will be sent as follows to:

17
18 Seller: Family Service Association
19 Attn: Dom Betro, A.C.S.W.
20 3730 Elizabeth St.
21 Riverside, CA 92506
22 Telephone: (951) 686-1096
23 Fax No.: (951) 686-5382

24 Buyer: REDEVELOPMENT AGENCY FOR
25 COUNTY OF RIVERSIDE
26 3403 10th Street, Suite 500
27 Riverside, California 92501
28 Attn: Yolanda King
Telephone: (951) 955-9656
Fax No: (951) 955-4837
Email: Yking@rivcoeda.org

Escrow Holder: ORANGE COAST TITLE COMPANY
3536 Concoors Drive, Suite 120

1 Ontario, California 91764
2 Attn: Irene Genders
3 Telephone: (909) 987-5433
4 Fax: (909) 980-8824
5 Email: ireneg@octitle.com

6 Title Company: ORANGE COAST TITLE COMPANY
7 3536 Concoors Drive, Suite 120
8 Ontario, California 91764
9 Attn: Manny Villalobos
10 Telephone: (909) 987-5433
11 Fax: (909) 980-8824
12 Email: mannyv@octitle.com

13 **2. Purchase and Sale.** Upon and subject to the terms and conditions set
14 forth in this Agreement, Seller agrees to sell to Buyer and Buyer agrees to buy from
15 Seller the Property, together with all easements, appurtenances thereto and all
16 improvements and fixtures.

17 **3. Purchase Price.** The Purchase Price for the Property will be paid as
18 follows:

19 3.1 Agreement. Upon the approval of this Agreement and execution
20 by the Board of Directors (the date upon which this Agreement has been fully
21 executed and delivered to both parties is the "**Effective Date**"), Buyer shall order the
22 full purchase price, plus costs to cover buyer's escrow fees and shall deposit the sum
23 immediately available funds payable to the order of Escrow Holder. Should escrow be
24 unable to close immediately, due to some unforeseen circumstances, Escrow Holder
25 shall deposit said funds in an interest bearing account which shall be applied against
26 the Purchase Price at closing and any overages including the interest shall returned to
27 Buyer at close of escrow.

28 **4. Escrow.** Buyer and Seller shall open an escrow (the "**Escrow**") with
Escrow Holder within three (3) business days after the Effective Date by delivery to
Escrow Holder a fully executed original or originally executed counterparts of this
Agreement and this date shall be the official Opening Date of Escrow referenced

1 herein. This purchase shall be contingent upon the approval by the Board of
2 Directors of the Authorization to Purchase and the approval of the Purchase and
3 Sale and Joint Escrow Instructions document. This contingency will be removed from
4 escrow upon the receipt of the Signed Purchase and Sale Agreement and Joint
5 Escrow Instructions document signed by the Chairman of the Board of Directors.
6 Buyer and Seller agree to execute any additional instructions reasonably required by
7 the Escrow Holder. In the event the Board of Directors has not approved this
8 Agreement on or before November 1, 2011, this Agreement shall be null and void and
9 both parties shall be relieved from any liabilities and/or obligations under this
10 Agreement. If there is a conflict between any printed escrow instructions and this
11 Agreement, the terms of this Agreement will govern.

12 **5. Deliveries to Agency.**

13 5.1 By Seller. At the time of execution of this agreement, the
14 Seller(s) shall deliver to Agency the Certificate of Ownerships to the modular units
15 described above. In the event said Certificate of Ownership and/or other documents
16 required to effect transfer to said modular units is not available, County may act as
17 Seller(s)' Attorney in Fact to secure said Certificate and/or other documents on
18 Seller(s)' behalf.

19 **6. Deliveries to Escrow Holder.**

20 6.1 By Buyer. On or prior to the Closing Date (and in any event in a
21 manner sufficient to allow Escrow to close not later than the Closing Date), Buyer will
22 deliver or cause to be delivered to Escrow Holder the following items:

- 23 (a) The Purchase Price in accordance with Paragraph 1.c; and
24 (b) The amount due Seller and any third parties, if any, after the
25 prorations are computed in accordance with Paragraph 12.

26 6.2 By Buyer and Seller. Buyer and Seller will each deposit such
27 other instruments consistent with this Agreement as are reasonably required by
28 Escrow Holder or otherwise required to close escrow. In addition, Seller and Buyer will

1 designate the Title Company as the “**Reporting Person**” for the transaction pursuant
2 to Section 6045(e) of the Internal Revenue Code.

3 **7. Condition of Sale and Purchase.**

4 7.1 At the Close of Escrow, Property will be conveyed to Buyer from
5 Seller by Agreement and Certificate of Ownership.

6 7.2 It is mutually understood and agreed by and between the parties
7 hereto that the right of possession of the subject modular units by Agency, including
8 the right to remove and dispose of modular units, shall commence upon the date the
9 Seller(s) move from the purchased modular units; or, the date on which final payment
10 for the purchase of modular units

11 **8. Conditions to the Close of Escrow.**

12 8.1 Conditions Precedent to Buyer's Obligations. The following
13 conditions must be satisfied not later than the Closing Date or such other period of time
14 as may be specified below:

15 (a) Delivery of Information. Within ten (10) days after the
16 Opening of Escrow, seller shall deliver to buyer the original or true copies of certificate
17 of ownership, payoff demands from State Board of Education, past hazardous material
18 studies, as-built drawings, building permits, certificates of occupancy, certificates of
19 completion, soil reports, engineers' reports, other contracts, but not limited to, studies
20 and similar information which it may have in its possession relating to the Property
21 except as specifically set forth herein, such items shall be delivered by Seller to Buyer
22 and shall be to the best of Seller's actual knowledge true and correct and complete
23 copies of the items in Seller's possession and except as expressly set forth herein,
24 Seller makes no warranty regarding the contents of such items. If the Escrow shall fail
25 to close for any reason, all such items shall be immediately returned to Seller.

26 The conditions set forth in this Paragraph are solely for the benefit
27 of Buyer and may be waived only by Buyer. At all times Buyer has the right to waive
28 any condition. Such waiver or waivers must be in writing to Seller and Escrow Holder.

1 The Close of Escrow and Buyer's obligations with respect to this
2 transaction are subject to Seller's delivery to Escrow Holder on or before the closing
3 date.

4 8.2 Conditions Precedent to Seller's Obligations. The following shall
5 be conditions precedent to Seller's obligation to consummate the purchase and sale
6 transaction contemplated herein:

7 (a) Buyer shall have delivered to Escrow Holder, prior to the
8 Closing for disbursement as directed hereunder, all cash or other immediately available
9 funds from Buyer in accordance with this Agreement; and

10 (b) Buyer shall have delivered to Escrow Holder the items
11 described herein.

12 The conditions set forth in this Paragraph are solely for the benefit
13 of Seller and may be waived only by Seller. At all times Seller has the right to waive
14 any condition. Such waiver or waivers must be in writing to Buyer and Escrow Holder.

15 8.3 Termination of Agreement. In the event that, for any reason, the
16 Closing does not occur on or before the Closing Date, either party to this Agreement,
17 who is not in default of its obligations under this Agreement, shall have the right to
18 terminate this Agreement upon written notice to the other party and to Escrow Holder.
19 Unless Seller is materially in default hereunder, failure by Buyer to cause Escrow to
20 close on or before the Closing Date shall constitute a material Buyer default as a result
21 of which Seller may elect to terminate this Agreement and the Escrow created
22 hereunder.

23 **9. Due Diligence by Buyer.**

24 9.1 Matters To Be Reviewed. Buyer must complete its due diligence
25 and approve the following matters not later than ninety (90) days following the Effective
26 Date (the "**Due Diligence Period**"). Seller shall cooperate with Buyer in its
27 investigation.

1 (a) The physical condition of the Property at the time of sale,
2 including without limitation, any structural components, electrical, system, plumbing or
3 any irrigation system, paving, soil conditions, the status of the Property with respect to
4 hazardous and toxic materials, if any, and in compliance with all applicable laws,
5 including any laws relating to hazardous and toxic materials and all applicable
6 government ordinances, rules and regulations and evidence of Seller's compliance
7 therewith including without limitation zoning and building regulations;

8 (b) All applicable government ordinances, rules and
9 regulations and evidence of Seller's compliance therewith including without limitation
10 zoning and building regulations; and

11 (c) All licenses, permits and other governmental approvals
12 and/or authorizations relating to the Property which shall remain in effect after the
13 Close of Escrow.

14 9.2 Notice and Resolution of Objections.

15 (a) If Buyer fails to notify Seller in writing of any objections to
16 items (a) and (b) in Paragraph 8.1 above or to request an extension prior to the end of
17 the Due Diligence Period then Buyer shall be deemed to have approved such items
18 and elected to proceed with the acquisition of the Property;

19 (b) If Buyer notifies Seller in writing of any objections to the
20 condition of the Property at the time of sale or any other matters relating to the
21 Property as set forth in Section 8.1 prior to the end of the due diligence period, the
22 parties will have five (5) business days to agree upon a resolution of the objections(s);
23 provided however, that if, as a result of investigations and inspections any deficiencies
24 are found or repairs are needed, the cost to remedy such deficiencies or to make such
25 repairs shall be the exclusive responsibility of the Seller. In the event that Seller fails to
26 remedy such deficiencies or to make such repairs within a reasonable time period then
27 Buyer may terminate this Agreement by written notice to Seller and Escrow.

28

1 (c) In the absence of a timely objection or notice of termination,
2 Buyer will be deemed to have knowingly approved the condition of Property at the time
3 of sale and waived any of its objections, and this Agreement will continue in full force
4 and effect.

5 9.3 Material New Matters. If Buyer discovers any new matter prior to
6 close of escrow which was:

7 (a) Not reasonably discoverable prior to the Close of and
8 Escrow and that matter is one which:

9 (i) Such new matter is of such a nature that, in Buyer's
10 reasonable judgment, it would materially and adversely affect the acquisition,
11 development, sale or use of the Property for Buyer's intended purpose; then Buyer is
12 entitled to treat such new matter as a failure of condition to the Close of Escrow.

13 (b) If Buyer elects to treat such new matter as a failure of
14 condition to the Close of Escrow, Buyer must give notice to Seller of Buyer's election to
15 terminate this
16 Agreement within fifteen (15) days of Buyer's obtaining knowledge of such new matter,
17 but in no event later than the Closing Date.

18 (c) However, if Buyer gives Seller notice of its election to
19 terminate this Agreement, Seller may elect, in its sole and absolute discretion by
20 written notice to Buyer and to Escrow Holder within five (5) business days following
21 Seller's receipt of Buyer's notice, to correct the new matter prior to the Close of
22 Escrow. If Seller elects to correct the new matter, Seller will be entitled to extend the
23 Close of Escrow for not more than twenty (20) days in order to correct the new matter
24 and, in such event, this Agreement will not terminate. If Seller fails to correct the new
25 matter by the Closing Date as extended, Buyer, as Buyer's sole remedy, may terminate
26 this Agreement.

27 **10. No Side Agreements or Representations.** Buyer represents and
28 warrants that prior to the Close of Escrow, Buyer will have had the opportunity to make

1 and will have made such an investigation and inspection of all aspects of the condition
2 of the Property as it has deemed necessary. Buyer further represents and warrants
3 that in purchase the Property, Buyer is relying solely upon its own investigations and
4 inspections of same.

5 **11. Costs and Expenses.**

6 11.1 Buyer will:

7 (a) Pay to the order of Grantor the sum of Two Hundred
8 Seventy Six Thousand Dollars (\$276,000) for the Property conveyed by Transfer
9 Certificate and Agreement, when transfer of said Property vests in Agency free and
10 clear of all liens, encumbrances, taxes, assessments and leases which, in the sole
11 discretion of Agency are acceptable.

12 (b) Pay all typical escrow, recording, reconveyance, and all
13 fees required by State Department of Housing and Community Development in
14 connection with the transfer of modular units to Agency.

15 **12. Prorations.**

16 12.1 Tax Exempt Agency. All parties hereto acknowledge that the
17 buyer is public entity and exempt from payment of any real property taxes. There will
18 be no proration of taxes through escrow. Seller will be responsible for payment of any
19 real property taxes due prior to close of escrow. In the event any real property taxes
20 are due and unpaid at the close of escrow, Escrow Holder is hereby authorized and
21 instructed to pay such taxes from proceeds due the Seller at the close of escrow. Seller
22 understands that the Tax Collector will not accept partial payment of an installment of
23 the real property due at the close of escrow. At the close of escrow, the Buyer will file
24 any necessary documentation with the County Tax Collector/Assessor for the property
25 tax exemption. Any prorate refund that will be due the Seller will be refunded to the
26 Seller by the county Tax Collector/Assessor outside of escrow and Escrow Holder shall
27 have no liability and/or responsibility in connection therewith.

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1 12.2 Utility Deposits. Seller represents and warrants that there are no
2 active accounts associated with the Property.

3 12.3 Method of Proration. For purposes of calculating prorations,
4 Buyer shall be deemed to be entitled to the Property and therefore entitled to the
5 income there from and responsible for the expenses thereof for the entire day upon
6 which the Closing occurs. All prorations will be made as of the date of Close of Escrow
7 based on a three hundred sixty-five (365) day year or a thirty (30) day month, as
8 applicable. The obligations of the parties pursuant to this Paragraph 12 shall survive
9 the Closing and shall not merge into any documents of conveyance delivered at
10 Closing.

11 **13. Disbursements and Other Actions by Escrow Holder.** At the Close
12 of Escrow, Escrow Holder will promptly undertake all of the following:

13 13.1 Funds. Promptly upon Close of Escrow, disburse all funds
14 deposited with Escrow Holder by Buyer in payment of the Purchase Price as follows:
15 (a) deduct or credit all items chargeable to the account of Seller and/or Buyer pursuant
16 to Paragraphs 11 and 12 disburse the balance of the Purchase Price and (c) disburse
17 any excess proceeds deposited by Buyer to Buyer.

18 13.2 Delivery of Documents to Buyer and Seller. Deliver to Buyer the
19 Certificate of Ownership and any other documents (or copies thereof) deposited into
20 Escrow by Seller. Deliver to Seller any other documents (or copies thereof) deposited
21 into Escrow by Buyer.

22 **14. Joint Representations and Warranties.** In addition to any express
23 agreements of the parties contained herein, the following constitute representations
24 and warranties of the parties each to the other:

25 14.1 Each party has the legal power, right and authority to enter into
26 this Agreement and to consummate this transaction.

27 14.2 The individuals executing this Agreement and the instruments
28 referenced herein on behalf of each party and the partners, officers or trustees of each

1 party, if any, have the legal power, right and actual authority to bind each party to the
2 terms and conditions of those documents.

3 14.3 This Agreement and all other documents required to close this
4 transaction are and will be valid, legally binding obligations and enforceable against
5 each party in accordance with their terms, subject only to applicable bankruptcy,
6 insolvency, reorganization, moratorium laws or similar laws or equitable principles
7 affecting or limiting the rights of contracting parties generally.

8 14.4 The Seller(s) covenants and agrees to indemnify and hold the
9 County harmless from any and all claims that other parties may make or assert on the
10 title or possession of the modular units. The Seller(s) obligation herein indemnify the
11 County shall not exceed the amount paid to the Seller(s) under this agreement.

12 **15. Notices.** All notices or other communications required or permitted
13 hereunder must be in writing, and be personally delivered (including by means of
14 professional messenger service) or sent by registered or certified mail, postage
15 prepaid, return receipt requested to the addresses set forth in Paragraph 1 (h). All
16 notices sent by mail will be deemed received three (3) days after the date of mailing.

17 **16. Miscellaneous.**

18 16.1 Counterparts. This Agreement may be executed in counterparts.

19 16.2 Partial Invalidity. If any term or provision of this Agreement shall
20 be deemed to be invalid or unenforceable to any extent, the remainder of this
21 Agreement will not be affected thereby and each remaining term and provision of this
22 Agreement will be valid and be enforced to the fullest extent permitted by law.

23 16.3 Waivers. No waiver of any breach of any covenant or provision
24 contained herein will be deemed a waiver of any preceding or succeeding breach
25 thereof, or of any other covenant or to, a licensed real estate broker (individual or
26 corporate), agent, or finder or other provision contained herein. No extension of time
27 for performance or any obligation or act will be deemed an extension of the time for,
28

1 performance of any other obligation or act except those of the waiving party which will
2 be extended by a period of time equal to the period of the delay.

3 16.4 Successors and Assigns. Neither party shall transfer or assign its
4 rights or responsibilities under this Agreement without the express written consent of
5 the other party.

6 16.5 Entire Agreement. This Agreement constitutes the entire contract
7 between the parties hereto and may not be modified except by an instrument in writing
8 signed by the party to be charged.

9 16.6 Time of Essence. Seller and Buyer hereby acknowledge and
10 agree that time is strictly of the essence with respect to each and every term,
11 condition, obligation and provision hereof.

12 16.7 Governing Law. The parties hereto expressly agree that this
13 Agreement will be governed by, interpreted under, and construed and enforced in
14 accordance with the laws of the State of California in which the Property is located.
15 Venue for any proceeding related to this Agreement shall be in the County of
16 Riverside.

17 16.8 No Recordation. No memorandum or other document relating to
18 this Agreement shall be recorded without the prior written consent of Seller and Buyer.

19 16.9 Survival. Any provisions of this Agreement which by their terms
20 require performance by either party after the Close of Escrow shall survive the Close
21 of Escrow.

22 16.10 Brokers. Seller and Buyer represent and warrant to the other that
23 neither Buyer nor Seller has employed any broker and/or finder to represent its
24 interest in this transaction. Each party agrees to indemnify and hold the other free and
25 harmless from and against any and all liability, loss, cost, or expense (including
26 court costs and reasonable attorney's fees) in any manner connected with a claim
27 asserted by any individual or entity for any commission or finder's fees in connection
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1 with the conveyance of the Property arising out of agreements by the indemnifying
2 party to pay any commission or finder's fee.

3 16.11 Assignment. Buyer shall neither assign Buyer's rights nor
4 delegate Buyer's obligations hereunder without Seller's prior written consent, which
5 may be withheld in Seller's sole discretion.

6 THIS AGREEMENT WILL BE NULL AND VOID IF NOT EXECUTED BY BUYER and
7 approved by the Board of Directors of the Redevelopment Agency for the County of
8 Riverside.

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1 IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the
2 date and year set forth below.

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4
5 Dated: 10-13-11

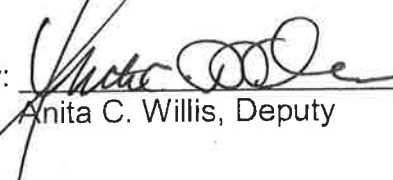
FAMILY SERVICE ASSOCIATION


Dominick Betro, A.C.S.W.
President/CEO

8 REDEVELOPMENT AGENCY FOR THE
9 COUNTY OF RIVERSIDE

11 By: _____
12 Bob Buster
13 Chairman, Board of Directors

14 APPROVED AS TO FORM:
15 PAMELA J. WALLS, Agency Counsel

16
17 By: 
18 Anita C. Willis, Deputy

19 ATTEST:
20 Kecia Harper-Ihem
21 Clerk to the Board

22 Dated: _____

23
24 By: _____

Exhibit B

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LEASE
BY AND BETWEEN
THE COUNTY OF RIVERSIDE
AND THE FAMILY SERVICE ASSOCIATION
(19450 CLARK STREET, PERRIS, CA)

THIS LEASE is made and entered into on this _____ day of November, 2011, by and between the County of Riverside, a political subdivision of the State of California as Lessor, herein called County, and the Family Service Association, a nonprofit corporation, herein called Lessee, for the property described below under the following terms and conditions:

WITNESETH

WHEREAS, the County is the owner of real property located at 19450 Clark Street, Perris, Riverside County, State of California (the "Property");

WHEREAS, the Redevelopment Agency for the County of Riverside (the "Agency") is the owner of seven modular units which may be combined into three modular buildings totaling approximately 3,320 square feet of personal property (the "Premises"). The Agency intends to temporarily relocate the Premises for and during re-construction of the new Mead Valley Community Center located at 21091 Rider Street, Perris, Riverside County, State of California (the "Center");

WHEREAS, the Agency will relocate the Premises to a portion of the Property, and the County will accept the Premises for the purpose of making available for lease to the Lessee; and

WHEREAS, the Lessee desires to lease the Premises and a portion of the Property from the County and the County desires to lease the Premises and a portion of the Property to the Lessee to provide office space for use to provide social, administrative, dental and medical services or any official business of Lessee during completion of the Center.

EXHIBIT "B"

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

4 **1. Description.** The premises leased hereby consist of seven
5 modular units combined into three modular buildings totaling approximately 3,320
6 square feet (Unit A of 1,400 square feet, Unit B of 960 square feet, and Unit C of 960
7 square feet) as placed for useful occupancy on a portion of property located at 19450
8 Clark Street, Perris, California, also identified as Assessor Parcel Number 318-100-
9 004, as more particularly shown on Exhibit "A", attached hereto, and by this reference
10 made a part of this Lease.

11 **2. Use.**

12 (a) The premises are leased to Lessee primarily for the
13 purpose of providing office space for use to provide social, administrative, dental and
14 medical services by Lessee, but may be used for any official business of Lessee.

15 (b) Lessee shall have exclusive use and possession of the
16 leased modular buildings premises, and common use of property walkways, driveways,
17 vehicular parking spaces, and other similar facilities maintained by the County for other
18 Lessees and the public.

19 **3. Term.**

20 (a) The term of this Lease shall be for a twenty four (24) month
21 period commencing upon the date of completion of the modular building relocation and
22 which the Lessee can take useful occupancy, subject to the provisions contained in
23 Paragraph 16 Termination herein.

24 (b) Notwithstanding Subsection C below, any holding over by
25 Lessee at the expiration of said term shall be deemed a month to month tenancy upon
26 the same terms and conditions of this Lease.

27 (c) The term of this Lease may be extended upon mutual
28 agreement between the County and Lessee. Any extension of the term shall be

1 incorporated by an amendment to the Lease executed by both the County and the
2 Lessee.

3 **4. Rent.** In consideration for the services to be provided to County
4 residents by the Family Services Association, Lessee shall pay the sum of \$1.00 per
5 year to County as rent for the leased premises, payable, in advance, on the first day of
6 each lease year during the term of this Lease. The anniversary dates shall be deemed
7 to fall on the first day of the first full month of each lease year following commencement
8 of the Lease Term.

9 **5. Acceptance of Premises.** Lessee acknowledges that neither
10 County nor any agent of the County has made any representation of warranty with
11 respect to the Premises or Property. The taking of possession of the Premises by
12 Lessee shall conclusively establish that the Premises and the Property were at such
13 time in good and sanitary order, condition and repair.

14 **6. Custodial.** Lessee shall provide, or cause to be provided, and
15 pay for all custodial services in connection with the Leased Premises.

16 **7. Utilities.** Lessee shall pay for all utility services used in
17 connection with the leased premises, including, but not limited to, telephone, electric,
18 water, gas, refuse collection and sewer services, as may be required in the
19 maintenance, operation and use of the leased premises.

20 **8. Maintenance.**

21 (a) Lessee shall maintain the Premises and Property including
22 the landscaping and grounds, in a neat, safe, orderly and attractive condition during the
23 term of this Lease, and Lessee shall provide for the sanitary handling and disposal of
24 all refuse accumulated as a result of Lessee's use of the Property (including any waste
25 and hazardous waste) and the improvements thereon. In addition, the exterior and the
26 interior of the improvements on the Property shall be maintained by Lessee in good
27 working condition and repair during the term of this Lease.

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1 (b) In the event of damage or destruction of all or any part of
2 the improvements to be constructed upon the Premises and Property rendering said
3 Property unusable for the purposes set forth in Paragraph 2 herein, in whole or in part,
4 Lessee shall repair such damage or destruction with due diligence but only to the
5 extent of the insurance coverage required by this Lease.

6 **9. Insurance.** Lessee shall during the term of this Lease procure at
7 its sole cost and expense and keep in full force and effect from the commencement
8 date of this Lease continuing until the end of the term of the Lease the following
9 insurance provisions:

10 (a) Workers' Compensation. Procure and maintain Workers'
11 Compensation Insurance as prescribed by the laws of the State of California.

12 (b) Comprehensive General Liability. Procure and maintain
13 Comprehensive Broad Form General Liability insurance coverage that shall protect
14 Lessee from claims including, but not limited to, damages for premises liability,
15 contractual liability, personal and advertising injury (broad form) which may arrive from
16 or out of Lessee's operation use and management of the leased premises and grounds
17 or the performance of its obligations hereunder, whether such operations, use or
18 performance be by Lessee, by any subcontractor, vendor, or by anyone employed
19 directly or indirectly by either of them or volunteers serving either of them. Such
20 insurance shall name County of Riverside, its Directors, Officers, Special Districts,
21 Board of Supervisors, employees, agents or representatives as additional insureds with
22 respect to this Lease and the obligations hereunder with limits not less than One Million
23 Dollars (\$1,000,000) per occurrence combined single limit. Policy shall provide for Five
24 Thousand Dollars (\$5,000) in medical payments coverage per occurrence, and fire
25 legal liability in an amount not less than Fifty Thousand Dollars (\$50,000) per
26 occurrence.

27 (c) Vehicle Liability. Lessee shall procure auto liability as
28 required by the State of California.

1 (d) Real and Personal Property.

2 (1) The leased premises will be insured by the County
3 Property Program at no additional cost to Lessee. The County of Riverside shall
4 continue to be responsible for all risk, earthquake and flood deductibles. Lessee's
5 business personal property is agreed to remain under Lessee's ownership and may be
6 insured by Lessee. The leased premises will continue to remain insured by the County
7 Boiler and Machinery Program. The County of Riverside shall continue to be
8 responsible for any and all deductibles related to Boiler and Machinery Insurance
9 coverage.

10 (e) General Insurance Provisions

11 (1) Any insurance carrier providing insurance coverage
12 hereunder shall be admitted to the State of California unless waived, in writing, by
13 County Risk Manager, and such carrier(s) shall have an A.M. BEST rating of not less
14 than an A:VII (A:8). In addition, any deductibles or self-insured retentions must be
15 declared by such carrier(s) and such deductibles and retentions shall have the prior
16 consent, in writing, from the County Risk Manager and, at the election of the County
17 Risk Manager, such carriers shall be notified in writing and shall either: 1) reduce or
18 eliminate such deductibles or self-insured retentions relating to the County of
19 Riverside, its officers, employees or agents, or 2) procure a bond which guarantees
20 payment of losses and related investigations, claim(s) administration and defense
21 expenses and costs. If no written notice is received from County Risk Manager within
22 ten (10) days of the acceptance of agreement then such deductibles or self-insured
23 retentions shall be deemed acceptable. Notwithstanding the foregoing, County hereby
24 acknowledges and consents to Lessee's deductible of Two Hundred Fifty Thousand
25 Dollars (\$250,000) and further consent is not required.

26 (2) Cause its insurance carrier(s) to furnish the County
27 of Riverside with either 1) properly executed original Certificate(s) of Insurance and
28 certified original copies of endorsements effecting coverage as required herein, or 2) if

1 requested to do so, in writing, by County Risk Manager, provide original Certified
2 copies of policies including all endorsements and any and all attachments thereto,
3 showing that such insurance is in full force and effect, and County of Riverside, its
4 Directors, Officers, Special District, Board of Supervisors, elected officials, employees,
5 agents or representatives are named as additional insureds with respect to this Lease
6 and the obligations of Lessee hereunder. Further, said Certificate(s) and policies of
7 insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days'
8 written notice shall be given to the County of Riverside prior to any modification,
9 cancellation, expiration or reduction in coverage of such insurance. In the event of any
10 such modification, cancellation, expiration or reduction in coverage and on the effective
11 date thereof, this Lease shall terminate forthwith, unless the County of Riverside
12 receives prior to such effective date another properly executed original Certificate of
13 Insurance and original copies of endorsements or certified original policies including all
14 endorsements and attachments thereto evidencing coverages set forth herein and the
15 insurance required herein is in full force and effect. Lessee shall not take possession
16 or otherwise use the leased premises until the County of Riverside has been furnished
17 original Certificate(s) of Insurance and certified original copies of endorsements or
18 policies of insurance including all endorsements and any and all other attachments as
19 required in this Section. The original endorsements for each policy and the Certificate
20 of Insurance shall be signed by an individual authorized by the insurance carrier to do
21 so on its behalf. County may in the alternative accept copies of the above or a copy of
22 solely the Certificate, in its discretion.

23 (3) It is understood and agreed to by the parties hereto,
24 and the insurance company(s), Certificate(s) of Insurance and policies shall so
25 covenant and shall be construed as primary and County's insurance and/or deductibles
26 and/or self-insured retentions or self-insured programs shall not be construed as
27 contributory.

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1 **10. Hold Harmless.**

2 (a) Lessee represents that it has inspected the leased
3 premises, accepts the condition thereof and fully assumes any and all risks incidental
4 to the use thereof. County shall not be liable to Lessee, its officers, agents,
5 employees, subcontractors or independent contractors for any personal injury or
6 property damage suffered by them which may result from hidden, latent or other
7 dangerous conditions in, on, upon or within the leased premises; provided, however,
8 that such dangerous conditions are not caused by the sole negligence of County, its
9 officers, agents or employees.

10 (b) Lessee shall indemnify and hold County, its officers, agents,
11 employees and independent contractors free and harmless from any liability
12 whatsoever, based or asserted upon any act or omission of Lessee, its officers, agents,
13 employees, subcontractors and independent contractors, for property damage, bodily
14 injury, or death (Lessee's employee included) or any other element of damage of any
15 kind or nature, relating to or in anywise connected with or arising from its use and
16 responsibilities in connection therewith of the leased premises or the condition thereof,
17 and Lessee shall defend, at its expense, including without limitation, attorney fees,
18 expert fees and investigation expenses, County, its officers, agents, employees and
19 independent contractors in any legal action based upon such alleged acts or
20 omissions. The obligations to indemnify and hold County free and harmless herein
21 shall survive until any and all claims, actions and causes of action with respect to any
22 and all such alleged acts or omissions are fully and finally barred by the applicable
23 statute of limitations.

24 (c) The specified insurance limits required in Paragraph 9
25 above shall in no way limit or circumscribe Lessee's obligations to indemnify and hold
26 County free and harmless herein.

27 **11. Survival of Indemnification.** The paragraphs of this Section 10
28 shall survive the expiration or earlier termination of this Lease until all claims against

1 County Parties involving any of the indemnified matters are fully, finally, and absolutely
2 barred by the applicable statutes of limitations.

3 **12. Assignment.** Lessee cannot assign, sublet, mortgage,
4 hypothecate or otherwise transfer in any manner any of its rights, duties or obligations
5 hereunder to any person or entity without the written consent of County being first
6 obtained, which consent shall be in the absolute discretion of County. In the event of
7 any such transfer, as provided in this Paragraph 12, Lessee expressly understands
8 and agrees that it shall remain liable with respect to any and all of the obligations and
9 duties contained in this Lease.

10 **13. Alterations.** Lessee shall not make or suffer to be made any
11 alterations, changes, additions of the Premises or any part of the Premises, without the
12 proper written consent of County, and any alterations, additions or improvements to or
13 of the Premises, including, but not limited to, wall covering, paneling and built-in
14 cabinet work, but excepting moveable furniture, shall on the expiration of the term
15 become a part of the realty and belong to the County and shall be surrendered with the
16 Premises. If County consents to the making of any alterations, additions or
17 improvements to the Premises by Lessee, the same shall be made by Lessee at
18 Lessee's sole cost and expense, and any contractor or person selected by Lessee to
19 make the same must first be approved in writing by the County. By taking possession
20 of the Premises, Lessee shall be deemed to have accepted the Premises as being in
21 good sanitary order, condition and repair.

22 **14. Notices.** Any notices required or desired to be served by either
23 party upon the other shall be addressed to the respective parties as set forth below:

24	COUNTY	LESSEE
25	Economic Development Agency	Family Services Association
26	Real Estate Division	Dominick Betro, Chief Executive Officer
27	3403 Tenth St., Suite 500	21250 Box Springs Road Suite 212
28	Riverside, CA 92501	Moreno Valley, CA 92557

1 or to such other addresses as from time to time shall be designated by the respective
2 parties. Notices must be in writing and will be deemed to have been given when
3 personally delivered, sent by facsimile with receipt acknowledged, deposited with any
4 nationally recognized overnight carrier that routinely issues receipts, or deposited in
5 any depository regularly maintained by the United States Postal Service, postage
6 prepaid, certified mail, return receipt requested, addressed to the party for whom it is
7 intended at its address set forth above.

8 **15. Quiet Enjoyment.** County covenants that Lessee shall at all times
9 during the term of this Lease peaceable and quietly have, hold and enjoy the use of the
10 leased premises so long as Lessee shall fully and faithfully perform the terms and
11 conditions that it is required to do under this Lease.

12 **16. Binding on Successors.** The terms and conditions herein
13 contained shall apply to and bind the heirs, successors in interest, executors,
14 administrators, representatives and assigns of all the parties hereto.

15 **17. Termination.** Either County or Lessee may terminate this lease
16 by serving sixty (60) days written notice upon the other pursuant to Section 14 Notices.

17 **18. Entire Lease.** This lease is intended by the Parties hereto as a
18 final expression of their understanding with respect to the subject matter hereof and as
19 a complete and exclusive statement of the terms and conditions thereof and
20 supersedes any and all prior and contemporaneous leases, agreements and
21 understandings, oral or written, in connection therewith. This lease may be changed or
22 modified only upon the written consent of the Parties hereto.

23 **19. County's Representative.** County hereby appoints the Assistant
24 County Executive Officer/EDA as its authorized representative to administer this
25 Lease.

26 **20. Assistant County Executive Officer of the Economic**
27 **Development Agency Authority.** The authority for the Assistant County Executive
28

1 Officer of the Economic Development Agency to execute this Lease is contained in
2 Resolution 97-252 approved by the Board of Supervisors December 9, 1997.

3 **21.** This Lease shall not be binding or consummated until its approval
4 by the County.

5
6 Dated: 10-13-11

FAMILY SERVICE ASSOCIATION (Lessee)

7
8 By: 
9 _____
10 Dominick Betro, Chief Executive Officer

11
12 Dated: _____

COUNTY OF RIVERSIDE

13
14
15 By: _____
16 Robert Field,
17 Assistant County Executive Officer/EDA

18 **APPROVED AS TO FORM:**

19 Pamela J. Walls
20 County Counsel

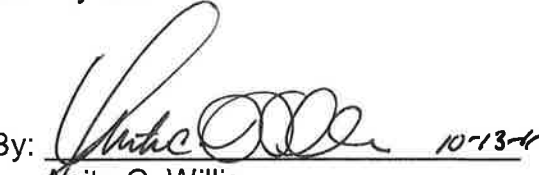
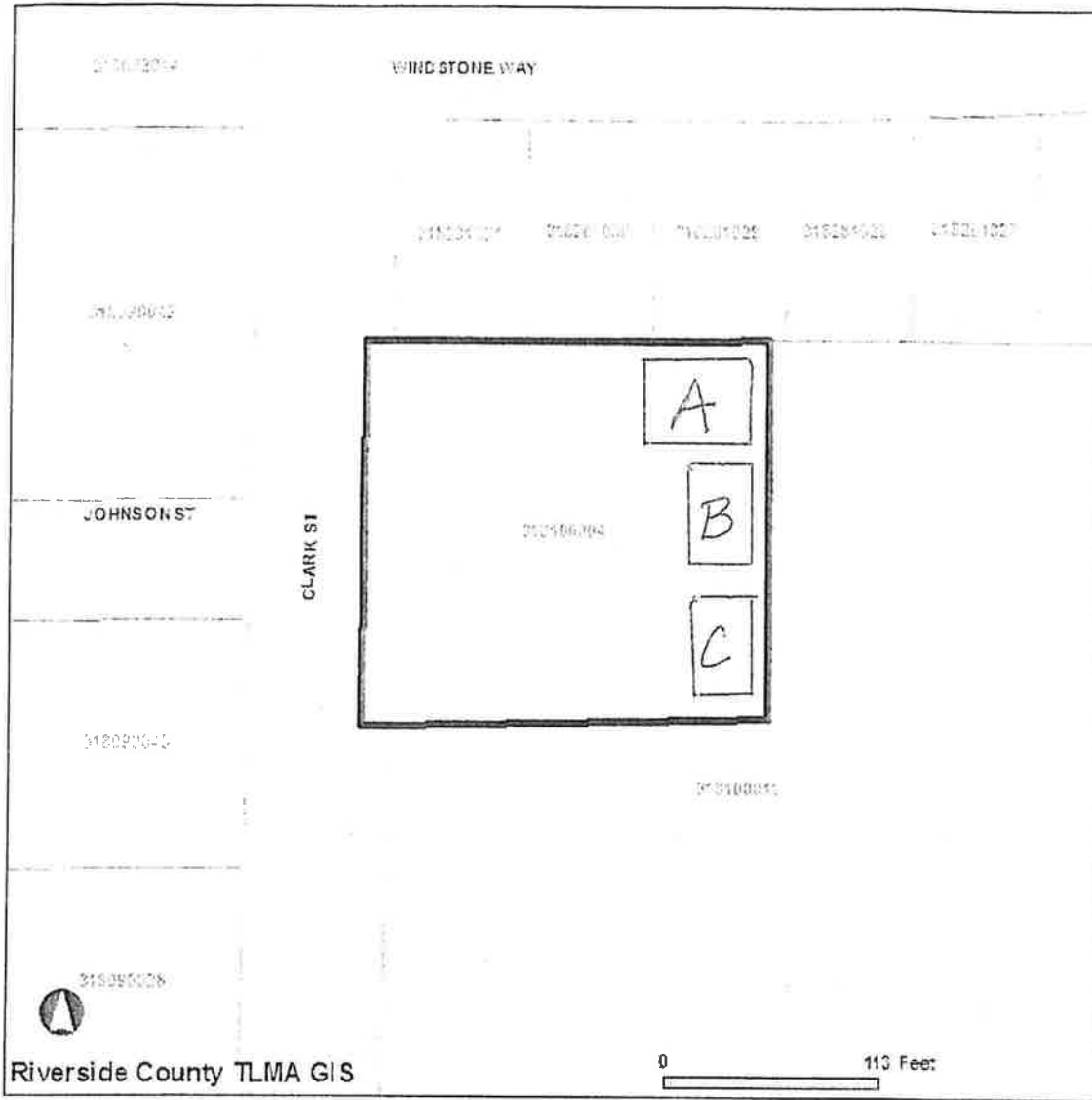
21
22 By:  10-13-11
23 Anita C. Willis
24 Deputy County Counsel

EXHIBIT A



Selected parcel(s):
318-100-004

IMPORTANT

Maps and data are to be used for reference purposes only. Map features are approximate, and are not necessarily accurate to surveying or engineering standards. The County of Riverside makes no warranty or guarantee as to the content (the source is often third party), accuracy, timeliness, or completeness of any of the data provided, and assumes no legal responsibility for the information contained on this map. Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user.

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318-100-004