



SUBMITTAL TO THE BOARD OF DIRECTORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



FROM: Regional Park & Open-Space District

SUBMITTAL DATE:
7/27/10

SUBJECT: Assignment of Ground Lease Jones Ranch APN 181-220-005

RECOMMENDED MOTION: that the Board approves and:

- 1) Authorizes the Assignment of Ground Lease between the Riverside County Regional Park and Open-Space District and Jeff and Ossie Torgrimson (Assignor) to Antonio Ruiz (Assignee);
2) Authorizes the Chairman to execute four (4) copies of the Assignment of Ground Lease;
3) Directs the Clerk of the Board to return (3) executed copies of the Assignment of the Ground Lease to the Park District for further processing; and
4) Authorizes the General Manager of the Park District or his designee to perform all duties necessary to administer the lease.

BACKGROUND: On June 2, 2009, Minute Order 13.2, your honorable Board approved the ground lease agreement with Jeff and Ossie Torgrimson to lease property located within the Jones Ranch in the Jurupa area of Riverside County, California, consisting of approximately 12.39 acres of land, APN 181-220-005. Then on January 26, 2010, Minute Order 13.1, the lessee exercised the option to extend the lease for

802-Approval of Assignment & Assumption of Ground Lease Rancho Jurupa Park

Scott Bangle, General Manager

Table with 3 columns: FINANCIAL DATA n/a, Current F.Y. Total Cost, Current F.Y. Net County Cost, Annual Net County Cost, In Current Year Budget, Budget Adjustment, For Fiscal Year.

Table with 2 columns: SOURCE OF FUNDS, Positions To Be Deleted Per A-30, Requires 4/5 Vote.

C.E.O. RECOMMENDATION: APPROVE
BY: Alex Gann
Alex Gann
County Executive Office Signature

MINUTES OF THE REGIONAL PARK AND OPEN SPACE DISTRICT

On motion of Commissioner Stone, seconded by Commissioner Buster and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: August 10, 2010
xc: Parks

Kecia Harper-Ihem
Clerk of the Board
By: [Signature]
Deputy

Prev. Agn. Ref.: 1/26/10 13.1; 6/2/09 13.2 District: II Agenda Number:

13.2

FORM APPROVED COUNTY COUNSEL
BY: Cynthia M. Gunzel 7-28-10
DATE:
Departmental Concurrence

Dept's Recomm.:
Per Exec. Ofc.:
Consent
Policy

SUBJECT: Assignment of Ground Lease Jones Ranch APN 181-220-005

a one-year period to May 31, 2011, and amend the Lease to provide for issues involving the land and obligations relating to utilities on the leased premises, reference Exhibit B First Amendment to Ground Lease.

Now the Assignor desires to assign the Lease to Assignee, who will assume the obligations under the Lease as outlined on the attached Assignment of Ground Lease.

ASSIGNMENT OF GROUND LEASE

THIS ASSIGNMENT OF GROUND LEASE ("Assignment") is made as of August 10, 2010, between Jeff and Ossie Torgrimson, a proprietorship, ("Assignor"), and Antonio Ruiz, a sole proprietor, ("Assignee").

Recitals

A. Riverside County Regional Park and Open-Space District, ("District"), as Lessor, and Assignor, as Lessee, executed a certain Ground Lease dated as of June 2, 2009, ("Lease"), a copy of which is attached and incorporated by reference as Exhibit "A", pursuant to which Lessor leased to Lessee and Lessee leased from Lessor that certain property described in said Ground Lease for a term of one year with option to renew for additional one year terms, commencing on commencing on June 1, 2009 and ending on May 31, 2010, subject to earlier termination as provided in the Lease.

B. The Ground Lease has been amended by that certain First Amendment to Ground Lease dated January 26, 2010, a copy of which is attached and incorporated by reference as Exhibit "B", by and between Jeff and Ossie Torgrimson and District, ("First Amendment"), whereby the parties amended, among other things, the term period and extended the lease until May 31, 2011.

C. Assignor desires to assign the Lease to Assignee, and Assignee desires to accept the assignment of the Lease from the Assignor and assume obligations under the Lease.

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are acknowledged, Assignor and Assignee agree as follows:

Section 1. Assignment

Assignor assigns and transfers to Assignee all right, title, and interest in the Lease and Assignee accepts from Assignor all right, title, and interest, subject to the terms and conditions set forth in this Assignment.

Section 2. Assumption of Lease Obligations

Assignee assumes and agrees to perform and fulfill all the terms, covenants, conditions, and obligations required to be performed and fulfilled by Assignor as Lessee under the Lease, including the making of all payments due to or payable on behalf of District under the Lease as they become due and payable.

Section 3. Assignor's Covenants

(a) Assignor covenants that the copy of the Lease attached as Exhibit "A" is a true and accurate copy of the Lease as currently in effect and that there exists no other agreement affecting Assignor's tenancy under the Lease.

(b) Assignor covenants that the Lease is in full effect and no default exists under the Lease, nor any acts or events which, with the passage of time or the giving of notice or both, could become defaults.

Section 4. Litigation Costs

If any litigation between Assignor and Assignee arises out of this Assignment or concerning the meaning or interpretation of this Assignment, the losing party shall pay the prevailing party's costs and expenses of this litigation, including, without limitation, reasonable attorney's fees.

Section 5. Indemnification

Assignor indemnifies Assignee from and against any loss, cost, or expense, including attorney's fees and court costs relating to the failure of Assignor to fulfill Assignor's obligations under the Lease, and accruing with respect to the period on or prior to the date of this Assignment. Assignee indemnifies Assignor from and against any loss, cost, or expense, including attorney's fees and court costs relating to the failure of Assignee to fulfill Assignee's obligations under the Lease, and accruing with respect to the period subsequent to the date of this Assignment.

Section 6. Successors and Assigns

This Assignment shall be binding on and inure to the benefit of the parties to it, their heirs, executors, administrators, successors in interest, and assigns.

Section 7. Governing Law

This Assignment shall be governed by and construed in accordance with California law.

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Subject: Assignment of Ground Lease (Rancho Jurupa Area)
Parties: Torgrimson to Ruiz
APN: 181-220-005

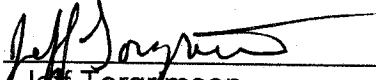
IN WITNESS WHEREOF, the parties have executed this Assignment as of the date first above written.

ASSIGNOR:


ASSIGNEE:

Jeff Torgrimson and Ossie Torgrimson,
a proprietorship

Antonio Ruiz, a sole proprietor

By: 
Jeff Torgrimson

By: 
Antonio Ruiz

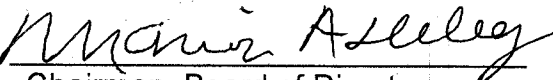
By: 
Ossie Torgrimson

CONSENT OF DISTRICT

The undersigned, as Lessor under the Lease, consents to this Assignment of the Lease to Assignee, provided however, that notwithstanding this Assignment and the undersigned's consent to this Assignment, Assignor shall remain primarily obligated as Lessee under the Lease and the undersigned does not waive or relinquish any rights under the Lease against Assignor or Assignee.

LESSOR:

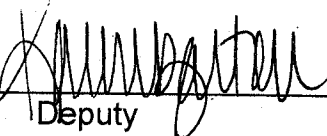
Riverside County Regional Park and Open-Space District, a park and open-space district


By: 
Chairman, Board of Directors

MARION ASHLEY

ATTEST:
CLERK OF THE BOARD
Kecia Harper-Ihem

APPROVED AS TO FORM:
COUNTY COUNSEL
Pamela J. Walls

By: 
Deputy

By: 
Synthia M. Gunzel
Deputy County Counsel

(Seal)

EXHIBIT A
GROUND LEASE



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



FROM: Riverside County Regional Park & Open-Space District

SUBMITTAL DATE:
05/21/09

SUBJECT: Approval of Ground Lease between Riverside County Regional Park & Open-Space District and Jeff and Ossie Torgimson - District II

RECOMMENDED MOTION: That the Board of Directors approves and authorizes:

1. The attached Lease Agreement between Jeff and Ossie Torgimson and the Riverside County Regional Park & Open Space District (Park District).
2. The Chairman to execute three (3) copies of the Lease Agreement and directs the Clerk of the Board to return two (2) executed copies of the Lease Agreement to the Park District for transmittal and filing.
3. The General Manager or his designee to perform all duties necessary to administer the agreement.

BACKGROUND: The Park District is entering a ground lease agreement with Jeff and Ossie Torgimson. The premises leased are located within the Jones Ranch in the Jurupa area of Riverside County, State of California, and consist of approximately 12.39 acres of land, as more particularly shown on Exhibit "A" APN 181-220-005 (section 1). The initial term of this lease will be for a period of one year commencing in June 2009.

*Morgan Jones
Jones Ranch*

Scott Bangle, General Manager

CQ/mg

716-Lease Agreement Jeff & Ossie Torgimson

FINANCIAL DATA n/a	Current F.Y. Total Cost:	\$	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$	Budget Adjustment:	N/A
	Annual Net County Cost:	\$	For Fiscal Year:	No

SOURCE OF FUNDS: Not Applicable

Positions To Be Deleted Per A-30

Requires 4/5 Vote

C.E.O. RECOMMENDATION:

APPROVE

BY: *Alex Gann*
Alex Gann

County Executive Office Signature

MINUTES OF THE REGIONAL PARK AND OPEN SPACE DISTRICT BOARD

On motion of Commissioner Wilson, seconded by Commissioner Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Wilson and Ashley

Nays: None

Absent: None

Date: June 2, 2009

xc: Parks

Kecia Harper-Ihem
Clerk of the Board

BY: *Kecia Harper-Ihem*
Deputy

Prev. Ann. Ref.:

District: II

Agenda Number:

FURNISH APPROVED COUNTY COUNSEL
 BY: *Neal R. Kipnis* 5/21/09
 DATE

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

SUBJECT: Approval of Ground Lease between Riverside County Regional
Park & Open-Space District and Jeff and Ossie Torgimson -
District II

The Lessee has an option to extend the term of this lease for separate and consecutive periods if the Park District's business plan so provides. The Office of the County Counsel has reviewed and approved the attached Lease Agreement as to legal form.

Subject: Ground Lease (Rancho Jurupa Area)

Parties: Riverside County Regional Park and Open Space District and Jeff and Ossie
Torgrimson

Date: May 21, 2009

RIVERSIDE COUNTY REGIONAL PARKS AND OPEN-SPACE DISTRICT

The Riverside County Regional Park & Open-Space District, herein called DISTRICT, leases to Jeff and Ossie Torgrimson a Sole Proprietorship, herein called LESSEE, the property described below upon the following terms and conditions.

1. **Description.** The premises leased hereby are located within APN 181-220-005 of the Jones Ranch in the Jurupa area of Riverside County, State of California, and consist of approximately 12.39 acres of land, as more particularly shown on Exhibit "A", as section "1", attached hereto and by this reference made a part of this Lease.

2. **Use.** The premises are leased for the purpose of planting and harvesting vegetable crops; and selling certain food items as long LESSEE complies with paragraphs 9, 14, 18, and 30. LESSEE agrees to cooperate with DISTRICT'S annual "Harvest Festival" by planting pumpkin and corn on parcel size determined by DISTRICT. The premises shall not be used for any other crops or purposes without first obtaining the written consent of DISTRICT.

3. Term.

(a) The term of this Lease shall be for a period of one year commencing June 1, 2009 and terminating May 31, 2010.

(b) Any holding over by LESSEE after the expiration of this Lease shall be on a month-to-month basis strictly, and continuing tenancy rights shall not accrue to LESSEE.

4. **Options.** An opportunity for renewal of the lease for a one-year term shall be contingent on provisions in the District's business plan covering the leased premises. If District's business plan so provides, LESSEE shall have an option to extend the term of this Lease for one (1) separate and consecutive period, as follows:

(a) A one-year period commencing June 1, 2010 and terminating May 31, 2011.

(b) This option shall be exercised in the following manner:

1) The Option opportunity shall be initiated by DISTRICT giving LESSEE notice of this opportunity, in writing, three (3) months prior to the expiration of the original term of the Lease with LESSEE having 30 days in which to exercise the option by notifying the District in writing of acceptance.

2) The Option may not be exercised by LESSEE unless LESSEE is still in possession of the leased premises and is not in default or breach of any term or condition in the Lease.

5. Rent.

(a) LESSEE shall pay DISTRICT the sum of \$322.00 per acre per year in monthly payments.

(b) In the event LESSEE fails to make its rental payments in a timely manner, LESSEE shall pay to DISTRICT an additional amount as an administrative charge,

Subject: Ground Lease (Rancho Jurupa Area)

Parties: Riverside County Regional Park and Open Space District and Jeff and Ossie
1 Torgrimson

2 Date: May 21, 2009

3
4 which charge shall be eighteen percent (18%) of such rental payment or payments on a per
annum basis.

5
6 **6. Endangered Species.** The parties acknowledge that a portion of the leased
premises currently is being studied for the presence thereon of endangered species of plant
7 and/or animal life. In the event such species is found to exist and environmental measures are
deemed necessary to protect such species, the amount of acreage that is the subject of this
8 lease may have to be reduced. In such event DISTRICT shall have discretion to make the
final determination as to the existence of such endangered species in need of protection and
9 the amount of acreage that needs to be withdrawn from the lease to protect such species.
Accordingly DISTRICT may upon 60 days written notice to LESSEE withdraw from the lease
10 such acreage as it deems necessary to protect the endangered species. Rent otherwise
payable to LESSEE for such acreage shall be reduced proportionally, but DISTRICT shall be
11 under no obligation to reimburse LESSEE for the cost of any labor or materials expended or
for crops lost on the withdrawn acreage, or for the value of the crops, themselves.

12 **7. Planting/Improvements.**

13 (a) Any planting of crops, application of fertilizer or other chemicals to be
undertaken by LESSEE, his agents, contractors or employees on the leased premises shall
14 have the prior written approval by DISTRICT General Manager or his designee after LESSEE
has first submitted to DISTRICT proposed plans and specifications thereof, in writing.
15 LESSEE will provide their annual Agricultural Commissioner report to DISTRICT as the
summary for item 7 (a).

16 (b) At or prior to the expiration of this Lease, LESSEE shall preserve the top
17 stubble of the post-harvest crop to prevent topsoil erosion.

18 (c) All improvements to be undertaken by LESSEE, his agents, contractors
or employees, shall have the prior written consent of DISTRICT after LESSEE has first
19 submitted proposed plans for such improvements to DISTRICT in writing. All improvements to
be made, and/or installed, or caused to be made and/or installed, by LESSEE shall become
20 the property of DISTRICT 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, LESSEE may remove such
21 trade fixtures; provided, however, that such removal does not cause injury or damage to the
leased premises, or in the event it does, LESSEE shall restore the premises to their original
22 condition as nearly as practicable. LESSEE shall remove all fixtures, improvements, and other
items of property placed on the premises when directed to do so in writing by DISTRICT. In
23 the event such items are not removed, DISTRICT, may at its election, either: (1) remove and
store such items and restore the premises for the account of LESSEE, and in such event,
24 LESSEE shall within thirty (30) days after filing and accounting therefore reimburse DISTRICT
for the costs so incurred, or (2) take and hold such items as its sole property with no obligation
25 to reimburse LESSEE therefore.

26
27 **8. LESSEE'S Inspection of Premises and District's Reserved Rights.** LESSEE
represents that he personally has inspected the leased premises and accepts them in the
28 present condition and subject to any and all existing easements or other encumbrances, and
LESSEE agrees that DISTRICT shall have the right to enter upon the leased premises and to
install, lay, construct, maintain, repair and operate such sanitary sewers, drains, storm water

Subject: Ground Lease (Rancho Jurupa Area)

Parties: Riverside County Regional Park and Open Space District and Jeff and Ossie
1 Torgrimson

2 Date: May 21, 2009

3
4 sewers, pipelines, and telephone and telegraph power lines and such other facilities and
5 appurtenances as may be necessary or convenient to use in connection therewith, over, in,
6 upon, through, across and along the premises or any part thereof.

7 **9. No Signs and No Vending.** LESSEE shall not erect, maintain, or display any signs
8 or other forms of advertising upon the leased premises without first obtaining the written
9 approval of DISTRICT. LESSEE shall not vend at retail from the leased premises. LESSEE
10 shall not sell any food items on the leased premises without first obtaining the written approval
11 of DISTRICT and all permits and/ or licenses required by the public agencies.

12 **10. Maintenance.** LESSEE shall maintain the leased premises to the fence line and
13 the improvements thereon, including, but not limited to one (1) well pump, in good working
14 condition and repair, at his own expense, and LESSEE shall provide for the sanitary handling
15 and disposal of all refuse accumulated as a result of LESSEE'S use of the leased premises. In
16 addition, LESSEE shall maintain a buffer of approximately 15 feet around the drip-line of the
17 various trees located upon the site in order to preserve and protect the soil from erosion.

18 If after receipt of written notice to do so from DISTRICT, LESSEE fails to keep
19 the leased premises in good order and repair, DISTRICT has the right and may enter upon the
20 premises to effect needed maintenance of premises. LESSEE shall then reimburse DISTRICT
21 for all reasonable costs incurred by DISTRICT in maintaining leased premises.

22 **11. Utilities.** During the term of this Lease, LESSEE shall have the right to use water
23 from the well situated within the leased premises. LESSEE shall pay his share for the use of
24 electricity according to the electric meter and for all other utility services that it may require in
25 its use and maintenance of the leased premises. District shall not be liable for any damages or
26 loss resulting from pump or utility failure.

27 **12. Inspection of Premises by District.** DISTRICT, through its duly authorized
28 agents, shall have, at any time during normal business hours, the right to enter the leased
premises for the purpose of inspecting, monitoring and evaluating the obligations of LESSEE
hereunder and for the purpose of doing any and all things which it is obligated and has a right
to do under this Lease. Any farm equipment or utensils not being actively used in the farming
operation shall be stored neatly out of sight of the general public who may be in the vicinity of
the Park District headquarters or shall be removed entirely from the leased premises.

13. Quiet Enjoyment. LESSEE shall have, hold and quietly enjoy the use of the
leased premises so long as he shall fully and faithfully perform the terms and conditions that
he is required to do under this Lease.

14. Compliance with Government Regulations. LESSEE shall, at LESSEE'S sole
cost and expense, comply with the requirements of all local, state and federal statutes,
regulations, rules, ordinances and orders now in force or which may be hereafter in force,
pertaining to the leased premises. The final judgment, decree or order of any court of
competent jurisdiction, or the admission of LESSEE in any action or proceedings against
LESSEE, whether LESSEE be a party thereto or not, that LESSEE has violated any such

Subject: Ground Lease (Rancho Jurupa Area)

Parties: Riverside County Regional Park and Open Space District and Jeff and Ossie
Torgrimson

Date: May 21, 2009

statutes, regulations, rules, ordinances, or orders, in the use of the leased premises, shall be conclusive of that fact as between DISTRICT and LESSEE.

15. **Termination by District.** DISTRICT shall have the right to terminate this Lease forthwith:

(a) In the event a petition is filed for voluntary or involuntary bankruptcy for the adjudication of LESSEE as a debtor and not dismissed within 60 days.

(b) In the event LESSEE makes a general assignment, or LESSEE'S interest hereunder is assigned involuntarily or by operation of law, for the benefit of creditors.

(c) In the event of abandonment of the leased premises by LESSEE.

(d) In the event LESSEE fails or refuses to perform, keep or observe any of LESSEE'S duties or obligations hereunder, except its rental obligation; provided, however, that LESSEE shall have fifteen (15) days in which to correct LESSEE'S breach or default after written notice thereof has been served on LESSEE by DISTRICT.

(e) In the event LESSEE fails, or refuses, to meet its rental obligations, or any of them, hereunder or as otherwise provided by law.

16. **Termination by LESSEE.** LESSEE shall have the right to terminate this Lease in the event DISTRICT fails to perform, keep or observe any of its duties or obligations hereunder; provided, however, that DISTRICT shall have thirty (30) days in which to correct its breach or default after written notice thereof has been served on it by LESSEE; provided further, however, that in the event such breach or default is not corrected, LESSEE may elect to terminate this Lease in its entirety or as to any portion of the premises affected thereby, and such election shall be given by an additional thirty (30) days' written notice to DISTRICT.

17. **Continuation of Lease after Abandonment.** Even though LESSEE has abandoned the leased premises, DISTRICT may elect not to terminate the lease, and DISTRICT may enforce all its rights and remedies under this Lease.

18. **Insurance.** LESSEE shall during the term of this Lease:

(a) Procure and maintain Worker's Compensation Insurance as prescribed by the laws of the State of California.

(b) Procure and maintain comprehensive general liability insurance coverage that shall protect LESSEE from claims for damages for personal injury, including, but not limited to, accidental and wrongful death, as well as from claims for property damage, which may arise from LESSEE'S use of the leased premises or the performance of its obligations hereunder, whether such use or performances be by LESSEE, by any subcontractor, or by anyone employed directly or indirectly by either of them. Such insurance shall name DISTRICT and the COUNTY OF RIVERSIDE as additional insureds with respect to this Lease and the obligations of LESSEE hereunder. Such insurance shall provide for limits of not less than \$1,000,000 per occurrence.

(c) Cause its insurance carriers to furnish DISTRICT by direct mail with Certificate(s) of insurance showing that such insurance is in full force and effect, and that DISTRICT and County of Riverside are named as additional insured with respect to this Lease and the obligations of LESSEE hereunder. Further, said Certificate(s) shall contain the

Subject: Ground Lease (Rancho Jurupa Area)

Parties: Riverside County Regional Park and Open Space District and Jeff and Ossie
Torgrimson

Date: May 21, 2009

covenant of the insurance carrier(s) that thirty (30) days' written notice shall be given to DISTRICT prior to modification, cancellation or reduction in coverage of such insurance. In the event of any such modification, cancellation or reduction in coverage and on the effective date thereof, this Lease shall terminate forthwith, unless DISTRICT receives prior to such effective date another certificate from an insurance carrier of LESSEE'S choice that the insurance required herein is in full force and effect. LESSEE shall not take possession or otherwise use the leased premises until DISTRICT has been furnished certificate(s) of insurance as otherwise required in this Paragraph 18

19. Hold Harmless.

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

(b) LESSEE shall indemnify and hold DISTRICT and COUNTY OF RIVERSIDE, their officers, agents, employees and independent contractors free and harmless from any liability whatsoever, based or asserted upon any act or omission of LESSEE, its agents, employees, subcontractors and independent contractors, for property damage, bodily injury, or death (LESSEE'S employees included) or any other element of damage of any kind or nature, relating to or in anywise connected with or arising from its use and responsibilities in connection therewith of the leased premises or the condition thereof and LESSEE shall defend, at its expense, including attorney fees, DISTRICT and COUNTY OF RIVERSIDE, their officers, agents, employees and independent contractors in any legal action based upon such alleged acts or omissions.

(c) The specified insurance limits required in Paragraph 18 herein shall in no way limit or circumscribe LESSEE'S obligations to indemnify and hold DISTRICT and County of Riverside free and harmless herein.

20. Assignment Prohibited. LESSEE may not assign, sublet, mortgage, hypothecate or otherwise transfer in any manner any of its rights, duties or obligations hereunder to any person or entity without the written consent of DISTRICT being first obtained.

21. Toxic Materials. During the term of this Lease any extensions thereof, LESSEE shall not violate any federal, state or local law, or ordinance or regulation, relating to industrial hygiene or to the environmental condition on, under or about the leased premises including, but not limited to, soil and groundwater conditions. Further, LESSEE, its successors and assigns, shall not use, generate, manufacture, produce, store or dispose of, on, under or about the leased premises or transport to or from the leased premises any flammable explosives, asbestos, radioactive materials, hazardous wastes, toxic substances, or related injurious materials, whether injurious by themselves or in combination with other materials (collectively, "hazardous materials"). For the purpose of this Lease, hazardous materials shall include, but

Subject: Ground Lease (Rancho Jurupa Area)

Parties: Riverside County Regional Park and Open Space District and Jeff and Ossie
Torgrimson

Date: May 21, 2009

not be limited to, substances defined as "hazardous substance," "hazardous materials," or toxic substances in the comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 41 U.S.C. Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 41 U.S.C. Section 6901, et seq.; and those substances defined as "hazardous wastes" in Section 25117 of the California Health and Safety Code or as "hazardous substances" in the regulations adopted in publications promulgated pursuant to said laws. LESSEE warrants that it will not use any fumigants, pesticides, fertilizers or other chemicals on or upon the leased premises which have been prohibited from use by the DISTRICT, COUNTY OF RIVERSIDE, the State of California or the United States of America, unless such use is prohibited except by permit, in which event LESSEE warrants that all such use permits shall be obtained.

LESSEE shall not transport animal manure of any type onto the leased premises for storage, use as fertilizer, or any other purpose without the express written permission being first obtained from the DISTRICT.

22. **Free from Liens.** LESSEE shall pay, when due, all sums of money that may become due for any labor, services, materials, supplies, or equipment, furnished or alleged to have been furnished to LESSEE, in, upon, or about the leased premises, and which may be secured by a mechanic's, materialmen's or other lien against the leased premises or DISTRICT'S interest herein, and LESSEE will cause each such lien to be fully discharged and released at the time the performance of any obligations secured by such lien matures or

becomes due; provided, however, that if LESSEE desires to contest any such lien it may do so, but notwithstanding any such contest, if such lien shall be reduced to final judgment, and such judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed, and said stay thereafter expires, then and in such event, LESSEE shall forthwith pay and discharge said judgment.

23. **Employees and Agents of LESSEE.** It is understood and agreed that all persons hired or engaged by LESSEE shall be considered to be employees or agents of LESSEE and not of DISTRICT.

24. **Binding on Successors.** LESSEE, its assigns and successors in interest, shall be bound by all the terms and conditions contained in this Lease, and all of the parties thereto shall be jointly and severally liable hereunder.

25. **Waiver of Performance.** No waiver by DISTRICT at any time of any of the terms and conditions of this Lease shall be deemed or construed as a waiver at any time thereafter of the same or of any other terms or conditions contained herein or of the strict and timely performance of such terms and conditions.

26. **Severability.** The invalidity of any provision in this Lease as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

Subject: Ground Lease (Rancho Jurupa Area)

Parties: Riverside County Regional Park and Open Space District and Jeff and Ossie
Torgrimson

Date: May 21, 2009

27. **Venue.** Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Lease shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

28. **Attorneys' Fees.** In the event of any litigation or arbitration between LESSEE and DISTRICT and/or COUNTY OF RIVERSIDE 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 successful party all costs and expenses, including reasonable attorneys' fees, incurred therein by the successful party, all of which shall be included in and as a part of the judgment of award rendered in such litigation or arbitration.

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

DISTRICT
County of Riverside
Regional Park & Open-Space District
4600 Crestmore Road
Riverside, CA 92509-6858

LESSEE
Jeff and Ossie Torgrimson
2062 Capri Avenue
Mentone, CA 92359

or to such other address as from time to time shall be designated by the respective parties.

30. **Permits, Licenses and Taxes.** LESSEE shall secure, at its expense, all necessary permits and licenses as it may be required to obtain, and LESSEE shall pay for all fees and taxes levied or required by any authorized public entity. LESSEE recognizes and understands that this Lease may create a **possessory interest** subject to property taxation and that LESSEE may be subject to the payment of property taxes levied on such interest.

31. **Paragraph Headings.** The paragraph headings herein are for the convenience of the parties only, and shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning or intent of the provisions or language of this Lease.

32. **District's Representative.** DISTRICT hereby appoints the General Manager or his designee as its authorized representative to administer this Lease.

33. **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 and all prior and contemporaneous leases, agreements and understandings, oral or written, in connection therewith. This Lease may be changed or modified only upon the written consent of the parties hereto.

Subject: Ground Lease (Rancho Jurupa Area)

Parties: Riverside County Regional Park and Open Space District and Jeff and Ossie
Torgrimson

Date: May 21, 2009

RIVERSIDE COUNTY REGIONAL PARKS AND OPEN-SPACE DISTRICT

LEASE - PORTION OF APN 181-220-005
(Portion of Jones Ranch - Section 1)

By Marion Ashley
Marion Ashley, Chairman

Date: JUN 02 2009

RIVERSIDE COUNTY REGIONAL
PARK & OPEN-SPACE DISTRICT

(A Sole Proprietorship)

By Jeff Torgrimson
Jeff Torgrimson

Date: 5-21-09

(A Sole Proprietorship)

By Ossie Torgrimson
Ossie Torgrimson

Date: ^{DT} 5-21-09

ATTEST:
KECIA HARPER-IHEM, Clerk of the Board

By Kecia Harper-Ihem
Deputy

APPROVED AS TO FORM COUNTY COUNSEL
PAMELA J. WALLS, County Counsel

By Pamela J. Walls

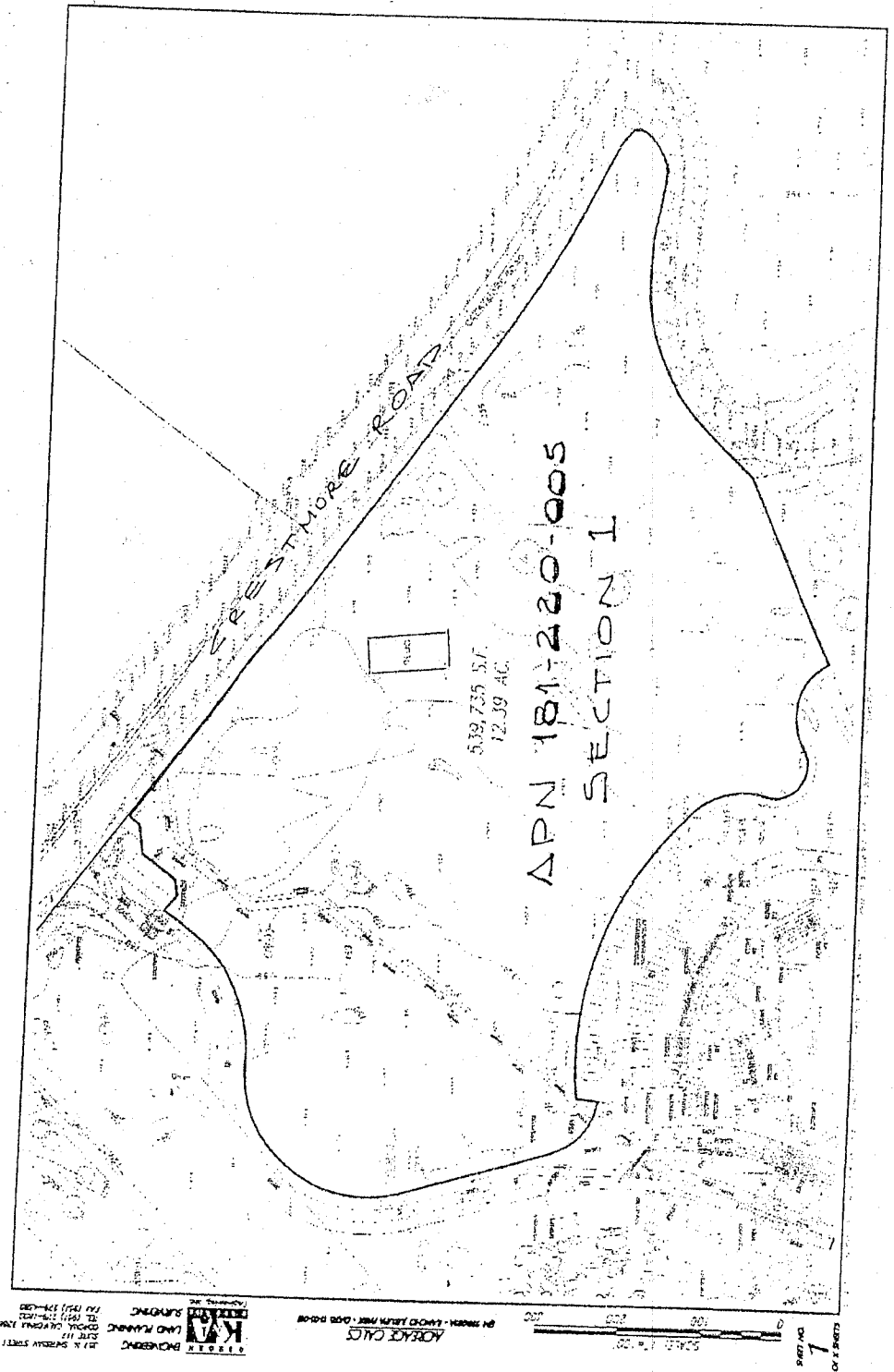


EXHIBIT B

FIRST AMENDMENT TO GROUND LEASE



731
SUBMITTAL TO THE BOARD OF DIRECTORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



SUBMITTAL DATE:
1/5/10

FROM: Regional Park & Open-Space District

SUBJECT: First Amendment to Ground Lease between Riverside County Regional Park and Open-Space District and Jeff and Ossie Torgrimson

RECOMMENDED MOTION: That the Board of Directors approves and:

1. Authorizes the attached First Amendment to Ground Lease between Jeff and Ossie Torgrimson and the Riverside County Regional Park and Open-Space District (Park District);
2. Authorizes the Chairman to executive three (3) copies of the First Amendment to Ground Lease and directs the Clerk of the Board to return two (2) executed copies of the First Amendment to Ground Lease to the Park District for transmittal and filing; and
3. Authorizes the General Manager or his designee to perform all duties necessary to administer the agreement.

BACKGROUND: On June 2, 2009, M.O. 13.2, the Park District entered into a ground lease agreement with Jeff and Ossie Torgrimson to lease property located within the Jones Ranch in the Jurupa area of Riverside County, California, consisting of approximately 12.39 acres of land, APN 181-220-005, for one year commencing in June 1, 2009 and terminating May 31, 2010. As provided for in the Lease, Lessee is exercising the option to extend the term of the Lease for one (1) separate and consecutive period from June 1, 2010 and terminating May 31, 2011.

FORM APPROVED COUNTY COUNSELLOR
BY: *Alex Gann* M. Gann 1-10-10
DATE: SYATHIA M. GUNZEL

Memo (Orig)
Jones Ranch - Commission
755-1st Amendment to Ground Lease Jones Ranch with Torgrimson

[Signature]
Scott Bangle, General Manager

FINANCIAL DATA n/a	Current F.Y. Total Cost:	\$	In Current Year Budget: Budget Adjustment: For Fiscal Year:
	Current F.Y. Net County Cost:	\$	
	Annual Net County Cost:	\$	

SOURCE OF FUNDS:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE
BY: *Alex Gann*
Alex Gann

County Executive Office Signature

MINUTES OF THE REGIONAL PARK AND OPEN SPACE DISTRICT

On motion of Commissioner Buster, seconded by Commissioner Ashley and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Stone, Benoit and Ashley
Nays: None
Absent: Tavaglione
Date: January 26, 2010
xc: Parks

Kecia Harper-Ihem
Clerk of the Board
By: *[Signature]*
Deputy

Prev. Agn. Ref.: 6/2/09 13.2 | District: II | Agenda Number: 13.1

Dept' Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

FIRST AMENDMENT TO GROUND LEASE

THIS FIRST AMENDMENT TO GROUND LEASE ("1st Amendment"), dated as of JAN 26 2010, is entered by and between the Riverside County Regional Park and Open-Space District, a park and open-space district, ("DISTRICT"), and Jeff and Ossie Torgrimson, a proprietorship, ("LESSEE").

Recitals

A. DISTRICT and LESSEE have entered into that certain Ground Lease, dated as of June 2, 2009, ("Original Ground Lease") pursuant to which DISTRICT has agreed to lease to LESSEE and LESSEE has agreed to lease from DISTRICT real property located within APN 181-220-005, known as Jones Ranch in the Jurupa Area of Riverside County, State of California, consisting of approximately 12.39 acres of land, ("Leased Premises"), as more particularly described in the Original Ground Lease.

B. DISTRICT and LESSEE desire to amend the Lease to provide for, among other things, issues involving the land and obligations relating to utilities on the Leased Premises with the terms and conditions set forth herein. The Original Ground Lease together with this 1st Amendment are collectively referred to herein as the "Ground Lease."

NOW THEREFORE, for good and valuable consideration the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

Section 1. Term.

- a. The option to extend the Lease for one year has been exercised; therefore, the term of the Lease and Section 3. subsection (a) is hereby amended as follows: The term of this Lease is extended for one year and shall terminate on May 31, 2011, unless terminated earlier by mutual consent of the parties.
- b. Section 3. subsection (b) of the Original Ground Lease is hereby deleted in its entirety and shall not have any further effect or force.

Section 2. Rent. Section 5. Subsection (a) of the Original Ground Lease is hereby amended and subsection (c) is added as follows:

1 “(a) LESSEE shall pay DISTRICT the sum of seven percent (7%) of the total monthly
2 gross receipts or three-hundred-twenty two dollars (\$322.00) (“the Base Rent”) per acre
3 per year in monthly payments, whichever is greater. Upon DISTRICT’S request, the
4 LESSEE shall make available and provide the DISTRICT access to all accounting
5 records for review and determination of total monthly gross receipts.”

6 “(c) In the event this Ground Lease is renewed, the Base Rent shall be increased on each
7 anniversary of the Lease by an amount equal to three (3%) percent of such monthly
8 rental.”

9 Section 3. Section 6. of the Original Ground Lease is hereby deleted in its entirety and
10 replaced with the following:

11 “Section 6. Land Designation. The premises leased have been designated as
12 Public/Quasi-Public (P/QP) Land. With that designation requires certain obligations on the
13 owner of the land or any person occupying and using the land. Any requirements mandated on
14 the DISTRICT to mitigate due to LESSEE’s activities, including, but not limited to, the farming
15 activities conducted on the land, shall pass to the LESSEE and LESSEE shall be obligated to
16 satisfy mandatory mitigation measures. The Parties acknowledge that the DISTRICT is
17 currently in process of attempting to remove the P/QP designation, but the removal is not
18 guaranteed nor required by DISTRICT. The DISTRICT makes no representations or guarantees
19 that additional obligations may not be imposed due to the P/QP designation.”

20 Section 4. Planting/Improvements. Section 7. Of the Original Ground Lease is hereby
21 amended as follows:

22 “(a) Any planting of crops undertaken by LESSEE, his employees, agents, contractors
23 or representatives, on the Leased Premises shall have the prior written approval by
24 DISTRICT General Manager or his designee after LESSEE has first submitted to
25 DISTRICT proposed plans and specifications thereof, in writing. The use of all
26 fertilizers and synthetic pesticides, plant growth regulators, livestock feed additives, and
27 genetically modified organisms are strictly prohibited. LESSEE will provide an annual
28 Agricultural Commissioner report to DISTRICT as the summary for this Section 7.”

1 Section 5. Utilities. Section 11. of the Original Ground Lease is hereby deleted in its
2 entirety and replaced with the following:

3 “Section 11. **Utilities.**

- 4 a. During the term of the Lease, LESSEE shall have the right to use water
5 from the well situated within the Leased Premises.
6 b. The DISTRICT agrees to pay meter installation to Southern California
7 Edison (SCE) or a licensed contractor.
8 c. The LESSEE agrees to provide the SCE or contractor’s invoices for
9 installation to the DISTRICT within five (5) business days of receipt.
10 d. The LESSEE agrees to maintain the account in his name for the length of
11 the Lease.
12 e. The LESSEE agrees to pay monthly utility bills related to that meter and
13 for all other utility services that it may require in its use and maintenance
14 of the Leased Premises.
15 f. The DISTRICT shall not be liable for any damages or loss resulting from
16 pump or utility failure.”

17 Section 6. Termination by DISTRICT. Section 15. of the Original Ground Lease is hereby
18 amended by adding subsection (f) as follows:

19 “(f) DISTRICT shall have the right to terminate this Lease by providing a ninety (90)
20 day notice to LESSEE to the address provided in this Lease under Section 29.”

21 Section 7. Insurance. Section 18. of the Original Ground Lease is hereby amended as
22 follows:

- 23 a. “Section 18. Insurance. Without limiting or diminishing the LESSEE’S
24 obligation to indemnify or hold the DISTRICT harmless, LESSEE shall procure and
25 maintain or cause to be maintained, at its sole cost and expense, the following
26 insurance coverage’s during the term of this Agreement.”
27 b. Subsection (a) is hereby replaced with the following: “(a) If the LESSEE has
28 employees as defined by the State of California, the LESSEE shall maintain statutory

1 Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the
2 State of California. Policy shall include Employers' Liability (Coverage B) including
3 Occupational Disease with limits not less than \$1,000,000 per person per accident.
4 The policy shall be endorsed to waive subrogation in favor of The DISTRICT, and, if
5 applicable, to provide a Borrowed Servant/Alternate Employer Endorsement."

- 6
- 7 c. Subsection (d) is hereby added as follows: "(d) If vehicles or mobile equipment are
8 used in the performance of the obligations under this Agreement, then LESSEE shall
9 maintain liability insurance for all owned, non-owned or hired vehicles so used in an
10 amount not less than \$1,000,000 per occurrence combined single limit. If such
11 insurance contains a general aggregate limit, it shall apply separately to this
12 agreement or be no less than two (2) times the occurrence limit. Policy shall name the
13 DISTRICT its directors, officers, employees, elected or appointed officials, agents or
14 representatives as Additional Insureds."

15 Section 8. Indemnification. Section 19. of the Original Ground Lease is hereby deleted in its
16 entirety and replaced with the following:

17 "LESSEE shall indemnify and hold harmless the DISTRICT, County of Riverside, its
18 Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board
19 of Supervisors, elected and appointed officials, employees, agents and representatives from any
20 liability whatsoever, based or asserted upon any act or omission of LESSEE, its officers,
21 employees, subcontractors, agents or representatives arising out of or in any way relating to or in
22 any way connected with or arising from its use and responsibilities in connection therewith of the
23 leased premises or this Agreement, including but not limited to property damage, bodily injury,
24 or death or any other element of any kind or nature whatsoever arising from the acts or omissions
25 of Lessee, its officers, agents, employees, subcontractors, agents or representatives from this
26 Agreement. LESSEE shall defend, at its sole expense, all costs and fees including, but not
27 limited, to attorney fees, cost of investigation, defense and settlements or awards, the DISTRICT,
28 County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective

1 directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and
2 representatives in any claim or action based upon such alleged acts or omissions.

3
4 With respect to any action or claim subject to indemnification herein by LESSEE, LESSEE shall,
5 at their sole cost, have the right to use counsel of their own choice and shall have the right to
6 adjust, settle, or compromise any such action or claim without the prior consent of DISTRICT;
7 provided, however, that any such adjustment, settlement or compromise in no manner
8 whatsoever limits or circumscribes LESSEE'S indemnification to DISTRICT as set forth herein.
9

10 LESSEE'S obligation hereunder shall be satisfied when LESSEE has provided to DISTRICT the
11 appropriate form of dismissal relieving COUNTY from any liability for the action or claim
12 involved.
13

14 The specified insurance limits required in this Agreement shall in no way limit or circumscribe
15 LESSEE'S obligations to indemnify and hold harmless the DISTRICT herein from third party
16 claims.
17

18 In the event there is conflict between this clause and California Civil Code Section 2782, this
19 clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve
20 the LESSEE from indemnifying the DISTRICT to the fullest extent allowed by law."
21

22 Section 9. Miscellaneous. Except as amended or modified herein, all the terms of the Original
23 Ground Lease shall remain in full force and effect and shall apply with the same force and effect to this
24 1st Amendment. DISTRICT shall not be bound by this 1st Amendment until DISTRICT has executed and
25 delivered this 1st Amendment to LESSEE, notwithstanding LESSEE's execution and delivery of this
26 Amendment to DISTRICT. Time is of the essence in this 1st Amendment and the Lease and each and all
27 of their respective provisions. Subject to the provisions of the Lease as to assignment, the agreements,
28 conditions and provisions herein contained shall apply to and bind the heirs, executors, administrators,

Subject: 1st Amendment to Ground Lease
Parties: Park District and Jeff & Ossie Torgrimson
Property: APN 181-220-005 (Section 1) Rancho Jurupa Area

1 successors and assigns of the parties hereto. If any provisions of this 1st Amendment or the Lease shall
2 be determined to be illegal or unenforceable, such determination shall not affect any other provision of
3 the Lease and all such other provisions shall remain in full force and effect. The language in all parts of
4 the Lease shall be construed according to its normal and usual meaning and not strictly for or against
5 either DISTRICT or LESSEE. Neither this 1st Amendment, nor the Original Ground Lease, nor any
6 notice nor memorandum regarding the terms hereof, shall be recorded by LESSEE. Any such
7 unauthorized recording shall give DISTRICT the right to declare a breach of the Lease and pursue the
8 remedies provided for therein.

9
10 IN WITNESS WHEREOF, the parties have executed this 1st Amendment as of the date first
11 written above.

12
13 RIVERSIDE COUNTY REGIONAL LESSEE
14 PARK AND OPEN-SPACE DISTRICT JEFF AND OSSIE TORGRIMSON

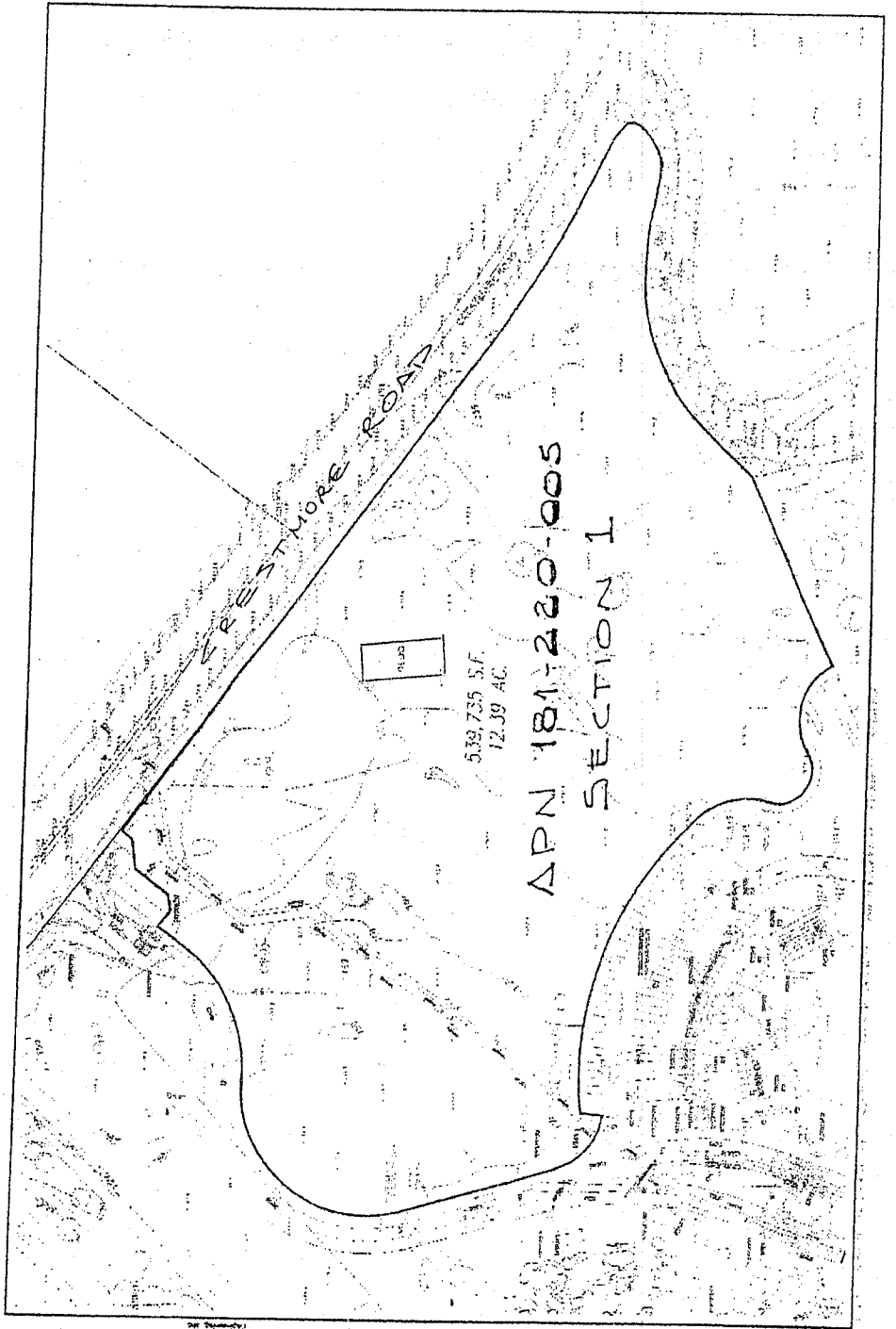
15 By: Marion Ashley
16 Chairman, Board of Directors
17 **MARION ASHLEY**

By: Jeff Torgrimson
Jeff Torgrimson

By: Ossie Torgrimson
Ossie Torgrimson

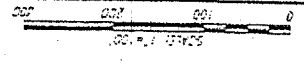
18
19 ATTEST:
20 CLERK OF THE BOARD
21 Kecia Harper-Ihem
22 By: Lance Johnson
Deputy

23 APPROVED AS TO FORM:
24 COUNTY COUNSEL
25 Pamela J. Walls
26 By: Synthia M. Gunzel
27 Cynthia M. Gunzel
28 Deputy County Counsel



GREEN ENGINEERING
21 N. SHAWAN STREET
SUITE 112
SANTA ANA, CALIFORNIA 92705
(949) 274-1234
LAND PLANNING
(949) 274-1234
ENGINEERING
(949) 274-1234

ADRIAN CALDS
3000 N. LINDSAY BLVD. SUITE 100
SANTA ANA, CA 92705



DATE: 1/1/00
DRAWN BY: [illegible]
CHECKED BY: [illegible]