

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



ITEM: 3.12  
(ID # 18941)

**MEETING DATE:**

Tuesday, June 07, 2022

**FROM :** FACILITIES MANAGEMENT:

**SUBJECT:** FACILITIES MANAGEMENT-REAL ESTATE DIVISION (FM-RE): Approval of License and Operating Agreement between the County of Riverside and Pickering Events, LLC, a California Limited Liability Company, for the License and Operations of the Riverside County Fairgrounds and Fair Located in Indio, California; CEQA Exempt; District 4. [\$100,000 - 100% Facilities Management Department Budget - General Fund] (Clerk to file CEQA Notice of Exemption)

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the attached License and Operating Agreement between the County of Riverside and Pickering Events LLC, and authorize the Chair of the Board to execute the same on behalf of the County;
2. Approve of the assignment and assumption of the Maclin Markets, Inc. Lease, dated November 28, 1995, and amended December 6, 2016, to Pickering Events LLC;
3. Approve of the assignment and assumption of the Interim Events Space Rental Agreement with the Coachella Valley Model Railroad Club, dated June 3, 2019, to Pickering Events LLC;

Continued on page 2

**ACTION:**

  
Rose Salgado, Director of Facilities Management 5/16/2022

  
Aaron Gettis, Deputy County Counsel 5/17/2022


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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Spiegel, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt  
Nays: None  
Absent: None  
Date: June 7, 2022  
xc: FM-RE, Recorders

Kecia R. Harper  
Clerk of the Board

By:   
Deputy

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

**RECOMMENDED MOTION:** That the Board of Supervisors:

4. Authorize the Director of Facilities Management, or his/her designee, to execute any other documents and administer all actions necessary to complete or memorialize this transaction;
5. Find that the project is exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15301, Existing Facilities Exemption, and Section 15601 (b)(3), Common Sense exemption; and
6. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk within five (5) working days of approval by the Board.

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$0	\$100,000	\$100,000	\$0
<b>NET COUNTY COST</b>	\$0	\$100,000	\$100,000	\$0
<b>SOURCE OF FUNDS:</b> 100% Facilities Management Department Budget - General Fund			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	22/23

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The County of Riverside (County) owns the property located at 82-503 Highway 111, Indio, CA 92201, commonly known as the Riverside County Fairgrounds (Fairgrounds). The Fairgrounds encompass approximately 91-acres with facilities that include multiple buildings, an open-air amphitheater, and a grandstand arena.

Facilities Management-Real Estate (FM-RE) has prepared a Request for Proposal (RFP) for the operation and maintenance of the Riverside County Fairgrounds and Fair by private operators. Pickering Events LLC was selected as the Operator for the Riverside County Fairgrounds and Fair based on their professional experience and qualifications within the Fair and Fairground Industry.

Through this approval of the License and Operating Agreement (Agreement), Pickering Events LLC (Operator) will operate and maintain the Fairgrounds and Fair for the benefit of the residents of the County. The Operator will pursue, provide, and pay for the full operations and use of the Fairgrounds, Fair, and Interim Events and including event programming, marketing, management, security, maintenance (excluding capital maintenance), and environmental compliance of all areas. The attached Agreement is for a period of five (5) years commencing

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

on the effective date. Operator will have two (2) options to extend the term by five (5) years each. Operator will pay the County ten percent of the gross revenues as a percentage rent and in accordance with the Agreement. County shall allocate and establish a one-time Fairground Operational Reimbursement Fund in the amount of One-Hundred-Thousand-Dollars (\$100,000) to offset the cost of the transition and commencement of operations by the Operator. There are two current and existing lease agreements that will be assigned: the Maclin Markets, Inc., Lease Agreement, and the Coachella Valley Model Railroad Club Interim Events Space Rental Agreement.

The operations of the Fairgrounds and Fair by an experienced private Operator will increase County efficiencies while at the same time expand the overall use and entertainment provided for the benefit of the public at this facility. The percentage rent received by the County through the operations by Pickering will be re-invested into the Fairgrounds to improve the current condition of the Fairgrounds. The Operator and the County will endeavor to work together to pursue projects and grant funding opportunities that may provide further upgrades and improvements to the current condition of the Fairgrounds.

Pursuant to the California Environmental Quality Act (CEQA), the transfer of the operational and management responsibilities of the property (Fairgrounds) was reviewed and determined to be categorically exempt from State CEQA under CEQA Guidelines Section 15301 Class 1-Existing Facilities and Section 15061 (b)(3) Common Sense Exemption. The proposed project is in the transfer of operations and maintenance involving existing facilities and would not result in any significant direct or indirect impacts.

The Agreement has been reviewed and approved as to legal form by County Counsel.

**Impact on Residents and Businesses**

The impact of the transfer of the operational and management responsibilities of the Fairgrounds to the Operator will improve efficiency of operations. These amenities will continue to serve the residents of the County and provide a positive economic impact for businesses that surround the Fairgrounds. Operational efficiencies will benefit citizens, businesses, and the entire community of Riverside County.

**ATTACHMENTS:**

- License and Operating Agreement between the County of Riverside and Pickering Events LLC
- Notice of Exemption

VC:sc/04262022/XXXXX/30.XXX

  
Meghan Hahn, Senior Management Analyst 5/26/2022

**LICENSE AND OPERATING AGREEMENT**  
**BY AND BETWEEN THE COUNTY OF RIVERSIDE AND PICKERING EVENTS**  
**FOR THE LICENSE AND OPERATIONS OF THE RIVERSIDE COUNTY FAIRGROUNDS**  
**AND RIVERSIDE COUNTY FAIR AND NATIONAL DATE FESTIVAL**

This License and Operating Agreement ("Agreement") is made and entered into on this 7<sup>th</sup> day of June 2022 ("Effective Date"), by and between the County of Riverside, a political subdivision of the State of California ("County"), and Pickering Events LLC, a California limited liability company ("Operator"), sometimes collectively hereinafter referred to as the "Parties".

**RECITALS**

WHEREAS, the County of Riverside is owner of record of the property located at 82-503 Highway 111, Indio, California 92201 and commonly known as the Riverside County Fairgrounds as shown in Exhibits A-1 and A-2 ("Fairgrounds"), attached, and incorporated herein by reference;

WHEREAS, the County has the authority and capability to manage, maintain, operate and provide community programs, events, services and general use of the Fairgrounds, including the annual Riverside County Fair and National Date Festival event ("Fair") directly or through a contract with a qualified operator, and where such community programs, events, services and general use are in the vital and best interest of the residents of Riverside County;

WHEREAS, the County wishes to contract the management, maintenance and full operation of the Fairgrounds and annual Fair to an experienced operator;

WHEREAS, the County and the Operator desire to enter into this License and Operating Agreement ("Agreement") to provide for year-round events and increased use (event schedule) and the management, maintenance, and operations with respect to the Fairgrounds and Fair by which Operator shall manage, maintain, and operate the Fairgrounds and Fair for the overall benefit of the community and its residents of the County of Riverside;

WHEREAS, the Operator has the personnel and experience to manage, maintain,

operate and administer the Fairgrounds and Fair and is willing to enter into this License and Operating Agreement with the County for the provision of such services, subject to the terms and conditions set forth herein;

WHEREAS, this Agreement is not intended to provide the Operator with exclusive possession or rights to the Fairgrounds, and the County, as owner, shall have the right at all times during normal business hours (except in the case of an emergency) to enter the Fairgrounds as necessary to administer and inspect the operations of the Fairgrounds throughout the term of this Agreement;

NOW THEREFORE, for good and valuable consideration, the Parties do hereby mutually agree as follows:

1. OPERATING COVENANT: The County hereby contracts with Operator to operate and maintain the Fairgrounds in clean, safe and good condition. The Fairgrounds are to be operated as paid recreational use and events facilities with food and beverage and other concessions as provided by the Operator for community enjoyment and benefit. Operator covenants and agrees to maintain and safely operate the Fairgrounds, provide for an annual Fair event and to provide for a year-long calendar of non-Fair events ("Interim Events") solely for the purposes described within this Agreement and pursuant to the terms of this Agreement.

2. EFFECTIVE DATE: The effective date of this Agreement is the date first provided above ("Effective Date"). In the event that such date is omitted, then the Effective Date shall be the last date the Agreement is signed by the Parties hereto.

3. DESCRIPTION OF THE FAIRGROUNDS: The subject property is located on Highway 111 in the City of Indio and is bounded by Arabia Street to the west and Oasis Street to the east. The Fairgrounds encompass approximately ninety-one (91) acres with all facilities depicted in the attached Exhibit B "Riverside County Fairgrounds. The Fairgrounds overflow parking area provides room for general, recreational vehicle, truck and trailer parking and equipment storage. There is one current and existing lease which provides for a bi-weekly 'Open Air Market'. This existing lease will be assigned to the Operator and through this Agreement. There is one current and existing space rental agreement that houses a model

railroad exhibition. This existing space rental agreement will be assigned to the Operator and through this Agreement.

4. DESCRIPTION OF THE FAIR: The Fair began as a festival to celebrate the end of the annual date harvest in the Coachella Valley, the major commercial date-producing region in the Western Hemisphere. Dates were a relatively unknown crop to Coachella Valley until 1903 when date palms were transplanted to the region from Algeria. Date groves spread throughout the region and so did the interest and popularity of this fruit.

The first Date Festival was held in 1921 at Indio's City Park, and celebrated the regions newly found agriculture heritage and tradition. Riverside County's involvement in the Date Festival would not take place until about 16 years later, which was the third Date Festival held under the name of the Riverside County Fair and the Coachella Valley Date Festival.

The early festivals were Western-themed and included rodeo events. It wasn't until the late 1940's that the County adopted the "Arabian Nights" theme that really paid homage to the agriculture heritage of date palms, which are native to the Middle East. The Arabian Nights theme was the inspiration behind some of the current architectural design of the Fairgrounds and gave way to many of the past Fair events such as the Arabian Nights Musical Pageant, Queen Scheherazade Scholarship Pageant and the National Horse Show.

In 2020, the County celebrated the 74<sup>th</sup> annual Riverside County Fair & National Date Festival. The Fair ran for a 10-day period, from February 14 to February 23. Throughout the years, the County has expanded the number of vendors, attractions, carnival rides, and entertainment. As a result, the popularity of the Fair has grown and in 2020 the attendance reached 253,302. The Operator will consider, plan, and execute annual Riverside County Fair and National Date Festival event with a focus on a positive, safe and entertaining guest experience that provide an effective and efficient outcome for the Operator and the County. The Operator should include and focus on community and public outreach and involvement in their overall Fair planning and the Riverside County Fair and National Date Festival Fair Advisory Board ("Fair Advisory Board") will provide direct community input to the Operator and through a minimum of quarterly planned meetings with the Operator. The Fair Advisory Board will

continue to work to raise scholarship funds for the Fair's Livestock Auction and similar community programs.

5. TERM: The term of this Agreement shall be for a period of five (5) years commencing on the Effective Date as set forth in Section 2. The Agreement shall terminate at the expiration of the term period unless terminated earlier pursuant to Sections 24 and 25.

6. OPTION: The Parties may extend the term by executing two (2) options to extend the term by five (5) years each. Operator shall provide County with one-hundred-eighty (180) days written notice of election to exercise each option. Said options shall be incorporated by amendment to this Agreement and must be approved by the County Board of Supervisors.

7. USE: Operator shall pursue, provide, and pay for the full operations and use of the Fairgrounds, Fair and Interim Events and including event programming, marketing, management, security, maintenance (excepting capital maintenance) and environmental compliance of all areas, as depicted in Exhibits A-1, A-2 and B. In addition to the operations and management of the annual Fair event; the Operator shall be permitted to sublet or rent portions of the overall Fairgrounds to generate and maximize community events and programming and to generate revenue during the term of the Agreement. The Operator may pursue Interim Events which may include, but is not limited to, farmers markets, dances, concerts, shows and other forms of entertainment. The Operator would have the right and responsibility of pursuing an Interim Event schedule that provides for maximum use and revenue potential of the Fairgrounds. Maximum use may include Operator or community events or proposed uses for the property as may be approved through this Agreement or through necessary consent rights of the County by providing written notice to the County's Department of Facilities Management.

8. FAIRGROUNDS TRANSITION PERIOD: Commencing on the Effective Date and ending June 30, 2022, the County and the Operator will work cooperatively and through a Fairgrounds Transition Period ("Transition Period"). During the Transition Period, County Facilities Management staff will remain engaged with Operator staff for an operational and

training transition of the Fairgrounds and its facilities. Staff will also discuss and share information regarding past Interim Events and past Fair events. County staff will also assist the Operator in community introductions and engagement. Operator will be obligated to assume and commence all operations of the Fairgrounds, Fair and Interim Events on July 1, 2022. Operator will not be responsible for any expenses incurred by County prior to July 1, 2022.

a. County One-Time Reimbursement Fund. County shall allocate and establish a one-time Fairground Operational Reimbursement Fund (collectively, the "Fund") in the amount of One-Hundred-Thousand-Dollars (\$100,000) to offset the cost of transition and commencement of operations by the Operator of the Fairgrounds. The Fund will be available to solely reimburse actual operational costs incurred by the Operator for operations of the Fairgrounds. Reimbursement of operational costs will be available July 1, 2022 and ending December 31, 2022.

i. Operator shall utilize the Fund by submitting invoices and statements proving itemized and actual operational expenses incurred for the Fairgrounds and requesting appropriate reimbursement of operational costs. Upon the depletion of all amounts from the Fund, no further reimbursement shall be paid.

9. OPERATOR OBLIGATIONS:

(a) Operations. Subject to the terms of this Agreement, Operator shall have the responsibility to 1) hire, train and supervise all employees, 2) supervise and direct advertising, sales and business promotion and marketing 3) establish accounting and payroll procedures and reporting functions. The County shall cooperate with the Operator to permit and assist Operator to carry out its duties whenever necessary without limiting Operator's right and responsibility to operate the Premises in accordance with the terms of this Agreement.

(b) Personnel. Except for employees of vendors or contractors, all employees working at the Fairgrounds shall be full or part-time employees of Operator or an Affiliate of the Operator. The number of employees working at the Fairgrounds and the compensation (salaries or wages, benefits, and commissions) paid to them, shall be reasonably established by Operator, but minimal staffing levels shall be comparable to the



industry standard for Fairgrounds. Operator shall recruit, hire, train, discharge, promote and manage the staff of the Fairgrounds and supervise through the recruiting, hiring, training, discharge, promotion, and work of all other full or part-time employees. The compensation (including benefits) of the staff and all other Fairgrounds employees shall be at Operator's expense. Operator shall endeavor to recruit and hire local residents of Riverside County whenever possible. The Operator shall conduct background checks on all full-time employees in accordance with California Labor Laws and Codes.

(c) Protection and Restoration of the Fairgrounds. Subject to County's Capital Maintenance and Improvement obligations hereunder and as defined in Section 15, Operator shall keep and maintain all portions of the Fairgrounds in good condition and at Operator's expense. Reasonable wear and tear is acceptable and Operator shall not cause waste or damage to the improvements and natural resources thereon by its employees, contractors, or agents. Operator shall strictly adhere to the following restrictions:

1) Operator may not place or dump garbage, trash or refuse anywhere upon or within the Fairgrounds, except for self-contained trash receptacles that are maintained to County's satisfaction by Operator; and

2) Operator may not commit or create, or knowingly suffer to be committed or created, any waste, hazardous condition and/or nuisance to occur upon the Fairgrounds; and

3) Operator must exercise reasonable due diligence in the security and protection of the Fairgrounds against damage or destruction, vandalism, or other security related causes. Operator will provide at its own expense any and all security, including any required Police and Sheriff presence to ensure that the Fairgrounds, Fair and Interim Events and patrons are reasonably secure, safe and protected at all times. All security for special events and Interim and Fair Events shall be provided and enhanced as necessary by the Operator to ensure reasonable safety at all times at the Fairgrounds. Operator will ensure that both Operator and any Fair and Interim Events are operated as per any required agency permits (City, County, State or Federal) and in a safe and secure manner. Operator will ensure that

Fair and Interim Events held in the outdoor arena properly and safely separate the entertainment from any spectators. The sale and consumption of alcohol on the Fairgrounds shall be conducted in compliance with the California Department of Alcoholic Beverage Control's policies and regulations. Local Agency permits and crowd capacity limitations must be strictly enforced at all times.

4) Upon the termination or revocation of this Agreement, but prior to its relinquishment to County, Operator shall, at its own cost and expense, remove any debris generated by its use and the Fairgrounds shall be left and returned in a clean and neat condition. Operator agrees not to damage Fairgrounds in the process of performing the permitted use and activities.

10. CONTRACTING WITH THIRD PARTIES: Operator, in its own discretion, may enter into agreements and contracts with qualified and responsible third parties for the purpose of providing any of the services or programs in connection with the uses permitted to be performed on the Fairgrounds as described in Section 7 or for the purpose of operational need and including custodial, maintenance or security services. All such agreements and contracts shall contain provisions necessary to protect the County, its officers, employees, successors, and assigns from any liability arising out of the provision of services or programs, operation, maintenance or replacement of any improvements and facilities at the Fairgrounds and as a result of such third parties, including the obligation to indemnify the County, County of Riverside, its officers, employees, successors, and assigns and carry the necessary insurance.

(a) Operator may enter into permits, contracts, sub-licenses or other agreements affecting or related to the use of the Fairgrounds, but in no event shall the term of the any such agreement extend beyond the term of this Agreement or any extensions granted in accordance with this Agreement. Any Operator-requested new leases would require written consent and approval by the County's Department of Facilities Management or the Riverside County Board of Supervisors.

11. UTILITIES: During the term of this Agreement and commencing as of July 1, 2022, Operator agrees to transfer in name and to pay or cause to be paid, any and all, utilities

used upon the Fairgrounds including but not limited to electric, water, gas, sewer, phone, refuse collection, security and/or fire alarm monitoring, IT services or related fees, and all other services supplied to the Fairgrounds as depicted on Exhibit C "Utilities", attached hereto and by this reference incorporated herein.

12. FURNITURE, FIXTURES AND EQUIPMENT: The County and Operator agree and acknowledge that the County owns and installed furniture, fixtures, and equipment for use by Operator and the ongoing operation of the Fairgrounds as described and set forth in Exhibit D "Existing Furniture, Fixtures and Equipment Owned by County", attached hereto and by this reference incorporated herein. Such equipment includes, but is not limited to, kitchen equipment, appliances, cameras, computer equipment, tables, and furniture, etc. Operator shall, at its sole cost and expense, be responsible for any necessary maintenance, repair, or replacement of the listed equipment in Exhibit D with reasonable wear and tear expected.

13. RENT AND CONSIDERATION: Operator shall pay County the Percentage Rent (as defined in this Section), without deduction, offset, prior notice, or demand, as follows:

(a) Commencing in the third calendar quarter of 2022 (July 1, 2022) and continuing quarterly each and every year throughout the term of this Agreement, Operator shall pay the County for use of the Fairgrounds at the times and in the manner specified within this Agreement, a Percentage Rent. Percentage Rent shall be calculated by multiplying Operator's gross revenues from the Fairgrounds, Fair and Interim Event operations for the applicable quarterly period by a factor of ten percent (10%). The Percentage Rent shall be paid quarterly, in arrears, within thirty (30) days following the end of each calendar quarter. The Percentage Rent shall be calculated and paid jointly for Fairgrounds (including but not limited to leases, licenses, and Interim Events) and the Fair. The County will then place the paid Percentage Rent received from the Operator into a newly created capital improvement reserve account ("Reserve Account") which shall be used by the County for capital improvement and major repairs on the Fairgrounds. Use of this Reserve Account to improve and repair the Fairgrounds will be done in collaboration and coordination with the Operator. Operator must submit written annual requests for capital improvements on the Fairgrounds by

November 25<sup>th</sup> of each calendar year and for consideration by the County and its Department of Facilities Management, which may require approval by the Riverside County Board of Supervisors.

(b) County acknowledges that the Operator, under this Agreement will be obligated to pay for the provision of services and operation of the Fairgrounds and Fair to the benefit of the County and the Community. County recognizes this form of consideration provided by the Operator and grants Operator the right to collect revenue for services rendered on the Fairgrounds, Fair and Interim Events.

14. RECORDS, REPORTS, AUDITS.

14.1 Sales Recording and Records. Operator shall record and report separately for the Fairgrounds and Fair at the time of sale, in the presence of the customer, receipts from sales or other transactions, whether cash or credit, in a cash register or registers, or at a point-of-sale terminal or terminals, having a tape or internal memory that accumulates and consecutively numbers all transactions. A receipt from any transaction showing the correct amount of purchase shall be offered to the customer at the time of any transaction, including any cash sale. Transactions not ordinarily recorded in a cash register or point of sale terminal shall be noted on and kept in a ledger format. The Annual and Quarterly Gross Revenues Statements shall be furnished to the County as provided in Section 14.2 shall be prepared in accordance with generally accepted accounting principles. Operator shall keep:

(a) Full and accurate books of account and records in accordance with generally accepted accounting principles consistently applied, including without limitation, a sales journal and all bank account statements showing deposits of Gross Revenues. Such records shall be kept and recorded separately for the Fairgrounds and the Fair;

(b) All cash register or point of sale terminal receipts with regards to the Gross Revenues, credits, refunds and other pertinent transactions made from or on the Fairgrounds separately for the Fairgrounds and annual Fair event; and

(c) Detailed original records of any exclusions or deductions from Gross Revenues separately for the Fairgrounds and Fair.

14.2 Quarterly and Annual Gross Revenues Statements.

(a) Quarterly Gross Revenues Statements. Within thirty (30) days following the end of each calendar quarter during the Term, commencing the first calendar quarter of the First Operating Year (commencing on July 1, 2022), Operator shall furnish to County with a quarterly gross revenues statement separately for the Fairgrounds and the annual Fair, certified as correct by Operator by an authorized manager or officer of Operator ("Quarterly Revenues Statement").

(b) Annual Gross Revenues Statements. Within thirty (30) days following the end of each Operating Year during the Term, including the last Operating Year of the Term, Operator shall furnish the County with an audited statement of Operator's annual gross revenues separately for the Fairgrounds and Fair on account of the previous Term Year, or any partial Term Year, including any authorized deductions, certified as correct by Operator by an authorized manager or officer of Operator ("Annual Gross Revenues Statements").

(c) Each Quarterly Gross Revenues Statements and Annual Gross Revenues Statements shall set forth the total Gross Revenues for the preceding quarter or Term Year, as applicable, and shall show the method of computing the Percentage Rent due for such quarter, as applicable.

14.3 Audit and Examination Rights.

(a) Audit Procedures. The County shall be entitled to question at any time, and from time to time during the Term of this Agreement, the sufficiency or accuracy of any Quarterly Gross Revenues Statements and Annual Gross Revenues Statements. During the term of this Agreement, the County may cause an audit of the Operator's books and records by an independent accountant of the County's own selection or by the County's internal auditors and may, in connection with such audit, request that Operator (1) furnish the County with an annual P&L Statement for operations at the Fair and Fairgrounds and (2) cause the books and records of Operators pertaining to the Fairgrounds and Fair to be made available for audit purposes as well. If any Annual Gross Revenues Statement for any operating year delivered by Operator to the County reports Gross Revenues that are found to

be less than the amount of Operator's actual Gross Revenues, Operator shall immediately pay to the County earned but unpaid payments of Rent due to the County. If the audit reveals an understatement of Gross Revenues for such Operating Year by more than five percent (5%), Operator shall immediately pay to the County the cost of the audit. Otherwise, the cost of the audit shall be paid by the County. If, ten (10) days after written request therefore specifying Operator's failure to comply with the reporting obligations hereunder, Operator fails to provide to the County any Quarterly Gross Revenues Statements or Annual Gross Revenues Statements in the manner specified in this Agreement, the County shall have the right, in addition to any other rights or remedies it may have under this Agreement, to conduct an audit to enable the County independently to determine the Gross Revenues of the Fairgrounds and Fair. Operator shall reimburse the County for the cost of such audit on written demand by the County, for an amount not to exceed thirty thousand dollars (\$30,000) within a three (3) year period.

(b) Examination of Books. Recognizing that the County may require access to the books and records of Operator for reasons other than to question the sufficiency or accuracy of any Annual Gross Revenues Statement (which the County may do for a period of five years from delivery of the Annual Gross Revenues Statement as provided above), Operator shall, for a period of five (5) years following the delivery of each Annual Gross Revenues Statement, including the three year period following the end of the Term, keep and maintain, safe and intact, all of the records, books and accounts required under this Section 14 and shall from time to time, upon request, make these records available to the County, the County's auditor, representative or agent for examination at any reasonable time on seven days advance written notice. The County shall also have the right to make abstracts from the records, to make copies of any or all of the records and to examine and make copies of any or all agreements. In addition, on request of the County or the County's representatives, Operator shall furnish copies of Operator's state and local sales and use tax returns for operations at the Fair and Fairgrounds.

(c) County Staff Inspections. County staff from the Department of Facilities

Management shall have the right from time to time, to visit and inspect the operations of the Fairgrounds to confirm compliance with this Agreement.

(d) Examination of Operator's Records. Operator shall make its books and records, as they relate to the Fees to be paid to the County hereunder, or operations at the Fairgrounds, available for inspection by the County or the County's representatives in accordance with the provisions of this Section 14. These books and records shall be made available to the County at the Fairgrounds.

14.4 GROSS REVENUES DEFINED: Gross Revenues shall be calculated as provided below.

(a) "Gross Revenues" means and includes all receipts and revenues received by Operator or any Affiliate relating to or derived from the Fairgrounds use and operations. Gross Revenues shall include the gross receipts, less sales taxes and other adjustments set forth below, received by the Operator. Gross Revenues include, without limitation, the following items:

- commissions, fees, or profit shares received by the Operator (or any Affiliate) from revenues generated from any and all sales by vendors or concessionaires at the Fairgrounds or Fair where the gross revenues from such sales are not received by or payable to Operator or any Affiliate, including, for example, vending machine commissions, ATM commissions, etcetera;
- revenues from the sale of gift certificates, when such revenues are received;
- all service fees or other consideration, if any, paid to Operator as compensation for Operator's sale or distribution of lottery tickets, or in connection with any other local, state or federal lottery or licensing program similar to the foregoing;
- all charges for services, alterations or repairs made at, in, on or from the Fairgrounds; and

- the proceeds of business interruption insurance, if applicable in the event Operator elects to secure such insurance, with respect to the Fairgrounds.

(b) Items not included in Gross Revenues: the following shall not be included in Gross Revenues (or shall be deducted from Gross Revenues, as the case may be):

- the amount of all sales tax receipts required to be accounted for by Operator and paid to any government or governmental agency, but not the amount of any excise tax (except a consumer excise tax) or other governmental obligation in the nature of a tax on the privilege of doing business;
- the amount of any sales initially included in Gross Revenues that are subsequently subject to refund or credit;
- the amount of any revenues received by any licensee, contractor or concessionaire operating in or from the Fairgrounds which are not paid or required to be paid to Operator, provided that such revenues are not derived from the sale of food or beverages;
- the amount of any revenues received by non-Affiliate special, corporate or group business events or tournament promoters, impresarios, outside catering companies or similar third-party independent contractors (including revenues derived from the sale of food or beverages by them) involved in the promotion or conduct of special, corporate or group business events or tournaments, which revenues are not paid or required to be paid to the Operator;
- gratuities paid or given by customers to employees of Operator or food and beverage gratuity service charges billed to group business clients and paid by Operator to its employees;
- proceeds of insurance other than business interruption insurance applicable to the Fairgrounds. Any business interruption insurance



proceeds applicable to the Fairgrounds received by Operator shall only be used by Operator to pay for other expenses;

- loan proceeds, if any. (No loans secured by the land of the Fairgrounds, or by the fixed facilities, or any portion thereof that may be at the Fairgrounds may be obtained by Operator);
- credits or refunds received from vendors or other third parties as a result of damage claims made by Operator with respect to defective goods or services previously purchased;
- advance deposits or pre-sales that are unearned income shall be deemed as receipts once they are earned;
- any funds received from County through Fairgrounds Operational Reimbursement Fund;
- any funds received from County through the Capital Improvement Reserve Account;
- any funds received through grants or fair allocations; and
- checks or other instruments returned for insufficient funds.

15. MAINTENANCE RIGHTS AND RESPONSIBILITIES:

(a) Operator shall, at its sole cost and expense, maintain, or cause to be maintained, the building and building systems, outdoor recreational areas, the parking lot and landscaping in good, clean and safe condition and use as outlined above and in accordance with all applicable Federal, State and local laws, including but not limited to health, fire and safety ordinances and laws, environmental regulations and such rules and regulations hereunder as may be binding upon Operator, with reasonable wear and tear excepted, throughout their useful life. Operator will be responsible for all reoccurring and normal maintenance of the premises, while County shall be responsible for all Capital Renewal and Capital Maintenance project costs. Capital Renewal and Capital Maintenance is defined as any structural, mechanical, electrical or plumbing repair or replacement, that exceeds twenty-five thousand dollars (\$25,000) per occurrence and includes each building structure and paved

parking areas on the Fairgrounds but excludes landscape.

i. Operator may effect facility improvements and Capital Maintenance projects on the Fairgrounds and on behalf of the County and with the consent of the County's Department of Facilities Management. Operator must first provide the Department of Facilities Management with a work plan (including scope of work) and documentation of costs for consideration and approval by the County. Operator shall utilize licensed contractors to perform any and all work and abide by all local, state, federal laws and ordinances and regulations when pursuing the approved work.

ii. Operator shall complete and pay for such work and then request reimbursement for the approved work through the Reserve Account and by providing the Department of Facilities Management with the final documentation, including before and after photos and paid invoices from approved licensed contractors, and for supplies and parts that were purchased to pursue the approved work.

(b) Improvements by Operator. Any alterations, improvements, installation of fixtures or major repairs in excess of ten thousand dollars (\$10,000) to be undertaken by Operator shall have the prior written approval of the County's Department of Facilities Management after Operator has submitted plan/work plan for any such proposed alterations, improvements, fixtures and major repairs to County in writing. Such consent shall not be unreasonably withheld by County.

(c) Custodial Services. Operator shall keep the Fairgrounds in a clean and neat condition at all times. Operator shall at its sole cost and expense, be responsible for all custodial service and supplies necessary for the operations of the Fairgrounds and Fair and Interim Events including all facilities and the associated grounds.

(d) Inspection. County's Department of Facilities Management and its representatives, employees, agents or independent contractors may enter and inspect the Fairgrounds or any improvements thereon at any time with reasonable prior notice of four (4) hours, except in emergency situations in which a prior phone call will suffice, and from time to

time to verify Operator's compliance with the terms and conditions of this Agreement and inspect the overall maintenance of the Fairgrounds.

(e) Shalimar Building Roof. County will restore the roof of the Shalimar Building and will provide a schedule of the repairs to Operator once obtained by County.

(f) Website Transfer. County will transfer the web domain <https://www.datefest.org/> ("Domain") and social media accounts to Operator during the term of this Agreement. Upon County's request, the Domain and social media accounts will revert back to County.

(g) Liquor License Transfer. To the extent permitted by law, County agrees to facilitate the free transfer of its existing liquor license to Operator during the term of this Agreement.

(h) Grant Funding. County and Operator will work together to pursue grants for funding and improving the Fairgrounds. Should such grants be provided to the County for the Fairgrounds, the County shall pass said funds on to the Operator. County authorizes Operator to use the Riverside County Fair and National Date Festival name in grant pursuits, marketing, and public events during the term of this Agreement.

(i) Riverside County Fair and National Date Festival Electronic Sign. County will repair the existing Riverside County Fair and National Date Festival electronic sign fronting California State Route 111.

(j) Allocation of State Funds. Any allocation of funds provided from the California Department of Food and Agriculture for Fair and Fairground purposes will be in turn allocated to the Operator for use in the operation of and upgrades to the Fair and Fairgrounds.

16. TAXES AND ASSESSMENTS: During the term of this Agreement, Operator shall pay, or cause to be paid, any and all applicable real and personal property taxes, general and special assessments, and other charges of any description as may be levied on or assessed against the Operator or the Fairgrounds, improvements to the Fairgrounds, or personal property owned by Operator located on or in the Fairgrounds by reason of Operator's operations. Operator acknowledges that it may be subject to a possessory interest tax in

accordance with the California Revenue and Taxation Code and which will be the full responsibility of the Operator to pay such a tax.

17. COMPLIANCE WITH LAWS AND RESTRICTIONS. Operator shall, at its sole cost and expense, obtain any and all necessary permits and shall fully comply with all applicable ordinances, state, local and federal laws, rules and regulations as well as industry standards related to its operations. Operator shall be responsible for all permits, licensing, and insurance, in addition to compliance with applicable regulatory agencies.

Operator further agrees to use the Fairgrounds in material compliance with all laws now in force or which may hereafter be in force relative to its use as outlined in Section 7 above, including without limitation compliance with all federal, state, and local statutes and regulations, as well as all covenants, conditions, and restrictions contained in this Agreement.

18. COUNTY ACTIVITIES: The County shall have the right to use the Fairgrounds for County-sponsored activities ("County Activities"). No more than two County Activities may be held during any calendar year. County Activities shall be scheduled in conjunction with the Operator at mutually agreeable times that do not restrict the Operator from scheduling revenue producing events. The County shall propose dates for County Activities to Operator at least three months in advance, unless otherwise mutually agreed between the parties. The Fairgrounds shall be made available to the County free of any facility rental or admission charge for County Activities.

The County shall reimburse Operator (at the then current hourly salary or wage) for the cost of all personnel (other than Senior Staff and food and beverage personnel) employed to service County Activities and other third party out of pocket expenses Operator incurs which are attributable to the County Activities. The County may, however, elect to use its own employees or volunteers to staff County Activities rather than employees of Operator, provided that only employees of Operator may engage in food and beverage handling activities requiring a license or permit, at no cost to the County.

Participants wishing to purchase or consume food or beverages during or in connection with County Activities shall do so only at the concession facilities operated by

Operator, which shall not charge more than its regular food and beverage prices then in effect. On a not to exceed twice a year basis, however, the County may sponsor a County Activity which includes the sale or giveaway of food (but not beverages) as part of the County Activity, or which permits participants to bring in their own food. (If such once in six months County Activity is an event primarily for County supervisors or employees, such as a staff picnic, attendees may bring their own non-alcoholic beverages). No for-profit company or organization shall be entitled to use the Fairgrounds as part of a County Activity for the benefit of its own employees or customers.

The County or County-designated promoter of each County Activity shall, at the County's or such promoter's expense, accept liability for, and furnish Operator with a certificate of insurance naming Pickering Events, as an additional insured with respect to claims or damages arising from the County Activity in an amount and on terms equal to the insurance promoters must furnish Operator to organize use at the Fairgrounds. The County or any County-designated promoter shall also be required to assume responsibility to repair or restore the Fairgrounds to its previous condition in the event of any damage.

In the event of a catastrophe, emergency, or pandemic ("Major Event"), the County shall have full access and right to use the Fairgrounds and its facilities to meet the health, safety and welfare needs of the County and its residents. Operator shall work with County to provide full and immediate access in the case of a Major Event and without cost to County other than the reasonable reimbursement of staff time, business loss, and utility use by County to Operator, subject to submission of proof and documentation to the County's Department of Facilities Management for review and approval.

19. ASSIGNMENT: Operator shall not assign the rights and obligations of this Agreement without the prior written consent of the County. Such consent shall be in the sole and absolute discretion of the County. The County assigns the following Agreement to Pickering Events for the term of this Agreement or any extension thereof:

(a) Maclin Lease Agreement: The County entered into a Lease Agreement dated November 28, 1995, with Maclin Markets, Inc., a California corporation ("Maclin Lease")

and a "First Amendment to Lease" dated November 8, 2016 ("Maclin Amendment") both attached hereto as Exhibit E1 "Maclin Markets Assigned Lease" and by this reference incorporated herein. County hereby assigns said Maclin Lease to Operator, commencing on July 1, 2022, and any extension of this Agreement. Operator shall bear all obligations under that Maclin Lease and be entitled to all benefits from that Maclin Lease.

(b) Coachella Valley Model Railroad Club Interim Events Space Rental Agreement: The County entered into an Interim Events Space Rental Agreement with the Coachella Valley Model Railroad Club (Coachella Valley Model Railroaders, a California non-profit corporation) on June 3, 2019 ("Rental Agreement"), attached hereto as Exhibit E2 "Railroad Club Rental Agreement" and by this reference incorporated herein. The Rental Agreement expires June 1, 2022; however, the Coachella Valley Model Railroad Club has an option to renew the term for two (2) additional years with written notice. County hereby assigns said Rental Agreement to operator, commencing on July 1, 2022. Operator shall bear all obligations under that Rental Agreement and be entitled to all benefits from that Rental Agreement.

20. INSURANCE: Without limiting or diminishing Operator's obligation to the indemnify or hold the County harmless, Operator shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage during the term of this Agreement. As respects to the insurance section only, the County herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

(a) Workers' Compensation. If the Operator has employees as defined by the State of California, the Operator shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of the County, and, if applicable, to provide a Borrowed Servant/Alternate Employer

Endorsement. Policy shall name the County as Additional Insureds.

(b) Commercial General Liability. Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of Operator's performance of its obligations hereunder. Policy shall name, the County, its directors, officers, employees, appointed officials, agents or representatives as Additional Insured. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit (\$3,000,000 per occurrence for higher risk entertainment including, but not limited to, rodeo, monster truck, and carnival ride events). If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than (2) times the occurrence limit.

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

(d) General Insurance Provisions - All lines:

a. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A: 8) unless such requirements are waived, in writing, by the County's Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

b. The Operator's insurance carrier(s) must declare its insurance self-insured retentions. If such self-insured retentions exceed \$500,000 per occurrence such retentions shall have the prior written consent of the County's Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention

unacceptable to the County, and at the election of the County's Risk Manager, Operator's carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the County, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

c. Operator shall cause Operator's insurance carrier(s) to furnish the County with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County's Risk Manager or Real Estate Division, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. Operator shall not commence operations until the County has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

d. It is understood and agreed to by the parties hereto that the Operator's insurance shall be construed as primary insurance, and the County's or County's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.

e. If, during the term of this Agreement or any extension thereof,



there is a material change in the permitted use, the County reserves the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverages currently required herein, if, in the County's Risk Manager's reasonable judgment, the amount or type of insurance carried by the Operator has become inadequate.

f. Operator shall pass down the insurance obligations contained herein to all tiers of Operator's vendors working under this Agreement.

g. The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the County's Risk Manager.

h. Operator shall notify County Risk Manager of any claim by a third party or any incident or event that may reasonably be expected to give rise to a claim arising from the performance of this Licensee within ten (10) days of receipt of notice thereof.

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

(a) With respect to any action or claim subject to indemnification herein by Operator. Operator shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without compromise in no manner whatsoever limits or circumscribes Operator indemnification to County as set forth herein.

(b) Operator's obligation hereunder shall be satisfied when Operator has

provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

(c) The specified insurance limits required in this Agreement shall in no way limit or circumscribe Operator's obligation to indemnify and hold harmless the County herein from third party claims.

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

22. ENVIRONMENTAL PROTECTION. Operator shall not discharge, dispose of, or permit to escape, any drainage water, non-point source runoff, raw sewage, fuel, or waste of any kind, within or outside the Fairgrounds that could result in destruction of habitat or the contamination or pollution of said Fairgrounds. Operator shall at all times comply with all applicable federal, state, and local laws, orders, and regulations, as may be amended with respect to the proper discharge of refuse, garbage, sewage effluent, wastes, storm water runoff, and any and all other pollutants, including soil sediments, and shall cause its employees, agents and other persons or entities under its control to comply fully with such laws, orders, and regulations.

23. HAZARDOUS MATERIALS. Operator shall not use or allow anyone else to use the Fairground to generate, manufacture, refine, transport, treat, store, handle, recycle, release, or dispose of any hazardous material, other than as reasonably necessary for the operation of its operations of the Fairgrounds and activities as contemplated under this Agreement. The term "hazardous material" means any hazardous substance, material, or waste including, but not limited to, those listed in 49 CFR 172.101 (U.S. Department of Transportation), the Cal/EPA Chemical Lists, or petroleum products and their derivatives. However, this shall not apply to the use of petroleum products and related substances incidental to operation of motorized equipment and vehicles whose operation on the premises is contemplated by this Agreement. Operator shall immediately notify County in writing in the

event of any release of hazardous material, violation of any environmental law, or actions brought by third parties against Operator alleging environmental damage. Operator shall indemnify and hold County harmless from any and all damages of any nature (including payment of attorney fees) related to or arising out of the discharge or release of hazardous materials caused by Operator or any person or entity under its control. County represents and warrants to Operator that, to the best of County's knowledge, no hazardous material has been generated, manufactured, refined, transported, treated, stored, handled, recycled, released, or disposed of on, under, or about the Center or Fairgrounds prior to the effective date of this Agreement. In the event that Operator discovers that any hazardous material has been generated, manufactured, refined, transported, treated, stored, handled, recycled, released, or disposed of on, under, or about the Center or Fairgrounds prior to the effective date of this Agreement, then Operator shall have the right to immediately terminate this Agreement and shall have no remediation responsibility, and County shall indemnify, defend and hold harmless Operator from any and all liability of any type related thereto.

24. DEFAULT:

24.1 Operator's Default: The occurrence of any of the following shall constitute a default by the Operator if not cured pursuant to this Agreement:

(a) Operator shall be deemed in default of this Agreement if Operator uses the Fairgrounds for any purpose other than that authorized in the Agreement, fails to maintain the Fairgrounds or the improvements in the manner provided for in the Agreement, fails to comply with or perform any other covenant, condition, provision or restriction provided for in this Agreement, abandons the Fairgrounds, allows the Fairgrounds to be attached, levied upon, or seized under legal process, or if Operator files or commits an act of bankruptcy, has a receiver or liquidator appointed to take possession of the Fairgrounds, commits or permits waste on the Fairgrounds, or fails to comply with any applicable local, state, and federal statutes, regulations, rules, ordinances and orders.

(b) Operator shall be deemed in default of this Agreement upon the occurrence of significant instances committed or permitted by the Operator concerning the

safety, health, or wellbeing of the Fair or Fairgrounds, or the occurrence of felony criminal activity on the Fairgrounds committed or permitted by the Operator, or similar circumstances relating to the welfare of the Fair or Fairgrounds.

(c) Operator shall cure any defaults within thirty (30) days of receipt of a written notice by the County's Department of Facilities Management to remedy any and all defaults. In the event that any default is of such a nature that the same cannot reasonably be cured within the thirty (30) day period described above, then the cure period shall be extended by such further reasonable period (not to exceed an additional ninety (90) days) so long as Operator commences the cure within the thirty (30) day period described above and thereafter diligently prosecutes the cure to completion. In the event that Operator's fails to cure the noticed default, County shall have the right to terminate this Agreement and retake possession of the Fairgrounds together with all additions, alterations, and improvements thereto by providing Operator thirty (30) days' notice of its Intent to Terminate. County shall also retain all rights to seek any and all remedies at law or in equity available in the event Operator is in default. Upon the giving of Notice of Termination, all Operator's rights in the Fairgrounds and improvements shall terminate. Promptly after notice of termination, Operator shall surrender and vacate the Fairgrounds and all improvements in good and clean condition.

24.2 County's Default: The occurrence of any of the following shall constitute a default by the County:

(a) The County's failure to perform any covenant or provision under this Agreement if the failure to perform is not cured within thirty (30) days after delivery by the Operator to the County of written notice of default specifying with particularity the nature of the default. If the failure to perform cannot reasonably be cured within thirty (30) days, the County shall not be in default of this Agreement if the County commences to cure the failure to perform within thirty (30) day period and thereafter diligently and in good faith prosecutes the cure to completion.

25. TERMINATION:

(a) County's Right to Terminate.

1) If during the term of this Agreement, the Fairgrounds are damaged to the extent Operator cannot reasonably conduct business, whether or not from a risk covered by insurance, and subject to the other provisions of this Agreement regarding termination, County shall have the option, but shall not be obligated to make the repairs necessary to restore the Fairgrounds and all the improvements thereon, to a condition for occupancy or use comparable to the condition thereof before such damage occurred. However, County may determine in its sole discretion, that if it is not feasible to make the necessary repairs or restoration, County shall have the right to terminate this Agreement upon ninety (90) days written notice.

2) Upon such termination, Operator must surrender the County properties including all County owned furniture, fixtures, equipment, and improvements constructed within the Fairgrounds, at any point within the one hundred eighty (180) day window at Operator's sole discretion. The Fairgrounds are to be left in good and clean conditions and all improvements fixed to the property shall become the property of County at no cost or expense to the County.

26. NOTICES: All notices, requests, demands, waivers, consents and other communications herein provided to be given, or which may be given by either party to the other, shall be deemed to have been fully given when made in writing and transmitted by electronic email, hand-delivered, sent by certified mail, or deposited in the United States mail, postage prepaid and addressed as follows:

If to County: County of Riverside  
Facilities Management  
Real Estate Division  
3133 Mission Inn Avenue  
Riverside, California 92501  
Attn: Veronica Casper  
(951) 955-4820

If to Operator: Pickering Events LLC  
22800 Mountain View Road  
Moreno Valley, CA 92557  
Attn: Christopher Pickering  
(925) 872-4199

27. SEVERABILITY: Each section and provision of this Agreement is severable from each other provision. In the event that any one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained in this Agreement shall not in any way be affected or impaired thereby. To the extent permitted by applicable law, each party to this Agreement waives any provision of this Agreement that is rendered invalid, illegal, or unenforceable in any respect, by any provision of law. In the event any provision of this Agreement shall be held invalid, illegal, or unenforceable, the parties shall use all reasonable efforts to substitute a valid, legal, and enforceable provision that implements the purposes and intents of this Agreement.

28. WAIVER: Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, or the failure by a Party to exercise its rights upon the default of the other party, shall not constitute a waiver of such Party's rights to insist and demand strict compliance by the other Party with the terms of this Agreement thereafter.

29. GOVERNING LAW; JURISDICTION: This Agreement shall be governed and construed in accordance with the laws of the State of California. The County and Operator agree that the Agreement has been entered into in Riverside County, California, and that if any action or proceeding is commenced to enforce or interpret this Agreement, venue shall be filed in the Superior Court for the State of California, in Riverside, California.

30. INTERPRETATION: The Parties hereto have negotiated this Agreement at arms-length and have been advised by their respective attorneys, or if not represented by an attorney, represent that they had an opportunity to be so represented and no provision contained herein shall be construed against County solely because it prepared this Agreement in its executed form.

31. NONDISCRIMINATION: During the performance of this agreement, the recipient, contractor, and its subcontractors shall not deny the agreement's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender

identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual expression, age, sexual orientation, or military and veteran status. Contractor shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.

32. AMENDMENT: This Agreement shall not be modified or amended without the written consent of both the Operator and the County. Said amendment shall be incorporated into a formal written amendment to the Agreement.

33. BINDING ON SUCCESSORS: The terms and conditions herein contained shall apply to and bind the heirs, successors in interest, executors, administrators, representatives, and assigns of all the parties hereto.

34. AUTHORITY TO EXECUTE: The persons executing this Agreement or exhibits attached hereto on behalf of the Parties to this Agreement hereby warrant and represent that they have the authority to bind the respective Parties to this Agreement to the performance of its obligations herein.

35. ENTIRE LICENSE: This Agreement and those documents incorporated herein by reference or attached: (i) constitutes the entire Agreement, supersedes all other prior Agreements and understandings, both written and oral, among the Parties, or any of them, with respect to the subject matter of this Agreement; (ii) is not intended to confer upon any person other than the Parties to this Agreement any rights or remedies under this Agreement.

(Signature Provisions on Following Page)

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement to be as of the date written.

**COUNTY:**  
COUNTY OF RIVERSIDE, a political subdivision of the State of California

**LICENSEE & OPERATOR:**  
Pickering Events LLC, a California limited liability company

BY:   
\_\_\_\_\_  
Jeff Hewitt, Chair  
Board of Supervisors

By:   
\_\_\_\_\_  
Chris Pickering, Principal Partner

DATED: JUN 07 2022

DATED: 4/29/2022

ATTEST:  
KECIA HARPER

Clerk of the Board

BY:   
\_\_\_\_\_  
Deputy

APPROVED AS TO FORM:  
COUNTY COUNSEL

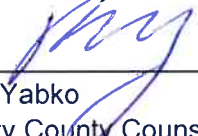
By:   
\_\_\_\_\_  
Ryan Yabko  
Deputy County Counsel



EXHIBIT "A-1"  
FAIRGROUNDS



EXHIBIT "A-2"  
FAIRGROUNDS



EXHIBIT "B"

RIVERSIDE COUNTY FAIRGROUNDS



EXHIBIT "C"

UTILITIES





		Phone Number: (760) 335-3640
Account #	Meter #	Location/Description
IID-5DY3BTOU-200508	50040944	South of Grandstand Arena
IID-2B6B-200294	50040951	RV Parking Lot (East of RR/Showers)
IID-4D7SR-101981	50725074	Admin Office – Hwy 111/Arabia St
IID- 5DY3BTOU-200245	50725077	Fullenwider Building Electrical Room
IID-2B6B-200233	50725079	Inside east fence line in the middle of Tram Road – Swap Meet & Tram Road
		Phone Number: (760) 340-2113
Account #	Location/Description	
50-IC 751794	Recycling Service	
50-HC 217613	Trash Service	
50-HO 390999	Weekly Rental Fees & Dump/Load 40 yd	
		Phone Number: (760) 391-4038
Account #	Location/Description	
56941-48162	82503 Highway 111 (001)	
11797-85302	N. 2 IRR Meter	
11799-85304	S. 2 IRR Meter	
122533-125796	82503 Highway 111 (002)	
12635-85336	Fairgrounds – Oasis St	
11791-59012	46350 Arabia St	
		Phone Number: (877) 238-0092
Account #	Location/Description	
016 724 3400 64	46350 Arabia St	

EXHIBIT "D"

EXISTING FURNITURE, FIXTURES & EQUIPMENT

ADMINISTRATION OFFICE	
LOCATION	ITEMS
Fair Manager Office	Chairs, desk, overhead and filing cabinets, bookcase, Cisco telephone
Special Event Manager Office	Chairs, desk, overhead shelves, filing cabinets, bookcase, Cisco telephone
Common Area	Four cubicles with desks with overhead and filing cabinets, three HP computers with dual monitors
Conference Room	Conference table, chairs, white board calendar, TV
Breakroom	Table, chairs, refrigerator, microwave
Restroom	Cabinet with cleaning supplies
Copy Room	Safe, shelving units, copy machine

FULLENWIDER BUILDING	
LOCATION	ITEMS
West side	Genie Lift
Auditorium	(3) Landfill/Recycle Trash Cans
Lobby	(1) Big Belly Solar Compacting Trash/Recycle Can

CRAFTS & HOBBIES BUILDING	
LOCATION	ITEMS
	(50) glass display cases, (11) glass miscellaneous display cases

SHALIMAR BUILDING	
LOCATION	ITEMS
Mezzanine	Conference table, chairs
Concessions Break Room	Microwave, fridge, (4) tall file cabinets, (2) upholstered chairs

<b>Patio</b>	(80) black vinyl chairs, (20) round white tables, custodial supplies
<b>Concessions Office</b>	(2) safes, (2) money counters, Cannon copy machine Image Class D530
<b>Kitchen</b>	(3) aluminum storage racks, refrigerator, (2) floor freezers, sandwich prep station,
<b>Shalimar Floor</b>	(8) Belly Tables, (16) stools, podium, (80) black vinyl chairs
<b>SECOND FLOOR</b>	
<b>NW Storage Room</b>	(3) storage shelves, (1) storage cabinet
<b>NW Office - Vault</b>	Large safe, (2) bookshelves, (1) file cabinet, cubicle divider
<b>NW Office - Center</b>	1 tall file/storage cabinet, (2) desks, (1) bookshelf, (2) tables, (1) safe, (1) microwave
<b>SW Office</b>	(2) desks, (3) tall file cabinets, upholstered chairs, sofa, backstage furniture
<b>SE Office – 2<sup>nd</sup> Floor</b>	Bookshelf, round table with glass top, (2) end tables, (2) upholstered chairs, desk with overhead storage, grey sofa
<b>NE Office – 2<sup>nd</sup> Floor</b>	(2) black leather chairs, (2) black leather sofas, desk with overhead storage, (2) short bookcases
<b>Closet Archive Room</b>	Fair archives
<b>Data Room</b>	Fair archives, IT equipment

<b>TAJ MAHAL BUILDING</b>	
<b>LOCATION</b>	<b>ITEMS</b>
<b>Custodial Closet</b>	Lockers (2) sets, 3 desks
<b>South side alcove</b>	Sink
<b>MEDIA/ENTRY OFFICE</b>	
<b>Front Lobby</b>	Desk
<b>SE Office</b>	Desk with overhead storage, (2) tall file cabinets, (4) chairs, (1) desk, cash register, bookcase, Prolock Electronic Safe, desk calculator, Konica Minolta Pagepro 5650EN Printer, Show-works Server Computer w/keyboard

<b>Entry/Ribbon Office</b>	Desk, (2) chairs, HP LaserJet Pro printer 400 MFP m425dn (black), (2) shelves, ribbons, Flag/flag poles & bases, Carvin sound system, floor fan
<b>NE Office</b>	(4) desks, (4) chairs, (2) short storage/filing cabinets, TV, whiteboard, refrigerator, HP LaserJet Pro 400 m401dn printer (black)
<b>NW Office</b>	(2) desks, chairs, (1) storage/file cabinet

### BOARD ROOM

LOCATION	ITEMS
	(2) sofas, (2) end tables, (1) coffee table, (1) folding table

### JUNIOR BUILDING

LOCATION	ITEMS
	(4) Trams, (4) old ticket booths, (8) new ticket booths, (10) refrigerator units, display case
	(68) Blue Benches, (32) Blue Tables, (108) Blue Trash Cans

### GEM & MINERAL BUILDING

LOCATION	ITEMS
	Gem & Mineral wood display counters, glass display cases with lights (6 rows), miscellaneous display cases
	(9) Resin Trash/Recycle containers (8) Concrete Trash/Recycle containers

### MAINTENANCE SHOP

LOCATION	ITEMS
<b>Shop</b>	Pallet of new orange traffic cones, refrigerator, tools, landscaping supplies & tools
<b>Office</b>	(2) desks, (2) filing cabinets

## MAINTENANCE STORAGE

LOCATION	ITEMS
	Electrical, lighting, and plumbing supplies, Custodial supplies
Green Storage Room	Paint, electrical supplies

## FAIRGROUNDS

LOCATION	ITEMS
Throughout the grounds	<ul style="list-style-type: none"><li>• Blue Metal Benches (68)</li><li>• Blue Metal Picnic Tables (32)</li><li>• Blue Metal Trashcans (108)</li><li>• Big Belly Solar Compacting Trash/Recycle Cans (9)</li><li>• Livestock Barns</li><li>• Animal Panels</li><li>• Animal Pens</li><li>• Arena</li><li>• Amphitheatre</li></ul>



EXHIBIT "E1"  
ASSIGNED LEASE AGREEMENT  
MACLIN MARKETS, INC.

LEASE  
OPEN AIR MARKET  
AT  
INDIO FAIRGROUNDS

LESSOR:

County of Riverside

LESSEE:

Maclin Markets, Inc.  
dba: Maclin's Indio Open Air Market

11/28/95

3.13

TABLE OF CONTENTS

<u>Paragraph</u>	<u>Heading</u>	<u>Page</u>
1.	Recitals . . . . .	1
2.	Description . . . . .	1
3.	Use . . . . .	1
4.	Term . . . . .	1
5.	Rent . . . . .	3
6.	Additional Obligations of Lessee . . . . .	3
7.	Ingress and Egress . . . . .	4
8.	Sign . . . . .	5
9.	Maintenance . . . . .	5
10.	Utilities . . . . .	5
11.	Inspection of Premises . . . . .	5
12.	Quiet Enjoyment . . . . .	5
13.	Compliance with Government Regulations . . . . .	5
14.	Accounting Records and Documents . . . . .	6
15.	Termination by RCFNDF . . . . .	6
16.	Termination by Lessee . . . . .	6
17.	Eminent Domain . . . . .	6
18.	Insurance . . . . .	7
19.	RCFNDF's Reserved Rights - Insurance . . . . .	7
20.	Hold Harmless . . . . .	8
21.	Assignment/Subleasing . . . . .	8
22.	Toxic Materials . . . . .	8
23.	Free from Liens . . . . .	9
24.	Employees and Agents of Lessee . . . . .	9

25.	Binding on Successors . . . . .	9
26.	Waiver of Performance . . . . .	10
27.	Severability . . . . .	10
28.	Venue . . . . .	10
29.	Attorneys' Fees . . . . .	10
30.	Notices . . . . .	10
31.	Permits, Licenses and Taxes . . . . .	10
32.	Paragraph Headings . . . . .	10
33.	RCFNDF's Representative . . . . .	11
34.	Agent for Service of Process . . . . .	11
35.	Entire Lease . . . . .	11
	Signatures . . . . .	10

LEASE

OPEN AIR MARKET AT INDIO FAIRGROUNDS

The RIVERSIDE COUNTY FAIR AND NATIONAL DATE FESTIVAL (herein called "RCFNDF") leases to MACLIN MARKETS, INC., a California corporation (herein called Lessee) the property described below upon the following terms and conditions:

1. Recitals.

(a) RCFNDF owns and operates fairgrounds situated within the City of Indio. RCFNDF conducts a Fair and National Date Festival at this location on an annual basis.

(b) Lessee desires to conduct a community-based open-air market on the South Parking Lot of the fairgrounds on a regular basis and RCFNDF is desirous of permitting such an activity to occur except during the periods that the Fair and National Date Festival and the Family Motor Coach Association rallies are held.

Lessee intends to operate and do business under this Lease as "Maclin's Indio Open Air Market".

2. Description.

The premises leased hereby consist of the South Parking Lot area (excluding that portion of the parking lot behind the Sheriff's station) within the Fairgrounds, City of Indio, State of California, as more specifically delineated on Exhibit "A" attached hereto and by this reference made a part of this Lease.

3. Use.

(a) The premises are leased hereby for the purpose of conducting a community-based open-air market to be known as Maclin's Indio Open Air Market and shall include, without limit, the sale of new and used consumer merchandise and produce by vendors in spaces allocated for that purpose.

(b) The leased premises shall not be used for any other purpose without first obtaining the written consent of RCFNDF, which consent shall be in the sole discretion of RCFNDF.

4. Term.

(a) The term of this Lease shall be for a period of five (5) years commencing as of the date of approval hereof, and signatures by all parties hereto, except the following periods during which Lessee is specifically pre-empted from use of the leased premises:

(1) Fair and National Date Festival. Those ten (10) days (including two consecutive weekends) during mid-February each year as determined by the Executive Director.

(2) Family Motor Coach Association RV Rally. Those six (6) days running Tuesday through Sunday during January each year as determined by the Executive Director.

Upon the conclusion of each of the foregoing events, the RCFNDF shall fully restore the leased premises to a safe and good operating condition, clean and free of debris.

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

(c) Lessee shall have two (2) options to extend the term of this Lease for two (2) separate and consecutive five-year periods, which options shall be exercised in the following manner:

(1) The First Option shall be exercised by Lessee giving RCFNDF notice of its election thereof, in writing no later than ninety (90) days prior to the expiration of the initial term of this Lease.

(2) The Second Option shall be exercised by Lessee giving RCFNDF notice of its election thereof, in writing no later than ninety (90) days prior to the expiration of the first extended term of this Lease.

(d) If both Option periods have been duly exercised and faithfully performed by Lessee, RCFNDF agrees hereby that Lessee shall have the right to lease the premises for two (2) consecutive, additional five (5) year terms thereafter (the "Additional Terms") at the greater of (i) the current rent payable by Lessee upon the conclusion of the Option periods provided for above, or (ii) the highest bid made through the competitive bidding process as required by law for lease of the premises by a third party making a bona fide, binding and credit-worthy offer to lease the premises from the RCFNDF. The term of this Lease shall be extended automatically following the expiration of the Option periods if, and for such time as, such bid process is not completed by the expiration thereof; provided, however, that Lessee shall have provided the written notice to the RCFNDF as required hereinbelow and further provided that Lessee shall have the right to lease the premises for the Additional Terms at the rent payable by Lessee upon the conclusion of the Option periods if the competitive bidding process is not completed within three (3) months following the conclusion of the Option periods. Lessee's lease of the premises during the Additional Terms will be on all terms and conditions set forth in this Lease,

except as to rent which will be determined in accordance with this provision. Lessee shall be under no obligation to exercise its right of first refusal to lease the premises for the Additional Terms, or for the second five (5) year period of the Additional Terms in the event that Lessee exercise its rights hereunder as to the first of such five (5) year periods. In order to exercise its right of first refusal hereunder, Lessee shall provide RCFNDF with a written notice of its intent to exercise its right of first refusal no later than ninety (90) days prior to the conclusion of the Option periods (and no later than ninety (90) days prior to the conclusion of the first five (5) year period of the Additional Terms, as applicable). In the event that Lessee provides such notice to RCFNDF prior to the expiration of the Option periods, RCFNDF shall provide Lessee with complete and accurate copies of all bids received by the RCFNDF for lease of the premises. Upon Lessee's exercise of its right of first refusal hereunder and the completion of the competitive bidding process and determination of the applicable rent as contemplated herein, Lessee and RCFNDF agree to execute a lease amendment as necessary to reflect the exercise of Lessee's right of first refusal as to the Additional Terms and the modified rent amount, if any.

5. Rent.

(a) Lessee shall pay to RCFNDF rent for the leased premises, payable on the first Tuesday of each month during the term of this Lease, an amount equal to Two and 50/100ths Dollars (\$2.50) per occupied vendor space per market day within the leased premises licensed by Lessee to its vendors for such month.

(b) In the event Lessee fails, or refuses, to make its monthly rental payment in the amount and within ten (10) days of the date as required in Paragraph 5(a) above, Lessee shall pay to RCFNDF a late fee equal to ten percent (10%) of the monthly rental amount due, as an administrative charge, which charge represents a minimal cost incurred by RCFNDF by virtue of such failure or refusal.

(c) The rental rate of Two and 50/100ths Dollars (\$2.50) per occupied vendor space per market day specified in subsection (a) above shall be subject to increase or decrease at the commencement of each year of the term (after the first year) based on any increase or decrease in the Consumer Price Index ("CPI") for the applicable period.

6. Additional Obligations of Lessee. In addition to any other obligation which Lessee has hereunder, it shall during the term of this Lease, and any extension thereof:

(a) Be responsible for the conduct and operation of the uses contemplated by this Lease, and Lessee shall employ and maintain personnel who are trained and skilled in order to competently perform the tasks related to such conduct and operation and who are acceptable to RCFNDF.

(b) Consult from time to time as reasonably requested with RCFNDF's fairgrounds staff with respect to the planning, marketing and operation of the Open Air Market.

(c) Exercise reasonable efforts to require that each and every commercial vendor has provided Board of Equalization, State of California with information designating the City of Indio as the business location of the vendor's resale license in order that the City of Indio is entitled to an appropriate share of any sales taxes which may be generated hereunder.

(d) Lessee may, upon prior submission of complete plans and with the approval of the Executive Director or the RCFNDF, make alterations and/or additions from time to time during the term hereof upon or to the leased premises provided that no such alteration either diminishes the value of the leased premises or prevents its existing use or operation. All such alterations and additions shall be accomplished in a good and workmanlike manner, in compliance with all applicable federal, state and local laws and requirements and shall be prosecuted to completion with reasonable diligence. Fifty percent (50%) of the cost of such alterations and/or additions shall be applicable to and credited as an offset against rent otherwise payable by Lessee under Paragraph 5 herein at a rate no more than ten percent (10%) of the current monthly rent until Fifty percent (50%) the full cost is offset. In the event cost records for alterations and/or additions are not reasonably available or accessible to Lessee, the "cost" as referenced in the immediately preceding sentence hereof for such alterations and/or additions shall be deemed to be an amount equal to an appraisal for such alterations and/or additions as obtained by Lessee and at its cost. Lessee shall not be obligated to remove any such alterations and/or additions upon termination of this Lease.

(e) Provide portable or permanent restroom facilities at the leased premises to accommodate Lessee, its agents, employees, vendors, sublessees and the general public.

(f) Provide sufficient trash cans, banner poles, benches and portable fencing within the leased premises.

7. Ingress and Egress. Lessee shall be permitted ingress and egress to and from the leased premises through established gates and/or over such routes as are designated by RCFNDF's Executive Director.



8. Signs. Lessee shall not erect, maintain or display any signs or other forms of advertising upon the leased premises without first obtaining the written approval of RCFNDF, which approval shall not be unreasonably withheld.

9. Maintenance. Lessee shall maintain the leased premises in a neat, safe, orderly and attractive manner during the term of this Lease, and any extension thereof, and Lessee shall provide for the sanitary handling and disposal of all refuse accumulated as a result of Lessee's use of the leased premises. Clean up will start immediately after each event and will be completed prior to 7 a.m. the following day. Lessee shall not store any equipment without the written approval of the Executive Director (except that Lessee may store equipment presently in place in the one (1) 40' container and two (2) storage sheds presently located on the leased premises). Any further storage units will require prior written approval of the Executive Director and an additional storage charge. Vendors will not be allowed to place storage units on the leased premises unless prior arrangements have been made through the RCFNDF Executive Director and a space/storage rental fee charged. RCFNDF will notify Lessee of any vendor storage container agreements.

10. Utilities. Lessee shall provide, or cause to be provided, all water, electrical and sewer utility services required in the use, maintenance and operation of the leased premises by separate metering or otherwise. Notwithstanding the foregoing, Lessee at its option may use existing electrical outlets on the leased premises and shall pay the RCFNDF Fifty Dollars (\$50.00) per week during the periods in which such outlets are utilized or, at Lessee's option, Twenty Dollars (\$20.00) per week during the periods in which a portion of such outlets are utilized in conjunction with Lessee's use of its electrical generators.

11. Inspection of Premises. RCFNDF, through its duly authorized 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.

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

13. 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 and directly arising from its use by Lessee.

14. Accounting Records and Documents.

(a) Lessee shall maintain accounting records and supporting documents regarding space(s) licensed to its vendors as specified in Paragraph 5 herein. A report thereof shall be provided to the RCFNDF concurrently with payment of rent as specified in Paragraph 5.

(b) RCFNDF shall have the right to examine, inspect and audit such records and documents referred to in Paragraph 14(a) above subject to reasonable written notice to Lessee given not less than two (2) business days prior to such examination, inspection or audit.

15. Termination by RCFNDF. RCFNDF shall have the right to terminate this Lease:

(a) In the event a petition is filed for voluntary or involuntary bankruptcy for the adjudication of Lessee as a debtor.

(b) In the event that 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 including its rental obligations; provided, however, that Lessee shall have thirty (30) days in which to correct Lessee's breach or default after written notice thereof has been served on Lessee by RCFNDF, and if not capable of cure within such time, then provided efforts to cure are commenced and diligently prosecuted to completion.

16. Termination by Lessee. Lessee shall have the right to terminate this Lease upon thirty (30) days prior written notice by Lessee to RCFNDF at any time during the initial term or any extensions hereof and in Lessee's sole, absolute and subjective discretion, or in the event RCFNDF fails to perform, keep or observe any of its duties or obligations hereunder; provided, however, that RCFNDF shall have fifteen (15) days in which to correct its breach or default after written notice thereof has been served on it by Lessee.

17. Eminent Domain. If any portion of the leased premises shall be taken by eminent domain and a portion thereof remains which is usable by Lessee for the purposes set forth in Paragraph 3 herein, this Lease shall, as to the part taken, terminate as of the date title shall vest in the condemnor, or the date prejudgment possession is obtained through a court of competent jurisdiction, whichever is earlier, and the rent payable hereunder shall abate pro rata as to the part taken; provided, however, in such event

RCFNDF reserves the right to terminate this Lease as of the date when title to the part taken vests in the condemnor or as of such date of prejudgment possession. If all of the leased premises are taken by eminent domain, or such part be taken so that the leased premises are rendered unusable for the purposes set forth in Paragraph 3 herein, this Lease shall terminate. If a part or all of the leased premises be so taken, all compensation awarded upon such taking shall be payable to RCFNDF; provided, however, Lessee shall be entitled to any separate award or portion of the award made to the RCFNDF for loss of Lessee's good will and income, relocation expenses and the unamortized value of any leasehold improvements made to the leased premises and paid for by Lessee.

18. Insurance. Lessee shall during the term of this lease:

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

(b) Procure and maintain comprehensive general liability and premises 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, whether such use be by Lessee, or by anyone employed directly or indirectly by either of them. Such insurance shall name RCFNDF and Lessee as an additional insured with respect to this Lease and the obligations of Lessee hereunder. Such insurance shall provide for limits of not less than \$1,000,000.00 per occurrence.

(c) Cause its insurance carriers to furnish RCFNDF by direct mail with Certificate(s) of Insurance showing that such insurance is in full force and effect, and that RCFNDF (and Lessee when applicable) is named as an additional insured with respect to this Lease and the obligations of Lessee (and sublessee when applicable) hereunder. Further, said Certificate(s) shall contain a covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to RCFNDF prior to modification, reduction or cancellation in coverage and on the effective date thereof, this Lease shall terminate forthwith, unless RCFNDF 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.

19. RCFNDF's Reserved Rights - Insurance. RCFNDF reserves the right to adjust the monetary limits of insurance coverage as required in Paragraph 18 herein periodically during the term of this Lease, or any extensions thereof; provided, however, that any adjustment herein shall not increase the monetary limits of insurance coverage above that which is the then current commercially acceptable standard in the industry.

20. Hold Harmless.

(a) Lessee represents that it has inspected the Leased premises, accepts the condition thereof and fully assumes any and all risks incidental to the use thereof. RCFNDF shall not be liable to Lessee, its officers, 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, on, upon or within the leased premises; provided, however, that such dangerous conditions are not caused by the sole negligence of RCFNDF, its officers, agents or employees.

(b) Lessee shall indemnify and hold RCFNDF, its officers, agents, employees and independent contractors free and harmless from any liability whatsoever, based or asserted upon any act or omission of Lessee, its officers, 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 without limitation attorney fees, expert fees and investigation expenses, the RCFNDF, its officers, agents, employees and independent contractors in any legal action based upon such alleged acts or omissions. The obligations to indemnify and hold RCFNDF free and harmless herein shall survive until any claim, action or cause of action with respect to any such alleged acts or omissions are fully and finally barred by the applicable statute of limitations.

(c) The specified insurance limits required in Paragraph 18 herein shall in no way limit or circumscribe Lessee's obligations to indemnify and hold RCFNDF free and harmless herein.

21. Assignment/Subleasing. Although this Lease contemplates the leased premises will be used, and otherwise occupied by third parties, Lessee understands and agrees that it cannot assign, sublet or otherwise transfer in any manner, other than as contemplated by the parties, any of its rights, duties or obligations hereunder to any persons or entity without the written consent of RCFNDF being first obtained, which consent shall be solely at the RCFNDF's discretion; provided, however, Lessee may assign, sublet or license portions of the leased premises to its vendors without the consent or approval of the RCFNDF. In the event of any such transfer, Lessee understands and agrees that it shall remain liable with respect to any and all of the obligations and duties contained in this Lease.

22. Toxic Materials. During the term of this Lease and any extensions thereof, Lessee shall not violate any federal, state or local law, 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, the Lessee 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 not be limited to, substances defined as "hazardous substances," "hazardous materials," or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 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, 42 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 Section 25316 of the California Health and Safety Code; and in the regulations adopted in publications promulgated pursuant to said laws. Notwithstanding anything herein which may be construed to the contrary, Lessee shall not be considered in breach or default of its obligations under this paragraph of the Lease upon the violation of any federal, state or local law, ordinance or regulation, relating to industrial hygiene or environmental condition or arising from or relating to the use, generation, manufacture, production, storage, disposal or transportation of hazardous materials on, under or about the leased premises by Lessee's assignors, sublessees, licensees, vendors, guests, invitees, contractors or the public attending or doing business at any Open Air Market.

23. Free from Liens. Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Lessee, in, upon, or about the leased premises, and which may be secured by a mechanics', materialmen's or other lien against the leased premises or RCFNDF's interest therein, and will cause each such lien to be fully discharged and released at the time the performance of any obligation 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.

24. 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 RCFNDF.

25. 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.

26. Waiver of Performance. No waiver by RCFNDF 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.

27. 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.

28. 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 RCFNDF 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 RCFNDF.

29. Attorneys' Fees. In the event of any litigation or arbitration between Lessee and RCFNDF 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 or award rendered in such litigation or arbitration.

30. 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:

If to RCFNDF:                      Riverside County Fair and  
National Date Festival  
46-350 Arabia Street  
Indio, CA 92201

If to Lessee:                      Maclin Markets, Inc.  
7407 Riverside Drive  
Ontario, CA 91761

or to such other addresses as from time to time may be designated by the respective parties.

31. 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.

32. 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.

33. RCFNDF's Representative. RCFNDF hereby appoints the Executive Director as its authorized representative to administer this Lease.

34. Agent for Service of Process. It is expressly understood and agreed that in the event Lessee is a resident of the State of California or it is an association or partnership without a member or partner resident of the State of California, or it is a foreign corporation, then in any such event, Lessee shall file with RCFNDF's Executive Director, upon its execution hereof, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action arising out of or based upon this Lease, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon Lessee. It is further expressly understood and agreed that if for any reason service of such process upon such agent is not feasible, then in such event Lessee may be personally served with such process out of this RCFNDF and that such service shall constitute valid service upon Lessee. It is further expressly understood and agreed that Lessee is amenable to the process so served, submits to the jurisdiction of the Court so obtained and waives any and all objections and protests thereto.

35. 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.

Dated: November 28, 1995

RIVERSIDE COUNTY FAIR AND  
NATIONAL DATE FESTIVAL

By: Kay Ceniceros  
Chairman, KAY CENICEROS  
Board of Supervisors

ATTEST:

GERALD A. MALONEY,  
Clerk of the Board

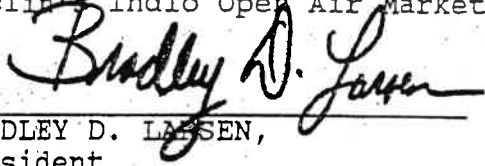
By: Margaret [Signature]  
Deputy

(SEAL)

LESSEE:

MACLIN MARKETS, INC.,  
a California corporation  
dba: Maclin's Indio Open Air Market

By:

  
BRADLEY D. LASSEN,  
President



**FIRST AMENDMENT TO LEASE  
(SOUTH PARKING LOT – RIVERSIDE COUNTY FAIRGROUNDS)**

This FIRST AMENDMENT TO LEASE ("Amendment"), dated as of November 9<sup>th</sup>, 2016 is entered into by and between the County of Riverside (on behalf of its Riverside County Fair & National Date Festival), a political subdivision of the State of California, as Lessor, and Maclin Markets, Inc. (dba Maclin Indio Open Air Market), a California corporation, as Lessee, sometimes collectively referred to as the "Parties".

**RECITALS**

- A. Lessor and Lessee have entered into that certain Lease, dated November 28, 1995, (the "Original Lease") pursuant to which Lessor has agreed to lease to Lessee and Lessee has agreed to continue to lease from Lessor the South Parking Lot area within the Fairgrounds as stated in the Original Lease.
- B. The Original Lease has previously been extended by the Parties as follows:
- The initial term of the Lease was for a duration of five years through November 28, 2000.
  - The First Option of the Lease was for a duration of five years through November 28, 2005
  - The Second Option 2 of the Lease was for a duration of five years through November 28, 2010.
  - The first Additional Term of the Lease was for a duration of five years through November 28, 2015.
  - The second Additional Term of the Lease, currently in effect, is for a duration of five years through November 28, 2020.
- C. The Original Lease together with this Amendment are collectively referred to herein as the "Lease."
- D. The Parties now desire to amend the Lease as stated in this Amendment.

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

1. **TERM.** The Parties acknowledge and agree the current term of the Lease is through November 28, 2020. Section 4(d) of the Original Lease is hereby amended as follows:

Following completion of the work described in Section 3 below, Lessee shall have the right of first refusal to extend this Lease for two (2) consecutive additional five (5) years terms going through November 28, 2030.

2. RENT. The current rent payment as of the date of this First Amendment is \$3.68 per occupied vendor space per market day. All terms of Section 5 of the Original Lease shall remain in effect.
3. WORK TO BE DONE BY LESSEE: Section 6(d) of the Original Lease is hereby amended and the following is added as a second paragraph:

In exchange for the terms stated in the First Amendment, Lessee shall promptly have the entire Swap Meet area of the leased premises, comprising an area of approximately 405,000 square feet, repaved and restriped with two inches (2") of asphalt over petromat. This work shall be done by a licensed and insured contractor whose workers shall be paid California prevailing wages. The contractor shall be hired by Lessee; and Lessee shall be solely and fully responsible to pay contractor in full for this work. Lessor shall not be responsible in any way to pay contractor or any other party for this work. The second, third and fourth sentences of the first paragraph of this section shall not apply to this work.

4. NOTICES. Section 30 of the Original Lease is hereby amended as follows:

The current addresses for notice under the Lease are as follows:

If to Lessor: Riverside County Fair and National Date Festival  
82-503 Hwy 111  
Indio, CA 92201

If to Lessee: Maclin Markets, Inc.  
7407 Riverside Dr.  
Ontario, CA 91761

5. CAPITALIZED TERMS. Unless defined herein or the context requires otherwise, all capitalized terms herein shall have the meaning defined in the Lease, as heretofore amended.
6. AMENDMENT TO PREVAIL. The provisions of this Amendment shall prevail over any inconsistency or conflicting provisions of the Lease, as heretofore amended, and shall supplement the remaining provisions thereof.
7. MISCELLANEOUS. Except as amended or modified herein, all the terms of the Original Lease shall remain in full force and effect and shall apply with the same force and effect. Time is of the essence in this Amendment and the Lease and each and all of their respective provisions. Subject to the provisions of the Lease as to assignment, the agreements, conditions and provisions herein contained shall apply to and bind the heirs, executors, administrators, successors and

assigns of the parties hereto. If any provisions of this Amendment or the Lease shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of the Lease and all such other provisions shall remain in full force and effect. The language in all parts of the Lease shall be construed according to its normal and usual meaning and not strictly for or against either Lessor or Lessee. Neither this Amendment, nor the Original Lease, nor any notice nor memorandum regarding the terms hereof, shall be recorded by Lessee.

8. EFFECTIVE DATE. This Amendment to Lease shall not be binding or consummated until its approval by the Riverside County Board of Supervisors and fully executed by the Parties.

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

Dated: 11/8/16

ATTEST:  
Kecia Harper-Ihem  
Clerk of the Board

By: [Signature]  
Deputy

(SEAL)

LESSOR:  
County of Riverside

By: [Signature]  
Name: JOHN J. BENOIT

Title: CHAIRMAN, BOARD OF SUPERVISORS

APPROVED AS TO FORM:  
Gregory P. Priamos  
County Counsel

By: [Signature]  
Neal R. Kipnis, Deputy Co. Counsel

LESSEE:  
Maclin Markets, Inc. dba Maclin Indio Open Air Market

By: [Signature]  
Name: Gregory L. Herkin  
Title: CEO / President

EXHIBIT "E2"

ASSIGNED RAILROAD CLUB RENTAL AGREEMENT

RIVERSIDE COUNTY FAIR AND NATIONAL DATE FESTIVAL  
INTERIM EVENTS  
SPACE RENTAL AGREEMENT

This Agreement is made and entered into the 3<sup>rd</sup> day of June, 2019 by and between the County of Riverside ("COUNTY") and Model Railroad Club ("RENTER"). The parties agree as follows:

1. Documents Made Part of This Agreement: This Agreement is comprised of the following documents: This Agreement.
2. Space: COUNTY grants to RENTER the right to occupy the following space: **Center section and north end of the Home Arts Building with entrance and exit through Gate 4 or Gate 1 pending scheduled interim events. June 1, 2019 through June 1, 2022, with an additional option to renew for an additional two (2) years with County approval. If RENTER chooses to renew for an additional two (2) years, RENTER must submit to COUNTY a letter of intent 30 days prior to expiration of lease. County may terminate agreement with a ninety (90) day notice if land use changes occur.**

RENTER's use of this space shall be limited to the following purpose and activity: **Display model railroad exhibit.**

RENTER has the experience to properly conduct this activity in an appropriate manner.

3. Payment: RENTER shall pay COUNTY the following amount(s) for the rights and privileges granted by this Agreement: **Rental fee waived, however, Model Railroad Club members shall assist in cleaning the entire building starting February 1<sup>st</sup> of each year in preparation of the Riverside County Fair & National Date Festival.**

4. County Representative: The following COUNTY representative shall be the contact for RENTER with regard to this Agreement:

Name: **Pamela Iniguez**

Title: **Interim Events Coordinator**

5. Dates for Activity; Force Majeure: COUNTY shall not be in default under this Agreement or liable in any way to RENTER if for any reason the activity described in this Agreement is not held on the planned date(s). This shall apply regardless of the cause of why the activity is not held on the planned date(s). If the activity is not held on the planned date(s), COUNTY shall not be required to pay any damages (including but not limited to lost profits or consequential damages), reimbursement or other compensation to RENTER, or to pay any refund to RENTER. The terms of this section shall also apply if the activity is interrupted or delayed, in part or in full.
6. Compliance with Laws; Licensing: RENTER shall comply with all applicable laws, rules and regulations related to performance of this Agreement, including but not limited to all applicable fair employment, civil rights, access, health and safety laws, rules and regulations. RENTER represents and warrants that it has all licenses, permits and qualifications as are legally or professionally required to perform the activities stated in this Agreement. RENTER shall comply with all applicable COUNTY policies, procedures, rules and regulations.
7. Termination: This Agreement may be terminated by COUNTY for any reason (with or without cause) upon giving 30 days written notice to RENTER. COUNTY may terminate this Agreement immediately (or re-assign or re-rent RENTER's space) and may retain any payments or deposits already made by RENTER to COUNTY when any of the following occurs: (1) COUNTY determines that RENTER's activities are resulting in or may result in discredit to COUNTY; (2) RENTER has acted dishonestly; (3) RENTER is unwilling or unable for any reason to properly perform; or (4) RENTER fails to comply with the payment or other terms of the Agreement.
8. Independent Contractor: A. RENTER is acting as an independent contractor, and no relationship of employer-employee exists between RENTER (including its employees, agents or representatives) and COUNTY. RENTER assumes full and exclusive responsibility for its acts and the acts of its employees, agents and subcontractors related in any way to this Agreement. RENTER (including its employees, agents or representatives) shall not be entitled to any benefits payable to employees of COUNTY, including but not limited to workers' compensation, retirement, leave or other similar benefits. RENTER assumes full responsibility for payments of all federal, State and local taxes or other contributions imposed or required under social security, workers' compensation, income tax, disability, unemployment, retirement or similar laws or regulations, related to RENTER, its employees, agents or representatives. RENTER shall indemnify COUNTY against any and all claims that may be made against COUNTY based upon a contention by any person or entity that an employer-employee relationship exists by reason of this Agreement, including but not limited to any federal, State or other payments which COUNTY may be required to make related to such a claim. RENTER shall immediately reimburse COUNTY for any payments which COUNTY may be required to make related to any such claim.
- B. RENTER and its agents, servants, employees, subcontractors or other representatives shall not act and shall not in any manner be construed to be agents, officers, or employees of COUNTY; shall not in any manner incur or have the power to incur any debt, obligation or liability against or on behalf of COUNTY; and shall in no way represent themselves to be officers, employees or agents of COUNTY. COUNTY shall not in any way be liable for any debts, acts, obligations or other liabilities or actions of RENTER, its agents, servants, employees, subcontractors or other representatives.
9. Insurance: A. No later than **June, 2019**, RENTER shall provide to COUNTY original insurance certificates which evidence the following coverages from companies licensed to issue such insurance in the State of California:
- (a) Workers' compensation insurance as required by the laws of the State of California;
  - (b) Commercial general liability insurance, on an occurrence basis, with limits not less than \$1,000,000 combined single limit per occurrence (for injury, death, property damage or other occurrence);

(c) For contracts involving extensive use of vehicles (automobiles, trucks or other vehicles) on or near the Fair grounds, commercial automobile liability insurance, on an occurrence basis, with limits of not less than \$1,000,000 combined single limit per occurrence (for injury, death, property damage or other occurrence); and

(d) Any other insurance required by law or the State of California for this type of activity or event.

B. The insurance certificates must also include the following:

(a) The dates of inception and expiration of the insurance;

(b) A statement that the following are listed as additional insureds: The County of Riverside; the Riverside County Fair and National Date Festival; the Riverside County Economic Development Agency; and the officers, employees, servants and agents of these entities;

(c) A statement that the insurance cannot be cancelled or reduced without 30 days prior written notice to COUNTY; and

(d) A statement that the certificate holder shall be: **County of Riverside, Riverside County Fair and National Date Festival, 82-503 Hwy 111, Indio, California 92201.**

10. Indemnification: RENTER shall indemnify and hold harmless COUNTY, including its officers, employees and agents, from any and all liabilities, claims, damages, demands, or actions of whatever kind or nature (including, but not by way of limitation, wrongful death, bodily injury, property damage, and legal representation and expenses) arising out of or in any manner connected with RENTER's activities or actions related to this Agreement.

11. Right to Monitor: COUNTY shall have the right to monitor the activities of RENTER. COUNTY shall at all times have access to the premises for inspection or to assure compliance with this Agreement.

12. Governing Law; Jurisdiction: This Agreement shall be governed by and interpreted in accordance with the laws of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court for the State of California located in Riverside County. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of the Agreement will continue in full force without being impaired or invalidated in any way.

13. Miscellaneous: A. RENTER shall be responsible for all taxes imposed upon RENTER in any way related to this Agreement. The legal interests given to RENTER in this Agreement may cause RENTER to be subject to property or other taxation.

B. RENTER shall not assign any interest in or part of this Agreement without the prior written consent of COUNTY.

C. RENTER shall ensure that there shall be no discrimination against or segregation of any person, or group of persons, on account of disability, sex, marital status, race, religion, color, creed, national origin, or ancestry related in any way to the activities specified in this Agreement.

D. Any waiver by COUNTY of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent breach of the same or of any other term hereof. Failure on the part of COUNTY to require exact, full and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms of this Agreement or estopping COUNTY from enforcement of such terms.

E. This agreement is intended by the parties as the final, complete and exclusive statement of their understanding with respect to the subject matter of this Agreement, and supersedes any and all prior or contemporaneous oral or written understandings or statements. This Agreement may be changed or modified only pursuant to a written document signed by the authorized representatives of both parties.

14. Additional Requirements: A. RENTER shall not be allowed to occupy the site or otherwise begin the activity until all preliminary requirements and terms and conditions have been met. RENTER will conduct its activity in a quiet and orderly manner. RENTER shall keep its space and adjacent areas properly arranged, orderly and clean. RENTER's activity shall not infringe upon other persons, vendors, renters or the public. RENTER shall confine its activity to the space described in the Agreement. RENTER shall not engage in any other activity at or about the space other than as expressly stated in this Agreement. All methods of activity, operation or sale shall be subject to the approval of COUNTY. RENTER's space is subject to relocation if deemed necessary by COUNTY.

B. COUNTY is not responsible for loss or damage to the property of RENTER.

C. RENTER is solely and entirely responsible for the space allotted to RENTER. RENTER represents that it has inspected the space and the premises which are the subject of this Agreement, has accepted the condition of the space and the premises, and fully assumes any and all risks incidental to the use of the space and the premises. RENTER shall immediately reimburse COUNTY for any damage to the space, equipment, grounds or other property which occurs in connection with RENTER's use of the space.

D. RENTER will not handle or sell any items or transact any business for which an exclusive privilege has been given to another person by COUNTY.

E. RENTER shall comply with all safety orders of COUNTY, the State of California Division of Industrial Safety Dept. of Industrial Relations, and other regulatory agencies. All tents, structures or enclosures erected by RENTER shall have the prior approval of COUNTY and other regulatory agencies. Any decorative material used by RENTER must be flame-proof.

F. No later than N/A, RENTER shall remove each and every item from RENTER's space (including but not limited to all boxes, crates, goods, materials, trash or debris). If RENTER fails to fully and properly vacate the space as required, COUNTY may without further notice to RENTER remove and store any unremoved items at the risk and expense of RENTER. Any item of RENTER that has not been retrieved by RENTER within 15 days of the end of RENTER's activity shall be considered abandoned, shall become the property of COUNTY, and COUNTY may thereafter dispose of such item as COUNTY in its sole discretion deems to be appropriate.

G. All signs must be of a professional nature. No signs may extend beyond the airspace of RENTER's space without prior written consent of COUNTY. COUNTY, in its sole discretion, may disallow or require to be removed any signs that are considered offensive or inappropriate.

H. Building to be available for set-up on N/A in an "as is" condition. Renter agrees to be responsible for all or any cleanup necessary for function.

I. RENTER shall return building and parking lots to a clean condition. The access to the building shall be coordinated with Pamela Iniguez. A schedule (opening and closing times) to be provided by February 28, 2019.

J. RENTER shall mention Riverside County Fair and National Date Festival as sponsor.

K. RENTER is responsible for security for entire event.

L. If a dispute arises between RENTER and COUNTY which is not settled by discussion, RENTER shall immediately submit a written statement to COUNTY which fully describes this dispute. COUNTY shall make a decision in writing regarding the dispute, which shall be final and conclusive. RENTER shall continue to comply with all Agreement requirements without interruption during the dispute period.

M. RENTER shall maintain club area.

N. No improvements shall be made to building, inside and out, without prior COUNTY approval.

O. RENTER and Coachella Valley Model Railroad volunteer(s) are covered by County of Riverside general liability insurance as long as the volunteer(s) are performing services on behalf of the County of Riverside.

("RENTER")



By: \_\_\_\_\_  
Name and title: Jim Hundley  
Coachella Valley Model Railroad  
43-714 Commanche St  
Indio, CA 92203  
(760) 347-6218

Dated: June 3, 2019

COUNTY OF RIVERSIDE

By: \_\_\_\_\_  
Name and title: Veronica Casper  
Fair Manager

Dated: 6/6/19

## Coachella Valley Model Railroaders, Inc.

Located on the Riverside County National Date Festival Fairgrounds

April 18, 2022

Fair Manager

Veronica Casper

In regards to our current lease contract agreement that was signed and dated June 6, 2019 by Veronica Casper, we are giving our intent to renew our current lease contract agreement to renew for an additional 2 years.

For your information, we are a 501c3 organization.

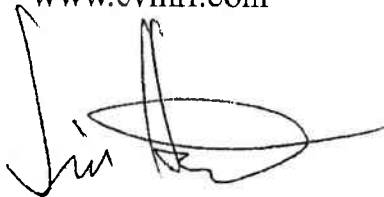
Our tax ID # 33-0726432

For Coachella Valley Model Railroaders

Jim Hundley, co-founder

info@cvmrr.com

www.cvmrr.com

A handwritten signature in black ink, appearing to read "Jim Hundley", with a large, stylized flourish at the end.



County of Riverside  
Facilities Management  
3133 Mission Inn Avenue, Riverside, CA

FOR COUNTY CLERK USE ONLY

Original Negative Declaration/Notice of  
Determination was routed to County  
Clerks for posting on.

5/19/22      gmr  
Date                      Initial

**NOTICE OF EXEMPTION**

May 4, 2022

**Project Name:** Indio Fairgrounds Operating Agreement

**Project Number:** FM0417200416

**Project Location:** 82-503 Highway 111, east of Arabia Street, Indio, California, Assessor's Parcel Number (APN): 614-040-006

**Description of Project:** The County of Riverside (County) owns the property located at 82-503 Highway 111, Indio, California, 92201, commonly known as the Riverside County Fairgrounds (Fairgrounds). The Fairgrounds encompasses approximately 91-acres with thirteen buildings, one metal canopy, an open-air amphitheater, and a grandstand arena. There is one current and existing lease which provides a tenant to operate a bi-weekly Open Air Market.

The Real Estate Division of Facilities Management prepared a Request for Proposal (RFP) for operation and maintenance for the Riverside County Fairgrounds and Fair by private operators. After all interviews were conducted, the selection committee made the decision to select Pickering Events, LLC, as the Operator for the Riverside County Fairgrounds and Fair based on their professional experience and qualifications within the Fair Industry.

Through this approval of the License and Operating Agreement (Agreement), the Operator will operate and maintain the Fairgrounds for the benefit of the residents of the County. The Operator will pursue, provide and pay for the full operations and use of the Fairgrounds, Fair and Interim Events and including event programming, marketing, management, security, maintenance (excepting capital maintenance) and environmental compliance of all areas. The Operating Agreement with Pickering Events, LLC is for a period of five years commencing on the effective date and includes one option of five years to extend the Agreement. Each party will have the right to terminate the Agreement at any time and for any reason by giving the other party at least 180 days prior written notice. The Operating Agreement with Pickering Events, LLC is identified as the proposed project under the California Environmental Quality Act (CEQA). The Operating Agreement would maintain an ongoing use of an existing facility and would not result in physical changes or an expansion of capacity. No additional direct or indirect physical environmental impacts are anticipated.

**Name of Public Agency Approving Project:** Riverside County

**Name of Person or Agency Carrying Out Project:** Riverside County Facilities Management

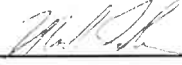
JUN 07 2022 3:12

**Exempt Status:** State CEQA Guidelines, Section 15301, Class 1, Existing Facilities Exemption; Section 15323 Class 23 Normal Operations of Facilities For Public Gatherings, Section 15061(b) (3), General Rule or “Common Sense” Exemption, Codified under Title 14, Articles 5 and 19, Sections 15061, 15300 to 15301, and 15323.

**Reasons Why Project is Exempt:** The proposed project is categorically exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The project will not cause an impact to an environmental resource of hazardous or critical concern nor would the project involve unusual circumstances that could potentially have a significant effect on the environment. The project would not result in impacts to scenic highways, hazardous waste sites, historic resources, or other sensitive natural environments, or have a cumulative effect to the environment. No significant environmental impacts are anticipated to occur with the Operating Agreement.

- **Section 15301 – Class 1 Existing Facilities Exemption:** This categorical exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site’s use. The project, as proposed, is limited to a five-year Operating Agreement to operate and maintain the existing Indio Fairgrounds. The continued operation and maintenance would not result in any expansion of public services and facilities. Therefore, the Project is exempt as the Project meets the scope and intent of the Class 1 Exemption identified in Section 15301, Article 19, Categorical Exemptions of the CEQA Guidelines.
- **Section 15323 – Class 23 Normal Operations of Facilities For Public Gatherings Exemption:** This categorical exemption includes the normal operation of existing facilities for public gatherings for which the facilities were designed, where there is a past history of a similar purpose. The project, as proposed, is limited to an extension of an Operating Agreement to operate and maintain the existing Indio Fairgrounds in a similar manner to the purpose that has occurred since 1947. Therefore, the Project is exempt as the Project meets the scope and intent of the Class 1 Exemption identified in Section 15301, Article 19, Categorical Exemptions of the CEQA Guidelines.
- **Section 15061 (b) (3) – “Common Sense” Exemption:** In accordance with CEQA, the use of the Common Sense Exemption is based on the “general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment.” State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” *Ibid*. This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is required. With certainty, there is no possibility that the project may have a significant effect on the environment. The proposed Operating Agreement with Pickering Events, LLC will not result in any direct or indirect physical environmental impacts. The Agreement will not result in changes to the existing use and will not create any new environmental impacts to the surrounding area. No alterations and no impacts to the existing use of the site would occur. Therefore, in no way, would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Therefore, the County of Riverside Facilities Management hereby concludes that no physical environmental impacts are anticipated to occur and the project as proposed is exempt under CEQA. No further environmental analysis is warranted.

**Signed:**  \_\_\_\_\_ **Date:** 5-4-2022  
Mike Sullivan, Senior Environmental Planner  
County of Riverside, Facilities Management

**RIVERSIDE COUNTY CLERK & RECORDER**

**AUTHORIZATION  
TO BILL  
BY JOURNAL VOUCHER**

**Project Name: Indio Fairgrounds Operating Agreement**

**Accounting String: 522310-10000-7201300000-FM0417200416**

DATE: May 9, 2022

AGENCY: Riverside County Facilities Management

THIS AUTHORIZES THE COUNTY CLERK & RECORDER TO BILL FOR FILING AND HANDLING FEES FOR THE ACCOMPANYING DOCUMENT(S).

NUMBER OF DOCUMENTS INCLUDED: One (1)

AUTHORIZED BY: **Mike Sullivan, Senior Environmental Planner, Facilities Management**

Signature: 

PRESENTED BY: **Veronica Casper, County Fair Manager, Facilities Management**

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -

.

County of Riverside  
Facilities Management  
3133 Mission Inn Avenue, Riverside, CA 92507

Date: May 4, 2022  
To: Kiyomi Moore/Josefina Castillo, Office of the County Clerk  
From: Mike Sullivan, Senior Environmental Planner, Facilities Management  
Subject: **County of Riverside Facilities Management Project # FM0417200416**  
Indio Fairgrounds Operating Agreement

The Riverside County's Facilities Management's Project Management Office is requesting that you post the attached Notice of Exemption. Attached you will find an authorization to bill by journal voucher for your posting fee.

**After posting, please return the document to:**

**Mail Stop #2600**  
**Attention: Mike Sullivan, Senior Environmental Planner,**  
**Facilities Management,**  
**3133 Mission Inn Avenue, Riverside, CA 92507**

**If you have any questions, please contact Mike Sullivan at 955-8009 or email at [msullivan@rivco.org](mailto:msullivan@rivco.org).**

Attachment

cc: file



State of California - Department of Fish and Wildlife  
**2022 ENVIRONMENTAL DOCUMENT FILING FEE**  
**CASH RECEIPT**  
 DFW 753.5a (REV. 01/01/22) Previously DFG 753.5a

RECEIPT NUMBER: <b>22-224732</b>
STATE CLEARINGHOUSE NUMBER (if applicable)

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY <b>RIVERSIDE COUNTY FACILITIES MANAGEMENT</b>	LEAD AGENCY EMAIL	DATE <b>06/13/2022</b>
COUNTY/STATE AGENCY OF FILING <b>RIVERSIDE</b>	DOCUMENT NUMBER <b>E-202200540</b>	

PROJECT TITLE  
**INDIO FAIRGROUNDS OPERATING AGREEMENT**

PROJECT APPLICANT NAME <b>RIVERSIDE COUNTY FACILITIES MANAGEMENT</b>	PROJECT APPLICANT EMAIL	PHONE NUMBER <b>(951) 955-8009</b>
PROJECT APPLICANT ADDRESS <b>3450 14TH ST. 2ND FLOOR,</b>	CITY <b>RIVERSIDE</b>	STATE <b>CA</b>
		ZIP CODE <b>92501</b>

PROJECT APPLICANT (Check appropriate box)

Local Public Agency     School District     Other Special District     State Agency     Private Entity

**CHECK APPLICABLE FEES:**

<input type="checkbox"/> Environmental Impact Report (EIR)	\$3,539.25	\$ _____
<input type="checkbox"/> Mitigated/Negative Declaration (MND)(ND)	\$2,548.00	\$ _____
<input type="checkbox"/> Certified Regulatory Program (CRP) document - payment due directly to CDFW	\$1,203.25	\$ _____
<input checked="" type="checkbox"/> Exempt from fee		
<input checked="" type="checkbox"/> Notice of Exemption (attach)		
<input type="checkbox"/> CDFW No Effect Determination (attach)		
<input type="checkbox"/> Fee previously paid (attach previously issued cash receipt copy)		
<input type="checkbox"/> Water Right Application or Petition Fee (State Water Resources Control Board only)	\$850.00	\$ _____
<input checked="" type="checkbox"/> County documentary handling fee		\$ <u>50.00</u>
<input type="checkbox"/> Other		\$ _____


**PAYMENT METHOD:**

Cash     Credit     Check     Other

TOTAL RECEIVED    \$ 50.00

SIGNATURE <b>X <i>C. Sandral</i></b>	AGENCY OF FILING PRINTED NAME AND TITLE <b>Deputy</b>
---	--

County of Riverside  
Facilities Management  
3133 Mission Inn Avenue, Riverside, CA

FOR COUNTY CLERK USE ONLY		
<b>FILED / POSTED</b>		
County of Riverside Peter Aldana Assessor-County Clerk-Recorder		
E-202200540 06/13/2022 02:15 PM Fee: \$ 50.00 Page 1 of 2		
Removed:	By:	Deputy
		

### NOTICE OF EXEMPTION

May 4, 2022

**Project Name:** Indio Fairgrounds Operating Agreement

**Project Number:** FM0417200416

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Through this approval of the License and Operating Agreement (Agreement), the Operator will operate and maintain the Fairgrounds for the benefit of the residents of the County. The Operator will pursue, provide and pay for the full operations and use of the Fairgrounds, Fair and Interim Events and including event programming, marketing, management, security, maintenance (excepting capital maintenance) and environmental compliance of all areas. The Operating Agreement with Pickering Events, LLC is for a period of five years commencing on the effective date and includes one option of five years to extend the Agreement. Each party will have the right to terminate the Agreement at any time and for any reason by giving the other party at least 180 days prior written notice. The Operating Agreement with Pickering Events, LLC is identified as the proposed project under the California Environmental Quality Act (CEQA). The Operating Agreement would maintain an ongoing use of an existing facility and would not result in physical changes or an expansion of capacity. No additional direct or indirect physical environmental impacts are anticipated.

**Name of Public Agency Approving Project:** Riverside County

**Name of Person or Agency Carrying Out Project:** Riverside County Facilities Management


JUN 07 2022 3.12

**Exempt Status:** State CEQA Guidelines, Section 15301, Class 1, Existing Facilities Exemption; Section 15323 Class 23 Normal Operations of Facilities For Public Gatherings, Section 15061(b) (3), General Rule or "Common Sense" Exemption, Codified under Title 14, Articles 5 and 19, Sections 15061, 15300 to 15301, and 15323.

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- **Section 15323 – Class 23 Normal Operations of Facilities For Public Gatherings Exemption:** This categorical exemption includes the normal operation of existing facilities for public gatherings for which the facilities were designed, where there is a past history of a similar purpose. The project, as proposed, is limited to an extension of an Operating Agreement to operate and maintain the existing Indio Fairgrounds in a similar manner to the purpose that has occurred since 1947. Therefore, the Project is exempt as the Project meets the scope and intent of the Class 1 Exemption identified in Section 15301, Article 19, Categorical Exemptions of the CEQA Guidelines.
- **Section 15061 (b) (3) – "Common Sense" Exemption:** In accordance with CEQA, the use of the Common Sense Exemption is based on the "general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment." State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if "it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." *Ibid*. This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is required. With certainty, there is no possibility that the project may have a significant effect on the environment. The proposed Operating Agreement with Pickering Events, LLC will not result in any direct or indirect physical environmental impacts. The Agreement will not result in changes to the existing use and will not create any new environmental impacts to the surrounding area. No alterations and no impacts to the existing use of the site would occur. Therefore, in no way, would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Therefore, the County of Riverside Facilities Management hereby concludes that no physical environmental impacts are anticipated to occur and the project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed:  Date: 5-4-2022  
Mike Sullivan, Senior Environmental Planner  
County of Riverside, Facilities Management